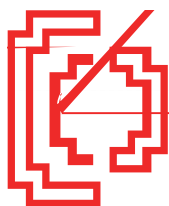


H , K , E , L E , H , K , L



温州

院股份有

enZhu Kangning Hospital

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 (RMB'000)
I	Operating income	1,484,903	1,274,303
	Operating expenses	15,605	5,611
	Operating profit	26,574	54,831
	Operating loss	-10,969	40,860
	Operating profit before income taxes	-24,221	44,036
	Operating profit after income taxes	13,252	-3,176
		As of December 31,	
		2022 (RMB'000)	2021 (RMB'000)
D	Operating assets	2,637,787	2,377,555
	Operating liabilities	1,311,885	1,077,676
	Operating assets less liabilities	1,325,903	1,280,277
	Operating assets less liabilities less income taxes	1,201,585	1,208,264
E	Operating assets less liabilities less income taxes less income taxes	124,318	72,015
	Operating assets less liabilities less income taxes less income taxes		2,685
		For the year ended December 31,	
		2022 (RMB'000)	2021 (RMB'000)
	Operating income	227,221	13,866
	Operating expenses	-273,615	-23,044
	Operating profit	116,178	33,833
	Operating loss	69,861	-11,358

BUSINESS REVIEW AND OUTLOOK

3.1 Business Review

I 2022, ID-1 (Pandemic),

[illegible]

I 2022, 

4 MANAGEMENT DISCUSSION AND ANALYSIS

4.1 Financial Review

Our revenue increased by 13.6% to RMB1,366.8 million in 2022, compared with RMB1,202.8 million in 2021. Our cost of revenue decreased by 7.3% to RMB110.1 million in 2022, compared with RMB110.0 million in 2021. Our gross profit increased by 23.5% to RMB1,256.7 million in 2022, compared with RMB1,092.8 million in 2021. Our net profit increased by 17.2% to RMB227.2 million in 2022, compared with RMB193.5 million in 2021.

4.1.1 Revenue and Cost of Revenue

Our revenue is derived from the sale of our products and services. Our revenue is recognized when the control of the goods or services is transferred to the customer. Our revenue is measured at the fair value of the consideration received or receivable, net of discounts and allowances.

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Revenue	1,366,817	1,202,774
Cost of revenue	110,018	71,077
Gross profit	8,068	23,555
Total revenue	1,484,903	1,273,830

Our revenue is derived from the sale of our products and services. Our revenue is recognized when the control of the goods or services is transferred to the customer. Our revenue is measured at the fair value of the consideration received or receivable, net of discounts and allowances. (Billing Revenue)

		For the year ended December 31,	
		2022 (RMB'000)	2021 (RMB'000)
B		1,425,005	1,225,600
L		43,545	-18
	(1)	14,643	27,200
		<u>1,366,817</u>	<u>1,202,770</u>

(1) L ... (Patients in Need) ...

For the year ended December 31, 2021, ... B1, 25.0%, 15.%, ... D, B 3.5%, ... 2021. ... 2023. D, B1, 6%, B12. 6%, ... 2021, ... -1, ...

	For the year ended December 31,	
	2022	2021
	(RMB'000)	(US\$'000)
Treatment and general healthcare services		
Billing Revenue from owned hospitals	1,119,887	62,408
Revenue from hospitals under management	770,287	68,114
Revenue from hospitals under cooperation	349,600	30,214
Pharmaceutical sales		
Billing Revenue from owned hospitals	305,118	26,588
Revenue from hospitals under management	269,828	23,818
Revenue from hospitals under cooperation	35,290	2,870
Billing Revenue from owned hospitals	1,425,005	1,22,606
	1,040,115	87,112
	384,890	33,288

During the year ended December 31, 2022, the Company's total revenue from owned hospitals was RMB1,425,005 (US\$1,22,606), an increase of 15.6% compared with RMB1,225,005 (US\$105,588) in 2021. The increase was mainly due to the increase in the number of hospitals under management and the increase in the revenue from hospitals under management.

During the year ended December 31, 2022, the Company's total revenue from hospitals under management was RMB770,287 (US\$68,114), an increase of 15.6% compared with RMB681,114 (US\$59,112) in 2021. The increase was mainly due to the increase in the number of hospitals under management and the increase in the revenue from hospitals under management.

During the year ended December 31, 2022, the Company's total revenue from hospitals under cooperation was RMB349,600 (US\$30,214), an increase of 15.6% compared with RMB302,114 (US\$26,588) in 2021. The increase was mainly due to the increase in the number of hospitals under cooperation and the increase in the revenue from hospitals under cooperation.

