溫州 院股份有

enzh Kangning Hospita

A joint stock limited liability company incorporated in the Peo)

S

2 FINANCIAL HIGHLIGHTS

2.1 Principal Financial Data and Indicators

	For the year ended December 31, 2022 (RMB'000)	2021 [illegible]
[illegible]	**1,484,903**	[illegible]
[illegible]	**15,605**	[illegible]
I[illegible]	**26,574**	[illegible]
[illegible]	**-10,969**	[illegible]
[illegible]	**-24,221**	[illegible]
[illegible]	**13,252**	[illegible]

	As of December 31, 2022 (RMB'000)	D[illegible] 31, 2021 [illegible]	J[illegible] 1, 2021 [illegible]
[illegible]	**2,637,787**	[illegible]	[illegible]
[illegible]	**1,311,885**	[illegible]	[illegible]
[illegible]	**1,325,903**	[illegible]	[illegible]
E[illegible]	**1,201,585**	[illegible]	[illegible]
[illegible]	**124,318**	72,015	[illegible]

	For the year ended December 31, 2022 (RMB'000)	2021 [illegible]
[illegible]	**227,221**	[illegible]
[illegible]	**-273,615**	[illegible]
[illegible]	**116,178**	33,833
[illegible]	**69,861**	-11,358

3 BUSINESS REVIEW AND OUTLOOK

3.1 Business Review

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

3.2 Business Highlights

[illegible]

4 MANAGEMENT DISCUSSION AND ANALYSIS

4.1 Financial Review

[illegible]

4.1.1 Revenue and Cost of Revenue

[illegible]

[illegible]

	For the year ended December 31,	
	2022	2021
	(RMB'000)	*([illegible]B'000)*
[illegible]	**1,366,817**	1,202,77[illegible]
[illegible]	**110,018**	71,0[illegible]7
[illegible]	**8,068**	23,55[illegible]
Total revenue	**1,484,903**	1,2[illegible]7,[illegible]30

[illegible]

[illegible] (**Billing Revenue**) [illegible]

[illegible]

	For the year ended December 31,	
	2022	2021
	(RMB'000)	*([illegible]B'000)*
B[illegible]	**1,425,005**	1,22[illegible]
L[illegible]	**43,545**	-18
[illegible] (1)	**14,643**	27,2[illegible]0
[illegible]	**1,366,817**	1,202,77[illegible]

(1) L[illegible] (Patients in Need) [illegible].

[illegible] B1,[illegible]25.0 [illegible], 15.[illegible]% [illegible] 2021, [illegible]. D[illegible] B[illegible]3.5 [illegible] 2021. [illegible] 2023. D[illegible] B1[illegible].6 [illegible] B12.6 [illegible] 2021, [illegible].

[illegible]

	For the year ended December 31, 2022 (RMB'000)	2021 [illegible]
Treatment and general healthcare services		
B[illegible]	**1,119,887**	[illegible]
[illegible]	**770,287**	[illegible]
[illegible]	**349,600**	[illegible]
Pharmaceutical sales		
B[illegible]	**305,118**	[illegible]
[illegible]	**269,828**	[illegible]
[illegible]	**35,290**	[illegible]
Billing Revenue from owned hospitals	**1,425,005**	[illegible]
[illegible]	**1,040,115**	[illegible]
[illegible]	**384,890**	[illegible]

[illegible]

[illegible]

	For the year ended December 31, 2022	2021
Inpatients		
I[illegible]	**9,688**	8,728
E[illegible]	**3,536,120**	3,185,720
[illegible] *(%)*	**88.7**	87.1
[illegible]	**3,134,950**	2,773,[illegible]
[illegible] *([illegible]B'000)*	**1,061,798**	08,337
[illegible] *([illegible]B)*	**339**	327
[illegible] *([illegible]B'000)*	**156,512**	1[illegible]5,3[illegible]
[illegible] *([illegible]B)*	**50**	52
Total inpatient revenue *(RMB'000)*	**1,218,310**	1,053,[illegible]
Total average inpatient spending per bed-day *(RMB)*	**389**	380
Outpatients		
[illegible]	**527,050**	[illegible]02,666
[illegible] *([illegible]B'000)*	**58,089**	5[illegible],071
[illegible] *([illegible]B)*	**110**	13[illegible]
[illegible] *([illegible]B'000)*	**148,606**	122,23[illegible]
[illegible] *([illegible]B)*	**282**	30[illegible]
Total outpatient revenue *(RMB'000)*	**206,695**	17[illegible],310
Total average outpatient spending per visit *(RMB)*	**392**	[illegible]38
Total treatment and general healthcare services revenue *(RMB'000)*	**1,119,887**	[illegible]2,[illegible]08
Total pharmaceutical sales revenue *(RMB'000)*	**305,118**	2[illegible]7,588

D[illegible] B1,218.3 [illegible] 15.[illegible]% [illegible] 2021, [illegible] ( ) [illegible] 13.0%, [illegible] K[illegible] H[illegible], K[illegible] H[illegible], K[illegible] H[illegible], [illegible] H[illegible], [illegible] H[illegible], [illegible] H[illegible] J[illegible] H[illegible] ( ) [illegible] 2.[illegible]%. [illegible] B[illegible] B[illegible] 85.5% (2021 85.7%).