	For the year ended December 31,	
	2022	2021
Inpatients		
I	9,688	8,728
E	3,536,120	3,185,720
(%)	88.7	87.1
(B'000)	3,134,950	2,773,064
(B)	1,061,798	88,337
(B'000)	339	327
(B)	156,512	145,344
(B)	50	52
Total inpatient revenue (RMB'000)	1,218,310	1,053,686
Total average inpatient spending per bed-day (RMB)	389	380
Outpatients		
	527,050	402,666
(B'000)	58,089	54,071
(B)	110	134
(B'000)	148,606	122,233
(B)	282	304
Total outpatient revenue (RMB'000)	206,695	176,310
Total average outpatient spending per visit (RMB)	392	438
Total treatment and general healthcare services revenue (RMB'000)	1,119,887	924,088
Total pharmaceutical sales revenue (RMB'000)	305,118	267,588
D , B 15.6% () K, H K, H J, H () 2.4% B 85.5% (2021 85.7%).		

During the year, the Company's operating income increased by 17.2% compared with the same period of 2021, while the operating expenses increased by 30.5%, resulting in a net profit of 10.5% compared with the same period of 2021. The Company's operating income increased by 17.2% (2021: 17.3%).

During the year, the Company's operating income increased by 16.6% compared with the same period of 2021, while the operating expenses increased by 78.6% (2021: 78.2%), resulting in a net profit of 14.0% compared with the same period of 2021, while the operating expenses increased by 21.4% (2021: 21.8%). The Company's operating income increased by 12.8% (2021: 13.8%), while the operating expenses increased by 71.4% (2021: 63.3%).

The Company's operating income increased by 16.6% compared with the same period of 2021, while the operating expenses increased by 78.6% (2021: 78.2%), resulting in a net profit of 14.0% compared with the same period of 2021, while the operating expenses increased by 21.4% (2021: 21.8%). The Company's operating income increased by 12.8% (2021: 13.8%), while the operating expenses increased by 71.4% (2021: 63.3%).

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Operating income	339,777	310,000
Operating expenses	390,107	321,207
Operating profit	33,584	12,283
Operating profit	99,553	75,386
Operating profit	63,747	53,470
Operating profit	27,588	25,555
Operating profit	85,759	6,081

Cost of revenue of owned hospitals **1,040,115** **87,112**

During the year, the Company's operating income increased by 15.1% compared with the same period of 2021, while the operating expenses increased by 21.5%, resulting in a net profit of 32.1% compared with the same period of 2021.

2021 年 12 月 31 日，公司总资产为 32.7 亿元，较 2021 年 9 月 30 日增加 34.6%。
 2021 年 12 月 31 日，公司净资产为 37.5 亿元，较 2021 年 9 月 30 日增加 35.8%。
 2021 年 12 月 31 日，公司负债总额为 12.8 亿元，较 2021 年 9 月 30 日增加 13.1%。
 2021 年 12 月 31 日，公司所有者权益为 1 亿元。

4.1.3 Tax and Surcharge

During the year ended December 31, 2022, the Company incurred tax and surcharge expenses of RMB5.0 million (2021: RMB5.8 million).

4.1.4 Selling Expenses

During the year ended December 31, 2022, the Company incurred selling expenses of RMB15.0 million (2021: RMB10.3 million), an increase of 45.6% (2021: 0.1%).

4.1.5 Administrative Expenses

During the year ended December 31, 2022, the Company incurred administrative expenses of RMB10.0 million (2021: RMB10.0 million), an increase of 0.0% (2021: 0.0%).

For the year ended
December 31,
2022 2021
(RMB million)

4.1.6 Research and Development Expenses

During the year, the Company incurred research and development expenses of RMB18,899 thousand (2021: RMB16,887 thousand). The Company's research and development expenses are primarily incurred in the areas of new product development, new technology research, and new process development.

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Development of new products	18,899	16,887
Development of new technologies	9,803	8,051
Development of new processes	4,053	3,114
	273	302
Total	33,028	27,354

During the year, the Company incurred research and development expenses of RMB33.0 million (2021: RMB28.0 million), an increase of 18.1% compared with 2021. The Company's research and development expenses are primarily incurred in the areas of new product development, new technology research, and new process development. The increase in research and development expenses is mainly due to the increase in the number of R&D personnel and the increase in the number of R&D projects. The Company's research and development expenses are primarily incurred in the areas of new product development, new technology research, and new process development.

4.1.7 Finance Expenses – Net

During the year ended December 31, 2022, the Company incurred finance expenses of RMB2,000 thousand, which was RMB3,042 thousand for the year ended December 31, 2021.

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Interest expense	-2,762	-1,613
Finance expense	-78	3
Borrowing costs	33,214	21,780
Interest income	11,936	14,200
	<u>2,000</u>	<u>3,042</u>
Finance expenses – net	<u>44,310</u>	<u>37,658</u>

During the year ended December 31, 2022, the Company incurred finance expenses of RMB2,000 thousand, which was RMB3,042 thousand for the year ended December 31, 2021. The Company's finance expenses were primarily related to the interest expense on bank borrowings. The interest expense on bank borrowings for the year ended December 31, 2022, was RMB2,762 thousand, which was RMB1,613 thousand for the year ended December 31, 2021. The interest expense on bank borrowings for the year ended December 31, 2022, was 51.1% of the total finance expenses, which was 43.7% for the year ended December 31, 2021.

4.1.8 Investment Income

2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币15,927千元，较2021年12月31日的人民币65,666千元减少。		
2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币18,063千元，较2021年12月31日的人民币7,075千元增加。	2022 (RMB'000)	2021 (RMB'000)
2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币18,063千元，较2021年12月31日的人民币7,075千元增加。	18,063	7,075
2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币714千元，较2021年12月31日的人民币642千元增加。	714	642
	2,850	6,382

2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币18,063千元，较2021年12月31日的人民币7,075千元增加。

2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币714千元，较2021年12月31日的人民币642千元增加。

2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币2,850千元，较2021年12月31日的人民币6,382千元增加。

4.1.9 Credit Impairment Losses

2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币18,063千元，较2021年12月31日的人民币7,075千元增加。

2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币714千元，较2021年12月31日的人民币642千元增加。

2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币2,850千元，较2021年12月31日的人民币6,382千元增加。

4.1.10 Asset Impairment Losses

2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币18,063千元，较2021年12月31日的人民币7,075千元增加。

2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币714千元，较2021年12月31日的人民币642千元增加。

2022年12月31日，本集团持有的可供出售金融资产公允价值为人民币2,850千元，较2021年12月31日的人民币6,382千元增加。

4.1.12 Income Tax Expense

4.2 Financial Position

4.2.1 Inventory

Dollars in thousands. As of December 31, 2022, inventory was \$58.3 million (December 31, 2021: \$56.5 million), an increase of \$1.8 million, or 3.2%, from 2021.

4.2.2 Accounts Receivables

Dollars in thousands. As of December 31, 2022, accounts receivable was \$382.8 million (December 31, 2021: \$311.8 million), an increase of \$71.0 million, or 22.8%, from 2021. The increase was primarily due to an increase in the number of active customers and higher sales volume.

Dollars in thousands. As of December 31, 2022, accounts payable was \$12.5 million (December 31, 2021: \$12.5 million), an increase of \$0.1 million, or 0.8%, from 2021. The increase was primarily due to an increase in the number of active customers and higher sales volume.

4.2.3 Other Receivables and Prepayments

D 31, 2022, B 6.4 (D 31, 2021 (B 1.8)).

4.2.4 Other Non-current Financial Assets

D 31, 2022, B 3.1 (D 31, 2021 B 5.8). D , B 2.7 , B 2.7 J F .

4.2.5 Construction in progress

D 31, 2022, B 152.5 (D 31, 2021 B 3.8), L , H , L , H , J , H .

4.2.6 Right-of-use Assets

D 31, 2022, B 10.4 (D 31, 2021 B 257.4), B 5.2 H , H .

4.2.7 Accounts Payables

D 31, 2022, B 85.8 (D 31, 2021 B 6.2).

4.2.8 Receipts in Advance and Contract Liabilities

D 31, 2022, B 2 (D 31, 2021 B 163).

4.2.9 Other Payables

D 31, 2022, B 72.2 (D 31, 2021 (B 57.3)), B 17.0 L , H .

4.3 Liquidity and Capital Resources

	For the year ended December 31,	
	2022 (RMB'000)	2021 (B'000)
Operating activities	227,221	13,866
Investing activities	-273,615	-23,044
Financing activities	116,178	33,833
Net change in cash and cash equivalents	69,861	-11,358

4.3.1 Net Cash Generated from Operating Activities

Operating cash flow	B227.2	B22.2
Change in operating assets and liabilities	B35.5	B10.6
Net cash generated from operating activities	B10.6	B11.6

4.3.2 Net Cash Used in Investing Activities

Investing cash flow	B273.6	B23.6
Change in investing assets and liabilities	B23.6	B23.6
Net cash used in investing activities	B23.6	B23.6

4.3.3 Net Cash Generated from Financing Activities

Financing cash flow	B11.6	B11.6
Net cash generated from financing activities	B11.6	B11.6

4.3.4 Significant Investment, Acquisition and Disposal

Investment, acquisition and disposal	B11.6	B11.6
Net cash generated from investment, acquisition and disposal	B11.6	B11.6

4.4 Indebtedness

4.4.1 Bank Borrowings

As at December 31, 2022, the Group had bank borrowings of RMB61.65 million (December 31, 2021: RMB553.2 million), of which RMB33 million were short-term borrowings and RMB28.65 million were long-term borrowings.

4.4.2 Contingent Liability

As at December 31, 2022, the Group had no contingent liability.

4.4.3 Asset Pledge

The Group's bank borrowings are secured by the following assets: (i) RMB82.6751 million of bank deposits (December 31, 2021: RMB82.6750 million); (ii) RMB0.00101 million of equity investments (December 31, 2021: RMB0.008128 million); and (iii) RMB1.11833 million of other assets (December 31, 2021: RMB1.11833 million). The Group's bank borrowings are also secured by the following assets: (i) RMB1.11833 million of bank deposits (December 31, 2021: RMB1.11833 million); (ii) RMB0.00101 million of equity investments (December 31, 2021: RMB0.008128 million); and (iii) RMB1.11833 million of other assets (December 31, 2021: RMB1.11833 million).