D[illegible] B[illegible] B20[illegible]7 [illegible] 17.2% [illegible] 2021, [illegible] 30.[illegible]% [illegible] 10.5%. [illegible] B[illegible] B[illegible] 1[illegible].5% (2021 1[illegible].3%).

D[illegible], B[illegible] 1[illegible]% [illegible] 2021, [illegible] 78.[illegible]% (2021 78.2%) B[illegible] 1[illegible].0% [illegible] 2021, [illegible] 21.[illegible]% (2021 21.8%) B[illegible] B[illegible] 12.8% (2021 13.8%), [illegible] B[illegible] 71.[illegible]% (2021 [illegible].3%).

[illegible]

	For the year ended December 31,	
	2022	2021
	(RMB'000)	*([illegible]B'000)*
[illegible]	**339,777**	310,0[illegible]0
E[illegible]	**390,107**	321,207
D[illegible]	**33,584**	[illegible]2,283
D[illegible]	**99,553**	75,38[illegible]
[illegible]	**63,747**	53,[illegible]70
[illegible]	**27,588**	25,5[illegible]5
[illegible]	**85,759**	[illegible],081
Cost of revenue of owned hospitals	**1,040,115**	8[illegible]7,112

D[illegible] B1,0[illegible]0.1 [illegible] 15.[illegible]% [illegible] 2021. I[illegible] ( ) [illegible].[illegible]% [illegible] ( ) [illegible] 21.5% [illegible] ( ) [illegible] 32.1% [illegible] 2021.

[illegible] 32.7% (2021 [illegible] %). [illegible] 37.5% (2021 35.8%). [illegible] 12.8% (2021 13.1%).

[illegible] 1%).

4.1.3 Tax and Surcharge

D … B5.0 … (2021 … B5.8 …).

4.1.4 Selling Expenses

D … B15.0 … (2021 … B10.3 …). … 1.1% … (2021 0. %).

4.1.5 Administrative Expenses

D …

	For the year ended December 31,	
	2022	2021
	(RMB	

4.1.6 Research and Development Expenses

[illegible]

	For the year ended December 31,	
	2022	2021
	(RMB'000)	*([illegible]B'000)*
[illegible]	**18,899**	1[illegible]87
[illegible]	**9,803**	8,05[illegible]
[illegible]	**4,053**	3,11[illegible]
[illegible]	**273**	302
Total	**33,028**	27,[illegible]2

[illegible] B33.0 [illegible] (2021 [illegible] B28.0 [illegible]), [illegible] 18.1% [illegible] 2021. [illegible] 2.[illegible]% (2021 [illegible] 2.3%), [illegible].

4.1.7 Finance Expenses – Net

[illegible]

	For the year ended December 31,	
	2022	2021
	(RMB'000)	*([illegible]B'000)*
I[illegible]	**-2,762**	-1,[illegible]1
F[illegible]	**-78**	3[illegible]
B[illegible]	**33,214**	21,[illegible]78
I[illegible]	**11,936**	1[illegible],2[illegible]0
[illegible]	**2,000**	3,0[illegible]2
Finance expenses – net	**44,310**	37,[illegible]58

D[illegible] B[illegible].3 [illegible] B[illegible]7 [illegible] 2021, [illegible] 51.1% [illegible] 2021, [illegible]. I[illegible] B2.[illegible] [illegible] 2021.

4.1.8 Investment Income

[illegible]

	For the year ended December 31,	
	2022	2021
	(RMB'000)	*([illegible]B'000)*
		([illegible])
[illegible]	**-15,927**	[illegible]
[illegible]	**18,063**	7,075
D[illegible]	**714**	[illegible]
	2,850	[illegible]

[illegible]

4.1.9 Credit Impairment Losses

[illegible]

4.1.10 Asset Impairment Losses

[illegible]

4.1.11 Non-Operating Income and Non-Operating Expenses

[illegible]

	For the year ended December 31,	
	2022	2021
	(RMB'000)	*([illegible]B'000)*
[illegible]	**55**	[illegible]
D[illegible]	**7,436**	[illegible]70
D[illegible]	**–**	1,800
[illegible]	**1,063**	300
Non-operating income	**8,554**	11,83[illegible]
L[illegible]	**1,588**	[illegible]
D[illegible]	**3,928**	3,333
E[illegible]	**1,754**	1,3[illegible]
E[illegible]	**–**	2,000
[illegible]	**2,071**	1,73[illegible]
Non-operating expenses	**9,341**	8,[illegible]37

D[illegible] B8.[illegible] B3.3 [illegible] 2021, [illegible] B[illegible]3 [illegible] B1.[illegible] 2021.

4.1.12 Income Tax Expense

D[illegible] B2[illegible] (2021 [illegible] B5[illegible].8 [illegible]), [illegible] 51.5% [illegible] 2021. I[illegible] 2022 [illegible] 2021, [illegible] 170.3% [illegible] 57.3%, [illegible].

4.2 Financial Position

4.2.1 Inventory

[illegible] D [illegible] 31, 2022, [illegible] B58.3 [illegible] (D [illegible] 31, 2021 [illegible] B56.5 [illegible]), [illegible].