4.4.4 Lease Liabilities

As at December 31, 2022, the Group had lease liabilities of RMB25.5 million (December 31, 2021: RMB171.4 million).

4.4.5 Financial Instruments

The Group's financial instruments are classified into financial assets and financial liabilities. The Group's financial assets are classified into cash and cash equivalents, and the Group's financial liabilities are classified into bank borrowings and lease liabilities.

4.4.6 Exposure to Fluctuation in Exchange Rates

The Group's financial instruments are denominated in various currencies, including RMB, USD, and HKD. The Group is exposed to the risk of fluctuations in exchange rates. The Group's management monitors the exchange rate risk and uses foreign exchange derivatives to hedge the risk.

4.4.7 Gearing Ratio

D. 截至2022年3月31日, 公司应收账款(含应收票据)账面余额为1,010.00万元, 较2021年3月31日(账面余额为1,010.00万元)增加0.00%, 坏账准备余额为10.00万元, 较2021年3月31日(坏账准备余额为10.00万元)增加0.00%。

4.4.8 Employees and Remuneration Policy

D. 31, 2022, 16 - .
D. 31, 2021 3, 661 -). D. , , ,
, (,)
, B52 (2021 B3.3).
, B12.3 (,
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I, the undersigned, being the duly authorized officer of the Corporation, hereby certify that the foregoing is a true and correct copy of the Equity Incentive Scheme as approved by the Board of Directors of the Corporation on June 13, 2018 (2017 AGM). I further certify that the foregoing is a true and correct copy of the Equity Incentive Scheme as approved by the Board of Directors of the Corporation on June 25, 2021.

I 16, 1,818,52
 23 180,516
 13 5,022
 8 7,27
 E I 13, 2,40,000
 3.276%
 8 B10.7/

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III,         
  

3. ,   

5.3 Correction of previous accounting errors

2021, 38, 5.2, 3, B, D, E, 2021

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

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

(1) **Income Statement** 2020

(B,)

Items	After restatement	Cumulative effect of error correction	Before restatement
-	12, 87, 0	,1 0,8 8	3,7 6777
	83,50 ,118	,1 0,8 8	7,318,255
	52,8 6 23	,1 0,8 8	3, 6 0 0
	6, 61,025	,1 0,8 8	55,770,1 62

(2) **Balance Sheet** 2020

(B,)

Items	After restatement	Cumulative effect of error correction	Before restatement
	6, 65,82	-12,878	6, 78,702
	5, 63, 67	-12,878	5, 6 6 5
	2,1 61,2 61,775	-12,878	2,1 61,27, 63
	7 6 03, 00	- ,203,7 1	85,807,1 1
	6 6077,103	- ,203,7 1	615,280,8 1
	63 ,21 6	- ,203,7 1	55,552, 57
	21,85 60	,1 0,8 8	205, 66,23 6
	1,122,2 7,550	,1 0,8 8	1,113,05 6 6 6
	1,21, 12,55	,1 0,8 8	1,205,721, 6 5
	2,1 61,2 61,775	-12,878	2,1 61,27, 63

B,

Items	After restatement	Cumulative effect of error correction	Before restatement
	2,25,88	-12,878	2,38,366
	6,02,63	-12,878	6,15,501
	2,377,54,8	-12,878	2,377,67,867
	57,31,524	-203,741	66,523,265
	535,774,65	-203,741	544,78,376
	1,07,675,868	-203,741	1,10,687,60
I	6,37,845	-12,878	6,50,723
	257,08,624	1,086	257,07,761
	1,208,26,87	1,086	1,1,073,034
	1,280,27,120	1,086	1,271,088,257
	2,377,54,8	-12,878	2,377,67,867

Opinions of the Independent Non-executive Directors

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Opinions of the Board

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Opinions of the Supervisory Committee

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Opinions of the Audit Committee

The Audit Committee has reviewed the financial statements and the related disclosures and has discussed them with management. The Audit Committee has concluded that the financial statements and the related disclosures are consistent with the accounting records and the underlying transactions and events and that the financial statements and the related disclosures are presented in accordance with the applicable accounting standards and the requirements of the Securities Exchange Act of 1934 and the rules and regulations of the Securities and Exchange Commission.

6 PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended December 31, 2017, the Company did not purchase, sell or redeem any of its listed securities.

The Company's (including its subsidiaries') total assets were \$1.1 billion as of December 31, 2017. The Company's (including its subsidiaries') total liabilities were \$0.8 billion as of December 31, 2017. The Company's (including its subsidiaries') total equity was \$0.3 billion as of December 31, 2017. The Company's (including its subsidiaries') total assets, total liabilities and total equity were \$1.1 billion, \$0.8 billion and \$0.3 billion, respectively, as of December 31, 2017.

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9 COMPLIANCE WITH THE MODEL CODE

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12 FINANCIAL REPORT

12.1 Accounting Policies

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 (the Accounting Standards for Business Enterprises
 CAS).

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(☒) **B** (☒)

Items	Year ended December 31,	
	2022	2021 (in thousands)
Revenue	14,907,711	13,610,635
Cost of sales	2,850,458	6,378,845
Gross profit	-15,926,847	-65,65,720
Operating expenses	-	-
Operating income	-	-
Other income	-	-
Other expenses	-	-
Income before income taxes	-15,977,326	17,311
Income taxes	-25,191,541	-2,140,166
Net income	-10,345,461	-617,200
Net loss	406,185	-7,404
III. Operating profit (losses represented with “-” signs)	16,391,934	2,417,515
Losses	8,553,978	11,835,321
Losses	9,341,039	8,658,444
IV. Total profit (total losses represented with “-” signs)	15,604,873	5,611,443
Losses	26,573,712	54,830,131
V. Net profit (net losses represented with “-” signs)	-10,968,839	4,860,230
(I)	-	-
1.	-10,968,839	4,860,230
2.	-	-
(II)	-	-
1.	-24,220,782	44,035,515
2.	13,251,944	-3,175,765

Items	Year ended December 31,	
	2022	2021
		(€ '000)

VI. Other comprehensive income, net of tax

(I)		
1.		
2.		
3.		
4.		
(II)		
1.		
2.		
3.		
4.		
5.		
6 E		
7.		
VII.Total comprehensive income	-10,968,838	40,860,230
	-24,220,782	44,035,505
	13,251,944	-3,175,765

VIII. Earnings per share:

(I) B (€ B)	-0.32	0.61
(II) D (€ B)	-0.32	0.5

12.2.2 Annual Consolidated Balance Sheets

(in thousands of Philippine pesos)

ASSETS	December 31, 2022	December 31, 2021	January 1, 2021
		(in thousands)	(in thousands)
Current assets:			
Cash and cash equivalents	271,094,963	188,734,816	206,506,000
Accounts receivable	—	—	—
Prepaid expenses and other current assets	—	—	—
Financial assets at fair value through profit or loss	10,641,026	10,000,000	—
Derivatives	—	—	—
Investments in equity securities	382,836,691	311,757,875	225,300,217
Investments in debt securities	32,201,224	11,858,127	10,051,000
Investments in real estate	—	—	—
Investments in joint ventures	—	—	—
Investments in associates	—	—	—
Investments in subsidiaries	—	—	—
Investments in other entities	37,195,220	2,254,888	6,658,214
Investments in structured entities	58,331,397	5,651,301	37,508,172
Investments in other financial assets	—	—	—
Investments in other assets	—	—	—
Investments in other liabilities	—	—	—
Investments in other equity	752,325	80,686	—
Total current assets	793,052,846	602,623,000	512,683,617

ASSETS	December 31, 2022	December 31, 2021 (P. 100)	January 1, 2021 (P. 100)
Non-current assets:			
Land and buildings	—	—	—
Debt investments	—	—	—
Equity investments	—	—	—
Leases	14,000,000	—	—
Long-term receivables	143,546,246	12,817,777	7,816,314
Intangible assets	—	—	—
Goodwill	63,116,852	65,812,275	57,404,181
Investments in subsidiaries	—	—	107,804,366
Financial assets	695,020,441	721,867,772	533,713,384
Other non-current assets	152,497,400	13,755,718	134,112,866
Current assets:			
Accounts receivable	190,403,752	257,412,270	232,612,441
Inventory	254,684,348	227,117,855	162,536,728
Debt investments	—	—	—
Equity investments	107,655,738	135,741,377	7,118,853
Leases	189,586,339	150,501,038	153,550,840
Debt investments	20,682,398	14,336,665	40,258,388
Other current assets	13,541,047	21,066,387	18,708,451
Total non-current assets	1,844,734,561	1,768,352,366	1,618,578,158
TOTAL ASSETS	2,637,787,407	2,377,514,811	2,161,261,775

LIABILITIES AND SHAREHOLDERS' EQUITY

December 31,
2022

December 31,
2021
(Audited)

January 1,
2021
(Audited)

Current liabilities:

Accounts payable and accrued liabilities	203,000,000	254,050,000	312,500,000
Bank overdrafts	—	—	—
Deferred income	—	—	—
Income tax payable	13,922,929	—	—
Dividends payable	—	—	—
Interest payable	997,944	—	3,6080
Notes payable	85,773,062	6,162,002	71,558,64
Long-term debt, current portion	29,894,837	1,6275,03	4,644,278
Other current liabilities	—	3,241	12,65,175
Deferred income tax	—	—	—
Other non-current liabilities	—	—	—
Shareholders' equity	—	—	—
Common stock	70,588,350	60,488,184	42,785,133
Additional paid-in capital	33,507,164	30,235,32	4,046,555
Retained earnings	72,193,730	57,314,524	76,603,400
Other equity	—	—	—
Liabilities	—	—	—
Other equity	—	—	—
Long-term debt, non-current portion	147,598,324	48,240,752	35,540,617
Other non-current liabilities	—	—	—
Total current liabilities	657,446,340	535,774,685	660,771,103