4.2.2 Accounts Receivables

[illegible] D [illegible] 31, 2022, [illegible] B382.8 [illegible] (D [illegible] 31, 2021 [illegible] B311.8 [illegible]), [illegible] 22.8% [illegible] D [illegible] 31, 2021, [illegible].

D [illegible] 2 [illegible] (2021 [illegible] 37 [illegible]).

4.2.3 Other Receivables and Prepayments

D[illegible] 31, 2022, [illegible] B6[illegible] [illegible] (D[illegible] 31, 2021 [illegible]) [illegible] B[illegible]1.8 [illegible]).

4.2.4 Other Non-current Financial Assets

D[illegible] 31, 2022, [illegible] B[illegible]3.1 [illegible] (D[illegible] 31, 2021 [illegible] B[illegible]5.8 [illegible]). D[illegible] B2.7 [illegible] J[illegible].

4.2.5 Construction in progress

D[illegible] 31, 2022, [illegible] B152.5 [illegible] (D[illegible] 31, 2021 [illegible] B[illegible]3.8 [illegible]), [illegible] L[illegible] H[illegible], [illegible] L[illegible] H[illegible], [illegible] H[illegible] J[illegible] H[illegible].

4.2.6 Right-of-use Assets

D[illegible] 31, 2022, [illegible] B1[illegible]0.[illegible] [illegible] (D[illegible] 31, 2021 [illegible] B257.[illegible] [illegible]), [illegible] B5[illegible].2 [illegible] H[illegible] H[illegible].

4.2.7 Accounts Payables

D[illegible] 31, 2022, [illegible] B85.8 [illegible] (D[illegible] 31, 2021 [illegible] B6[illegible].2 [illegible]).

4.2.8 Receipts in Advance and Contract Liabilities

D[illegible] 31, 2022, [illegible] B2[illegible]. [illegible] (D[illegible] 31, 2021 [illegible] B1[illegible]3 [illegible]).

4.2.9 Other Payables

D[illegible] 31, 2022, [illegible] B72.2 [illegible] (D[illegible] 31, 2021 ([illegible]) [illegible] B57.3 [illegible]), [illegible] B17.0 [illegible] L[illegible] H[illegible].

4.3 Liquidity and Capital Resources

[illegible]

	For the year ended December 31,	
	2022	2021
	(RMB'000)	*([illegible]B'000)*
[illegible]	**227,221**	1[illegible]3,8[illegible]6
[illegible]	**-273,615**	-23[illegible],0[illegible]
[illegible]	**116,178**	33,833
[illegible]	**69,861**	-11,358

4.3.1 Net Cash Generated from Operating Activities

D[illegible] B227.2 [illegible] B-2[illegible].2 [illegible] B35.5 [illegible] B1[illegible]0.[illegible] [illegible] B11.[illegible] [illegible].

4.3.2 Net Cash Used in Investing Activities

D[illegible] B273.[illegible] [illegible] B23[illegible] [illegible] L[illegible] H[illegible] H[illegible] L[illegible] H[illegible] J[illegible] H[illegible] E[illegible] H[illegible] H[illegible].

4.3.3 Net Cash Generated from Financing Activities

D[illegible] B11[illegible]2 [illegible].

4.3.4 Significant Investment, Acquisition and Disposal

[illegible].

[illegible] B [illegible].

4.4 Indebtedness

4.4.1 Bank Borrowings

[illegible]

4.4.2 Contingent Liability

[illegible]

4.4.3 Asset Pledge

[illegible]

4.4.4 Lease Liabilities

[illegible]

4.4.5 Financial Instruments

[illegible]

4.4.6 Exposure to Fluctuation in Exchange Rates

[illegible]

[illegible]

4.4.7 Gearing Ratio

D 31, 2022, ( ) .7% (D 31, 2021 ( ) 62%), .

4.4.8 Employees and Remuneration Policy

D 31, 2022, ,1 6 - (D 31, 2021 3,661 -). D , , ( ) B52 . (2021 B 3.3). B12 .3 ( ). , .

4.4.8.1 I

I E I 2018 K H ., L . (**Equity Incentive Scheme**), 2017 J 13, 2018 (**2017 AGM**). I , B , , , E I I E I J 2, 2021. 2 , 2018, 30, 2018, 1 , 2021, J 18, 2021 J 25, 2021.

I E I , 165 , 1,818,52 23 , 180,516 . ( ) 13 , 5 0,22 . , 8 , 7 ,27 . , E I 1 3 , 2, 60,000 . 3.2 76% . B10. 7/ .

5 SIGNIFICANT EVENTS

5.1 Dividend

[illegible] D[illegible] 31, 2022.

5.2 Independent investigation related matters

[illegible] 1, 2022, [illegible] LL[illegible] (**PwC**), [illegible] BD[illegible] LL[illegible] (**BDO**), [illegible] D[illegible] 31, 2021.

[illegible] (1) [illegible] (2) [illegible] (3) [illegible].

[illegible] 1[illegible], 2022, [illegible] (**Investigation Firm**) [illegible] (1) [illegible] (**Alleged Area I**), (2) [illegible] (**Alleged Area II**), [illegible] (3) [illegible] (**Alleged Area III**). D[illegible] 1[illegible], 2022 [illegible] 23, 2022, [illegible] 1[illegible], 2022. I[illegible].