LIABILITIES AND SHAREHOLDERS' EQUITY	December 31, 2022	December 31, 2021	January 1, 2021
		(P. 000.000)	(P. 000.000)
Non-current liabilities:			
Long-term debt	—		
Long-term debt, net of current portion	391,010,000	280,500,000	110,220,700
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	171,437,740	231,733,700	114,012,300
Long-term debt, net of current portion	42,404,938		
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	9,037,891	31,683	65,475
Long-term debt, net of current portion	40,547,879	3,875,700	25,032,438
Long-term debt, net of current portion	—		
Total non-current liabilities	654,438,448	561,012,333	340,272,113
Total liabilities	1,311,884,788	1,077,675,868	1,634,216,666
Shareholders' equity:			
Common stock	74,600,300	74,600,300	74,600,300
Preferred stock	—		
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	855,078,533	838,165,366	81,300,066
Long-term debt, net of current portion	—		23,311,144
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	38,399,577	38,399,577	365,322
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	233,506,534	257,086,024	214,8560
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	—		
Long-term debt, net of current portion	1,201,584,945	1,208,268,877	1,122,247,550
Long-term debt, net of current portion	124,317,674	72,015,224	2,665,000
Total shareholders' equity	1,325,902,619	1,280,271,120	1,214,125,555
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,637,787,407	2,377,547,888	2,848,342,221

(☒ A ☐ B ☒ C ☒ D)

38

Items	Year ended December 31,	
	2022	2021
II. Cash flows from investing activities		
Purchase of property, plant and equipment	—	52,117,618
Disposal of property, plant and equipment	1,650,804	7,777,181
Change in restricted cash	—	—
Change in cash and cash equivalents	24,100,367	8,755,311
Change in cash and cash equivalents	—	1,000,000

Items	Year ended December 31,	
	2022	2021
III. Cash flows from financing activities		
I. Cash flows from operating activities	9,153,084	2,000,000
II. Cash flows from investing activities	9,153,084	2,000,000
III. Cash flows from financing activities	387,500,000	550,250,000
IV. Cash flows from operating activities	151,420,250	
V. Cash flows from investing activities	548,073,334	553,150,000
VI. Cash flows from financing activities	324,220,000	28,32,70
VII. Cash flows from operating activities		
VIII. Cash flows from investing activities	51,554,508	30,27,107
IX. Cash flows from financing activities		
X. Cash flows from operating activities		
XI. Cash flows from investing activities		
XII. Cash flows from financing activities	56,121,295	6,676,566
Sub-total of cash outflows of financing activities	431,895,803	51,316,63
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	-38,704
V. Net increase in cash and cash equivalents	69,861,145	-11,357,81
VI. Cash and cash equivalents at the end of the period	188,734,846	200,02,665
VI. Cash and cash equivalents at the end of the period	258,595,991	188,734,846

(☒ **A**) ☐ **B** ☒ **C** ☐ **D**)

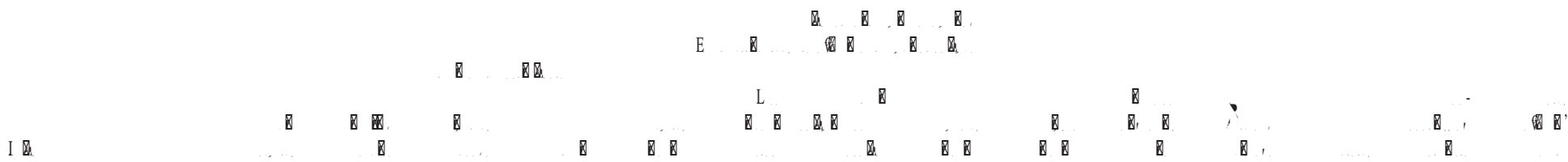
1

Amount for the current period
Equity attributable to owners of the parent company

Items	Other equity instruments				Amount for the current period							Subtotal	Non-controlling interests	Total owners' equity
	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			
(III) D													-4,313,000	-4,313,000
1.													-	
2.														
3.													-4,313,000	-4,313,000
4.														
(I) I														
1.														
2.														
3.														
4.														
5.														
6.														