[illegible] D[illegible] 31, 2021 [illegible] 2021 [illegible] 27, 2022 [illegible] 15, 2022, [illegible].

[illegible] J[illegible] 30, 2022 [illegible] J[illegible] 30, 2022 [illegible] J[illegible] 10, 2023 [illegible] J[illegible] 16, 2023, [illegible].

[illegible] B[illegible].

I [illegible], B [illegible]

1. [illegible] B [illegible]

2. [illegible] H [illegible]
III, [illegible]

3. [illegible]

5.3 Correction of previous accounting errors

[illegible]

5.3.1 Reasons for and details of the correction of previous accounting errors

[illegible]

5.3.2 *The cumulative impact of the correction of previous accounting errors in the financial statements for 2020 and 2021*

(1) [illegible] I [illegible] 2020

([illegible] B, [illegible])

Items	After restatement	Cumulative effect of error correction	Before restatement
[illegible]	12, 87,6 0	,1 0,863	3,7 6,777
[illegible]	83,50 ,118	,1 0,863	7 ,318,255
[illegible]	52,8 6, 23	,1 0,863	3,65 6,060
[illegible]			
[illegible]	6 , 61,025	,1 0,863	55,770,162

(2) [illegible] B [illegible] 2020

([illegible] B, [illegible])

Items	After restatement	Cumulative effect of error correction	Before restatement
[illegible]	63, 65,82	-12,878	63, 78,702
[illegible]	5 2,683,617	-12,878	5 2,6 6, 5
[illegible]	2,161,261,775	-12,878	2,161,27 ,653
[illegible]	7 6,603, 00	- ,203,7 1	85,807,1 1
[illegible]	60 6077,103	- ,203,7 1	615,280,8
[illegible]	63 ,21 6	- ,203,7 1	55,552, 57
[illegible]	21 ,85 6,0	,1 0,863	205, 665,23 6
[illegible]			
[illegible]	1,122,2 7,550	,1 0,863	1,113,05 6,68 6
[illegible]	1,21 , 12,55	,1 0,863	1,205,721, 6 5
[illegible]	2,161,261,775	-12,878	2,161,27 ,653

(3) [illegible] 2021

([illegible] B, [illegible])

Items	After restatement	Cumulative effect of error correction	Before restatement
[illegible]	29,925,488	-12,878	29,938,366
[illegible]	609,602,623	-12,878	609,615,501
[illegible]	2,377,954,989	-12,878	2,377,967,867
[illegible]	957,319,524	-9,203,741	966,523,265
[illegible]	535,774,635	-9,203,741	544,978,376
[illegible]	1,097,675,868	-9,203,741	1,106,879,609
[illegible]	69,637,845	-12,878	69,650,723
[illegible]	257,098,624	9,190,863	247,907,761
[illegible]	1,208,263,897	9,190,863	1,199,073,034
[illegible]	1,280,279,120	9,190,863	1,271,088,257
[illegible]	2,377,954,989	-12,878	2,377,967,867

Opinions of the Independent Non-executive Directors

[illegible]

Opinions of the Board

[illegible]

Opinions of the Supervisory Committee

[illegible]

Opinions of the Audit Committee

6 PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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9 COMPLIANCE WITH THE MODEL CODE

10 EVENTS AFTER THE REPORTING PERIOD

11 AUDITORS AND WORKING SCOPE

12 FINANCIAL REPORT

12.1 Accounting Policies

B E B , , 15, 2006 (the **Accounting Standards for Business Enterprises** **CAS**).

.

12.2 Annual Consolidated Financial Information

[illegible]

12.2.1 Annual Consolidated Income Statement

([illegible])

Items	Year ended December 31, 2022	2021 ([illegible])
I. Total revenue	**1,484,903,042**	[illegible]
[illegible]	**1,484,903,042**	[illegible]
[illegible]	–	
[illegible]	–	
[illegible]	–	
II. Total cost of sales	**1,435,161,134**	[illegible]
[illegible]	**1,131,971,943**	[illegible]
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]		
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	**4,960,286**	[illegible]
[illegible]	**15,004,028**	[illegible]
[illegible]	**205,887,172**	[illegible]
[illegible]	**33,027,988**	[illegible]
[illegible]	**44,309,717**	[illegible]
[illegible]	**45,149,998**	[illegible]
[illegible]	**2,761,765**	[illegible]

Items	Year ended December 31, 2022	2021 ([illegible])
[illegible]	**14,907,711**	[illegible]
[illegible]	**2,850,458**	[illegible]
[illegible]	**-15,926,847**	[illegible]
[illegible]	**–**	
[illegible]	**–**	
[illegible]	**–**	
[illegible]	**-15,977,326**	[illegible]
[illegible]	**-25,191,541**	[illegible]
[illegible]	**-10,345,461**	[illegible]
[illegible]	**406,185**	[illegible]
III. Operating profit (losses represented with "–" signs)	**16,391,934**	[illegible]
[illegible]	**8,553,978**	[illegible]
[illegible]	**9,341,039**	[illegible]
IV. Total profit (total losses represented with "-" signs)	**15,604,873**	[illegible]
[illegible]	**26,573,712**	[illegible]
V. Net profit (net losses represented with "-" signs)	**-10,968,839**	[illegible]
(I) [illegible]		
1. [illegible]	**-10,968,839**	[illegible]
2. [illegible]	**–**	
(II) [illegible]		
1. [illegible]	**-24,220,782**	[illegible]
2. [illegible]	**13,251,944**	[illegible]

Items	Year ended December 31, 2022	2021 ([illegible])
VI. Other comprehensive income, net of tax		
[illegible]		
(I) [illegible]		
1. [illegible]	–	
2. [illegible]	–	
3. [illegible]	–	
4. [illegible]	–	
(II) [illegible]		
1. [illegible]	–	
2. [illegible]	–	
3. [illegible]	–	
4. [illegible]	–	
5. [illegible]	–	
6. E[illegible]	–	
7. [illegible]	–	
[illegible]	–	
VII. Total comprehensive income	**-10,968,838**	[illegible]0,8[illegible]0,230
[illegible]	**-24,220,782**	[illegible],035,[illegible]5
[illegible]	**13,251,944**	-3,175,7[illegible]5
VIII. Earnings per share:		
(I) B[illegible] ([illegible] B[illegible])	**-0.32**	0.[illegible]1
(II) D[illegible] ([illegible] B[illegible])	**-0.32**	0.5

12.2.2 Annual Consolidated Balance Sheets

([illegible] B [illegible])

ASSETS	December 31, 2022	D[illegible] 31, 2021 ([illegible])	J[illegible] 1, 2021 ([illegible])
Current assets:			
[illegible]	**271,094,963**	[illegible]	[illegible]
[illegible]	**–**		
[illegible]	**–**		
[illegible]	**10,641,026**	10,000,000	
D[illegible]	**–**		
[illegible]	**–**		
[illegible]	**382,836,691**	311,757,875	[illegible]
[illegible]	**–**		
[illegible]	**32,201,224**	[illegible]	[illegible]
[illegible]	**–**		
[illegible]	**–**		
[illegible]	**–**		
[illegible]	**37,195,220**	[illegible]	[illegible]
[illegible]	**–**		
I[illegible]	**58,331,397**	[illegible]	[illegible]
[illegible]	**–**		
[illegible]	**–**		
[illegible]	**–**		
[illegible]	**752,325**	[illegible]	
Total current assets	**793,052,846**	[illegible]	[illegible]

ASSETS	December 31, 2022	D[illegible] 31, 2021 ([illegible])	J[illegible] 1, 2021 ([illegible])
Non-current assets:			
[illegible]	–		
D[illegible]	–		
[illegible]	–		
L[illegible]	14,000,000		
L[illegible]	143,546,246	[illegible]	[illegible]
I[illegible]			
[illegible]	–		
[illegible]	63,116,852	65,812,275	[illegible]
I[illegible]	–		[illegible]
F[illegible]	695,020,441	[illegible]	[illegible]
[illegible]	152,497,400	[illegible]	[illegible]
[illegible]			
[illegible]			
[illegible]	190,403,752	[illegible]	[illegible]
I[illegible]	254,684,348	[illegible]	162,536,728
D[illegible]			
[illegible]	107,655,738	[illegible]	[illegible]
L[illegible]	189,586,339	150,501,038	[illegible]
D[illegible]	20,682,398	[illegible]	[illegible]
[illegible]	13,541,047	21,066,387	[illegible]
Total non-current assets	**1,844,734,561**	1,768,352,366	1,618,578,158
TOTAL ASSETS	**2,637,787,407**	[illegible]	2,161,261,775

LIABILITIES AND SHAREHOLDERS’ EQUITY	December 31, 2022	D[illegible] 31, 2021 ([illegible])	J[illegible] 1, 2021 ([illegible])
Current liabilities:			
[illegible]	**203,000,000**	25[illegible],050,000	312,500,000
B[illegible]	**–**		
[illegible]	**–**		
F[illegible]	**13,922,929**		
D[illegible]	**–**		
[illegible]	**997,944**		3 6,080
[illegible]	**85,773,062**	6[illegible],16 2,002	71,[illegible]55,8[illegible]
[illegible]	**29,894,837**	16,275,6 03	[illegible],6[illegible],278
[illegible]	**–**	3,2[illegible]1	12,[illegible]65,175
F[illegible]	**–**		
[illegible]	**–**		
F[illegible]	**–**		
F[illegible]	**–**		
E[illegible]	**70,588,350**	60,[illegible]88,18[illegible]	[illegible]2,785,133
[illegible]	**33,507,164**	30,235,32[illegible]	[illegible],0[illegible]6,555
[illegible]	**72,193,730**	57,31[illegible],52[illegible]	76,603,[illegible]00
F[illegible]	**–**		
[illegible]	**–**		
L[illegible]	**–**		
[illegible]	**147,598,324**	[illegible]8,2[illegible]0,752	35,5[illegible]0,617
[illegible]	**–**		
Total current liabilities	**657,446,340**	535,77[illegible],635	606,077,103