Items	Other equity instruments				Amount for the current period Equity attributable to owners of the parent company								Non- controlling interests	Total owners' equity
	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		
()														
1.														
2.														
(I)					4,698,718						628,692	5,327,410		5,327,410
I . B														
	74,600,300				855,078,533				38,399,577		233,506,534	1,201,584,944	124,317,674	1,325,902,618

I. B		II. B	
			
7 ⁴ , 400,300	7 ⁴ , 400,300	7 ⁴ , 400,300	7 ⁴ , 400,300
81,50,0,66	81,50,0,66	81,50,0,66	81,50,0,66
23,311,1 ⁴⁴	23,311,1 ⁴⁴	23,311,1 ⁴⁴	23,311,1 ⁴⁴
3 65 3,22	3 65 3,22	3 65 3,22	3 65 3,22
205,66,23 6	205,66,23 6	21 ⁴ ,8 68, 77	21 ⁴ ,8 68, 77
1,113,05 6 687	1,113,05 6 687	1,122,2 40, ⁴ 28	1,122,2 40, ⁴ 28
2,665,00	2,665,00	2,665,00	2,665,00
1,205,721, 6 6	1,205,721, 6 6	1,21 ⁴ , 25, ⁴ 37	1,21 ⁴ , 25, ⁴ 37



(III) D	Ø 100	1,80 ±0,08	-1,80 ±0,08
1.	Ø 100	1,80 ±0,08	-1,80 ±0,08

2. Ø 100
- Ø 100
- Ø 100
3. Ø 100
- Ø 100 (Ø 100)
- Ø 100
- Ø 100

(I) I Ø 100 - Ø 100

Ø 100

1. Ø 100

Ø 100

Ø 100

(Ø 100)

2. Ø 100

Ø 100

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(Ø 100)

3. Ø 100

Ø 100

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Ø 100

Ø 100 (Ø 100) - 2*Ø 100 0.053 (Ø 100) 1.287 Ø 100 (Ø 100) 7.5 Ø 100

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	December 31, 2021 RMB
1 year or less	1	388,961,193	303,10,574
1-2 years	2	4,755,920	,812,85
2-3 years	3	3,941,367	,25,870
3-4 years	4	3,248,300	3,140,407
4-5 years	5	1,932,594	
		<u>402,839,374</u>	<u>321,123,710</u>
Long-term receivables		20,002,683	,36,835
		<u><u>382,836,691</u></u>	<u><u>311,757,875</u></u>

Accounts receivable shown by classification of bad debt provisions

	December 31, 2022				
	Balance of carrying amount		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Percent of provision (%)	
Trade receivables	18,221,976	4.52	12,514,143	68.68	5,707,833
Other receivables	18,221,976	4.52	12,514,143	68.68	5,707,833
Receivables from related parties	384,617,398	95.48	7,488,540	1.95	377,128,858
Total	384,617,398	95.48	7,488,540	1.95	377,128,858
	<u>402,839,374</u>	<u>100.00</u>	<u>20,002,683</u>	<u>5.0</u>	<u>382,836,691</u>
December 31, 2021 (continued)					
Trade receivables	7,247,78	2.26	4,502,86	63.33	2,657,62
Other receivables	7,247,78	2.26	4,502,86	63.33	2,657,62
Receivables from related parties	313,875,732	7.74	4,775,54	1.52	30,100,183
Total	313,875,732	7.74	4,775,54	1.52	30,100,183
	<u>321,123,710</u>	<u>100.00</u>	<u>36,835</u>		<u>311,757,875</u>

12.3.2 Accounts payable

		December 31, 2022 RMB	December 31, 2021 RMB
Accounts payable	应付账款	84,193,739	65,384,755
Prepaid expenses	预付款项	1,161,389	2,767,006
Other payables	其他应付款	71,969	168,510
		345,965	287,111
		85,773,062	68,307,382

12.3.3 Revenue and cost of sales

Analysis of revenue and cost of sales

	Year ended December 31, 2022		December 31, 2021	
	Revenue	Cost	Revenue	Cost
Revenue	1,366,816,938	1,040,114,650	1,202,774,378	877,111,686
Cost of sales	118,086,104	91,857,293	114,655,202	71,320,820
	1,484,903,042	1,131,971,943	1,277,430,370	88,432,506

Breakdown of revenue:

	Year ended December 31, 2022	Year ended December 31, 2021
Revenue		
Income from operations	1,366,816,938	1,202,774,378
Income from discontinued operations	305,118,303	267,588,282
Income before income taxes	1,061,698,635	1,470,362,660
Income taxes	118,086,104	141,655,200
Income from operations	85,464,736	51,613,462
Income from discontinued operations	3,000,000	2,702,700
Income before income taxes	8,067,969	7,515,320
Income taxes	—	160,358
Income from operations	21,553,398	165,133,800
Total	1,484,903,042	1,274,303,700