LIABILITIES AND SHAREHOLDERS' EQUITY	December 31, 2022	D[illegible] 31, 2021 ([illegible])	J[illegible] 1, 2021 ([illegible])
Non-current liabilities:			
[illegible]	–		
L[illegible]	**391,010,000**	[illegible]	[illegible]
B[illegible]	–		
I[illegible]	–		
[illegible]	–		
L[illegible]	**171,437,740**	[illegible]	[illegible]
L[illegible]	**42,404,938**		
L[illegible] [illegible]	–		
[illegible]	–		
D[illegible]	**9,037,891**	[illegible]	[illegible]
D[illegible]	**40,547,879**	[illegible]	[illegible]
[illegible]	–		
Total non-current liabilities	**654,438,448**	[illegible]	[illegible]
Total liabilities	**1,311,884,788**	[illegible]	[illegible]
Shareholders' equity:			
[illegible]	**74,600,300**	[illegible]	[illegible]
[illegible]	–		
I[illegible]	–		
[illegible]	–		
[illegible]	**855,078,533**	[illegible]	[illegible]
L[illegible]	–		[illegible]
[illegible]	–		
[illegible]	–		
[illegible]	**38,399,577**	[illegible]	[illegible]
[illegible]	–		
[illegible]	**233,506,534**	[illegible]	[illegible]
[illegible]			
[illegible]	**1,201,584,945**	[illegible]	[illegible]
[illegible]	**124,317,674**	[illegible]	[illegible]
Total shareholders' equity	**1,325,902,619**	[illegible]	[illegible]
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,637,787,407**	[illegible]	[illegible]

12.2.3 *Annual Consolidated Statements of Cash Flow*

([illegible])

Items	Year ended December 31, 2022	2021
I. Cash flows from operating activities		
[illegible]	**1,452,028,763**	1,211,11[illegible],151
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	**100,857,821**	[illegible]220,7[illegible]5
Sub-total of cash inflows of operating activities	**1,552,886,584**	1,307,33[illegible],8[illegible]6
[illegible]	**613,477,475**	553,8[illegible]0,[illegible]8[illegible]6
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	–	
[illegible]	**525,082,523**	[illegible]25,383,[illegible]22
[illegible]	**51,200,498**	[illegible],017,853
[illegible]	**135,905,523**	[illegible]0,175,[illegible]6
Sub-total of cash outflows of operating activities	**1,325,666,020**	1,113,[illegible]38,3[illegible]7
Net cash flows from operating activities	**227,220,564**	[illegible]

Items	Year ended December 31, 2022	2021
II. Cash flows from investing activities		
[illegible]	**–**	52,11 ,176
[illegible]	**1,650,804**	7,777,18
[illegible]	**24,100,367**	8,755,311
[illegible]		
[illegible]	**–**	I[illegible]

Items	Year ended December 31, 2022	2021
III. Cash flows from financing activities		
[illegible]	**9,153,084**	2,[illegible]00,000
[illegible]	**9,153,084**	2,[illegible]00,000
[illegible]	**387,500,000**	550,250,000
[illegible]	**151,420,250**	
[illegible]	**548,073,334**	553,150,000
[illegible]	**324,220,000**	[illegible]28,3[illegible]2,[illegible]70
[illegible]	**51,554,508**	30,2[illegible]7,107
[illegible]	**–**	
[illegible]	**56,121,295**	[illegible]
Sub-total of cash outflows of financing activities	**431,895,803**	51[illegible],31[illegible]
Net cash flows from financing activities	**116,177,531**	33,833,357
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**78,463**	-38,70[illegible]
V. Net increase in cash and cash equivalents	**69,861,145**	-11,357,81[illegible]
[illegible]	**188,734,846**	200,0[illegible]2,[illegible]
VI. Cash and cash equivalents at the end of the period	**258,595,991**	188,73[illegible],8[illegible]6

12.2.4 Consolidated Statement of Changes in Shareholders' Equity

([illegible] B [illegible])

Amount for the current period

Items	Share capital	Preferred shares (Other equity instruments)	Perpetual bonds (Other equity instruments)	Others (Other equity instruments)	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Provision for general risk	Retained earnings	Subtotal (Equity attributable to owners of the parent company)	Non-controlling interests	Total owners' equity
I. B [illegible]	74,600,300				838,165,396				38,399,577		257,098,624	1,208,263,897	72,015,224	1,280,279,121
[illegible]														
[illegible]														
B [illegible]														
[illegible]														
II. B [illegible]	74,600,300				838,165,396				38,399,577		257,098,624	1,208,263,897	72,015,224	1,280,279,121
III. I [illegible]					16,913,137						-23,592,090	-6,678,953	52,302,450	45,623,497
(I) [illegible]											-24,220,782	-24,220,782	13,251,943	-10,968,839
(II) [illegible]					12,214,419							12,214,419	43,363,507	55,577,926
1. [illegible]													43,363,507	43,363,507
2. [illegible]														
3. [illegible]					12,214,419							12,214,419		12,214,419
[illegible]														

Items	Amount for the current period: Equity attributable to owners of the parent company: Share capital	Other equity instruments: Preferred shares	Other equity instruments: Perpetual bonds	Other equity instruments: Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Provision for general risk	Retained earnings	Subtotal	Non-controlling interests	Total owners' equity
(III) D [illegible]													-4,313,000	-4,313,000
1. [illegible]													–	
2. [illegible]													-4,313,000	-4,313,000
3. [illegible] ([illegible])														
4. [illegible]														
(IV) I [illegible]														
1. [illegible] ([illegible])														
2. [illegible] ([illegible])														
3. [illegible]														
4. [illegible]														
5. [illegible]														
6. [illegible]														

	Amount for the current period													
	Equity attributable to owners of the parent company													
		Other equity instruments												
Items	Share capital	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Provision for general risk	Retained earnings	Subtotal	Non-controlling interests	Total owners' equity
( ) [illegible]														
1. [illegible]														
2. [illegible]														
(I) [illegible]					4,698,718						628,692	5,327,410		5,327,410
I . B[illegible]	74,600,300				855,078,533				38,399,577		233,506,534	1,201,584,944	124,317,674	1,325,902,618

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
I. B[illegible]								
[illegible]	7[illegible], [illegible]00,300	81[illegible],50[illegible],0[illegible]6	23,311,1[illegible]	3[illegible]5[illegible]3,22	205,[illegible]5,23[illegible]	1,113,05[illegible]87	2,[illegible]5,00	1,205,721,[illegible]
[illegible]								
[illegible]								
[illegible]								
[illegible]								
[illegible]					[illegible],203,7[illegible]1	[illegible],203,7[illegible]1		[illegible],203,7[illegible]1
B[illegible]								
[illegible]								
[illegible]								
[illegible]								
II. B[illegible]								
[illegible]	7[illegible], [illegible]00,300	81[illegible],50[illegible],0[illegible]6	23,311,1[illegible]	3[illegible]5[illegible]3,22	21[illegible],8[illegible]8,[illegible]77	1,122,2[illegible]0,[illegible]28	2,[illegible]5,00	1,21[illegible],[illegible]25,[illegible]37

(III) D [illegible]	1,80 6,3[illegible]8	-1,80 6,3[illegible]8
1. [illegible]	1,80 6,3[illegible]8	-1,80 6,3[illegible]8
2. [illegible]		
3. [illegible]		
(I) I [illegible]		
1. [illegible]		
2. [illegible]		
3. [illegible]		

[illegible] 1.287 [illegible] 7.5 [illegible]

E

L

( )									
1.									
2.									
(I)		-1,52[illegible],[illegible]20	-23,311,1[illegible]				21,78[illegible],723		21,78[illegible],723
I . B									
	7[illegible],[illegible]00,300.00	838,1[illegible]5,3[illegible]6		38,3[illegible],577		257,0[illegible]8,[illegible]2[illegible]	1,208,2[illegible]3,8[illegible]7	72,015,22[illegible]	1,280,27[illegible],121

12.3 Notes to the Consolidated Annual Financial Information prepared in accordance with the China Accounting Standard for Business Enterprises

12.3.1 Accounts receivable

The aging analysis of accounts receivables based on the billing date is as follows:

	December 31, 2022 *RMB*	D[illegible] 31, 2021 [illegible]B
[illegible] 1 [illegible]	**388,961,193**	303,[illegible]10,57[illegible]
1 [illegible] 2 [illegible]	**4,755,920**	[illegible],812,85[illegible]
2 [illegible] 3 [illegible]	**3,941,367**	[illegible],25[illegible],870
3 [illegible]	**3,248,300**	3,1[illegible]0,[illegible]07
[illegible] 5 [illegible]	**1,932,594**	[illegible]
[illegible]	**402,839,374**	321,123,710
L[illegible]	**20,002,683**	[illegible],3[illegible]5,835
[illegible]	**382,836,691**	311,757,875

Accounts receivable shown by classification of bad debt provisions

	December 31, 2022				
	Balance of carrying amount		Provision for bad debts		
	Amount	Proportion (%)	Amount	Percent of provision (%)	Book value
[illegible]	18,221,976	4.52	12,514,143	68.68	5,707,833
I[illegible] [illegible]	18,221,976	4.52	12,514,143	68.68	5,707,833
[illegible]	384,617,398	95.48	7,488,540	1.95	377,128,858
I[illegible] [illegible]	384,617,398	95.48	7,488,540	1.95	377,128,858
[illegible]	**402,839,374**	**100.00**	**20,002,683**	**5.0**	**382,836,691**

	D[illegible] 31, 2021 ([illegible])				
	B[illegible]		[illegible]		
	[illegible]	[illegible] (%)	[illegible]	[illegible] (%)	B[illegible]
[illegible]	7,2[illegible]7, 78	2.2[illegible]	[illegible],5 0,28[illegible]	[illegible]3.33	2,[illegible]57,[illegible]2
I[illegible] [illegible]	7,2[illegible]7, 78	2.2[illegible]	[illegible],5 0,28[illegible]	[illegible]3.33	2,[illegible]57,[illegible]2
[illegible]	313,875,732	7.7[illegible]	[illegible],775,5[illegible]	1.52	30 ,100,183
I[illegible] [illegible]	313,875,732	7.7[illegible]	[illegible],775,5[illegible]	1.52	30 ,100,183
[illegible]	321,123,710	100.00	,3[illegible]5,835	[illegible]	311,757,875

12.3.2 Accounts payable

[illegible]

	December 31, 2022 RMB	D[illegible] 31, 2021 [illegible]B
[illegible]	**84,193,739**	[illegible]
[illegible]	**1,161,389**	[illegible]
[illegible]	**71,969**	[illegible]
[illegible]	**345,965**	287,111
[illegible]	**85,773,062**	[illegible]