12.3.4 Expenses by nature

	Year ended December 31, 2022	Year ended December 31, 2021
Employee expenses	538,910,495	435,675,572
Depreciation and amortization	417,971,255	353,105,200
Income taxes	—	15,204,373
Discontinued operations	53,029,785	45,173,131
Discontinued operations	38,189,336	45,435,381
Income taxes	22,991,164	15,010,680
Income taxes	46,397,647	38,371,180
Income taxes	17,904,619	15,472,885
Income taxes	66,553,544	57,050,466
Income taxes	29,928,936	24,061,566
Income taxes	23,086,081	21,047,712
Income taxes	27,657,239	25,603,836
Income taxes	28,302,685	13,820,362
Income taxes	6,366,300	1,222,000
Income taxes	3,526,993	2,033,000
Income taxes	5,332,488	4,416,545
Income taxes	8,492,201	3,312,808
Income taxes	12,214,419	15,327,752
Income taxes	39,035,944	43,866,152
Total	1,385,891,131	1,183,101,100

12.3.7 Income tax expenses

Table of income tax expenses

	Year ended December 31, 2022	2021
Income tax expense	40,192,565	26,118,820
Deferred income tax expense	-13,618,853	27,110,033
	<u>26,573,172</u>	<u>53,228,853</u>

Reconciliation between total profit and income tax expenses

	Year ended December 31, 2022	2021
Total profit	15,604,874	5,611,143
Income tax expense	3,028,480	21,762,766
Income tax expense	7,125,277	1,508,267
Income tax expense	-3,896,947	-2,511,744
Income tax expense	-5,563,847	-283,550
Income tax expense	1,736,913	4,012,268
Income tax expense	137,339	-3,047,222
Income tax expense	31,726,873	40,745,555
Income tax expense	0,656,588	13,117,540
Income tax expense	38	44

12.3.8 Dividend

31, 2023, B D 31, 2022.

26, 2022, B D 31, 2021.

2021 D 16, 2022.

13 CONTINUED SUSPENSION OF TRADING

本公司已於2022年1月1日起，因本公司股份在聯交所的收市價連續三十個交易日低於每股0.10港元，而根據香港交易所證券上市規則第17.10條，本公司股票將被摘牌。本公司將繼續尋求解決辦法，以恢復本公司股票在聯交所的上市地位。

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

除文義另有所指外，下列詞彙及表達具有下列涵義：

「本公司」指 北京怡寧醫院有限公司

「北京怡寧醫院有限公司」指 北京怡寧醫院有限公司，於2015年17月17日，根據中國法律註冊成立的有限責任公司，其法定資本為人民幣1,000萬元。

「本公司」指 北京怡寧醫院有限公司

「本公司」指 北京怡寧醫院有限公司，其法定資本為人民幣1,000萬元，於2012年15月15日，根據中國法律註冊成立的有限責任公司。

「本公司」指 北京怡寧醫院有限公司，其法定資本為人民幣1,000萬元，於2020年16月16日，根據中國法律註冊成立的有限責任公司。

「本公司」指 北京怡寧醫院有限公司，其法定資本為人民幣1,000萬元，於2020年16月16日，根據中國法律註冊成立的有限責任公司。

「本公司」指 北京怡寧醫院有限公司，其法定資本為人民幣1,000萬元，於2020年16月16日，根據中國法律註冊成立的有限責任公司。

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「本公司」指 北京怡寧醫院有限公司

H H	H K H L (淮南康寧醫院有限公司), 22, 2017,
J H	J H (浙江傑翎健康科技有限公司) (H I (杭州耶利米信息科技有限公司)), D 27, 2018,
J H	J H (縉雲舒寧醫院有限公司), 15, 201 ,
J F	J H I E I (L.) (重慶金浦醫療健康服務產業股權投資基金合夥企業(有限合夥)), 22, 2016 3.5% 61% J F
L H	L H (溫州鹿城怡寧醫院有限公司), 2, 2020,
L H	L H (臨海慈寧醫院有限公司), 11, 2020,
	D I 10 H K L
H	H (南京怡寧醫院有限公司), 22, 2018,
H	H (平陽長庚怡寧醫院有限公司), J 1, 2021,
H	H (浦江怡寧黃峰醫院有限公司), 3, 2018,

本報告係根據本公司及子公司（以下簡稱「集團」）之財務資料編製，其內容與集團之會計政策、估計及判斷有關。本報告之目的在於提供集團之財務狀況、經營成果及現金流量之資訊，以供投資者及其他利害關係人參考。本報告並不構成任何投資建議或保證，且不應被視為對未來表現之預測。

本報告之數據來源為集團內部會計系統及外部可靠資料。所有金額均以人民幣元為單位，除非另有說明。本報告之編製遵循了中國會計準則及國際財務報導準則（IFRS）之相關規定。

本報告之審計意見如下：

- 獨立審計師已對本報告進行了審計，並出具了標準無保留意見。
- 本報告之數據真實、準確，反映了集團之實際情況。

本報告之有效期間為自XXXX年XX月XX日起至XXXX年XX月XX日止。如有任何變動，將另行通知。

董事長：XXX
 總經理：XXX
 財務總監：XXX

XXXX年XX月XX日

H	嶺南方精神疾病專科醫院有限公司), 20, 2018,
E H	怡寧老年醫院有限公司), 8, 2021,
I H	寧心理互聯網醫院(溫州)有限公司), 10, 2020,