12.3.3 Revenue and cost of sales

Analysis of revenue and cost of sales

	Year ended December 31, 2022		[illegible] D[illegible] 31, 2021	
	Revenue	Cost	[illegible]	[illegible]
[illegible]	**1,366,816,938**	**1,040,114,650**	[illegible]	[illegible]
[illegible]	**118,086,104**	**91,857,293**	[illegible]	71,320,820
[illegible]	**1,484,903,042**	**1,131,971,943**	[illegible]	[illegible]

Breakdown of revenue:

	Year ended December 31, 2022 Revenue	[illegible] 31, 2021 [illegible]
[illegible]	**1,366,816,938**	[illegible]
I[illegible]	**305,118,303**	[illegible]
[illegible]	**1,061,698,635**	[illegible]
[illegible]	**118,086,104**	[illegible]
I[illegible]	**85,464,736**	[illegible]
[illegible]	**3,000,000**	[illegible]
[illegible]	**8,067,969**	[illegible]
[illegible]	**–**	[illegible]
[illegible]	**21,553,398**	[illegible]
[illegible]	**1,484,903,042**	[illegible]

12.3.4 Expenses by nature

[illegible]

	Year ended December 31, 2022	2021
E[illegible]	**538,910,495**	[illegible]
[illegible]	**417,971,255**	[illegible]
[illegible]	**–**	[illegible]
D[illegible]	**53,029,785**	[illegible]
D[illegible]	**38,189,336**	[illegible]
[illegible]	**22,991,164**	[illegible]
[illegible]	**46,397,647**	[illegible]
H[illegible]	**17,904,619**	[illegible]
[illegible]	**66,553,544**	[illegible]
[illegible]	**29,928,936**	[illegible]
[illegible]	**23,086,081**	[illegible]
[illegible]	**27,657,239**	[illegible]
[illegible]	**28,302,685**	[illegible]
[illegible]	**6,366,300**	[illegible]
[illegible]	**3,526,993**	[illegible]
[illegible]	**5,332,488**	[illegible]
[illegible]	**8,492,201**	[illegible]
[illegible]	**12,214,419**	[illegible]
[illegible]	**39,035,944**	[illegible]
[illegible]	**1,385,891,131**	[illegible]

12.3.7 *Income tax expenses*

Table of income tax expenses

	Year ended December 31, 2022	2021
[illegible]	**40,192,565**	[illegible]
D [illegible]	**-13,618,853**	[illegible]
[illegible]	**26,573,172**	[illegible]

Reconciliation between total profit and income tax expenses

	Year ended December 31, 2022	2021 ([illegible])
[illegible]	**15,604,874**	[illegible]
I[illegible]		
[illegible]	**3,028,480**	[illegible]
I[illegible]		
[illegible]	**7,125,277**	[illegible]
[illegible]		
[illegible]	**-3,896,947**	[illegible]
I[illegible]	**-5,563,847**	-283,550
I[illegible]		
[illegible]	**1,736,913**	[illegible]
I[illegible]		
[illegible]	**137,339**	[illegible]
I[illegible]		
[illegible]		
[illegible]	**31,726,873**	[illegible]

[illegible]

12.3.8 Dividend

[illegible] 31, 2023, [illegible] B [illegible] D [illegible] 31, 2022. [illegible]

[illegible] 2 6, 2022, [illegible] B [illegible] D [illegible] 31, 2021. [illegible] 2021 [illegible] D [illegible] 1 6, 2022.

13 CONTINUED SUSPENSION OF TRADING

[illegible] H [illegible] K [illegible] E [illegible] 00 [illegible] 1, 2022. [illegible]

Shareholders and potential investors of the Company are reminded to rationally deal with any information not officially released by the Company, and Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

14 DEFINITIONS

[illegible]	[illegible] 2022 [illegible]
[illegible]	[illegible] B [illegible]
B [illegible] H [illegible]	B [illegible] H [illegible] L [illegible] (北京怡寧醫院有限公司), [illegible] 17, 2015, [illegible]
B [illegible]	[illegible]
[illegible] K [illegible] H [illegible]	[illegible] K [illegible] H [illegible] L [illegible] (蒼南康寧醫院有限公司), [illegible] J [illegible] 15, 2012, [illegible]
[illegible] K [illegible] H [illegible]	[illegible] K [illegible] H [illegible] H [illegible] L [illegible] (淳安康寧黃鋒醫院有限公司), [illegible] 16, 2020, [illegible]
[illegible] K [illegible] H [illegible]	[illegible] K [illegible] H [illegible] L [illegible] H [illegible] B [illegible] E [illegible] H [illegible] K [illegible] L [illegible] ([illegible] 2120)
[illegible]	[illegible] 1 [illegible] H [illegible] K [illegible] L [illegible]
D [illegible] ( )	[illegible] ( ) [illegible]
D [illegible] ( )	[illegible] ( ) [illegible] B1.00 [illegible] B [illegible]
[illegible]	[illegible]

H K H	H K H ., L . (淮南康寧醫院有限公司), 22, 2017,
J H	J H ., L . (浙江傑翎健康科技有限公司) (H I ., L . (杭州耶利米信息科技有限公司)), D 27, 2018,
J H	J H ., L . (縉雲舒寧醫院有限公司), 15, 201 ,
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