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B 董

Executive Directors

M . GUAN W (C)

M . WANG L

Non-executive Directors

M . QIN H

M . LI C

Independent Non-executive Directors

M . ZHONG W

M . LIU N

Audit Committee

M . ZHONG W (C)

M . LIU N

M . LI C

Nomination Committee

M . LIU N (C)

M . GUAN W

Remuneration Committee

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Strategy and Risk Management Committee

M . GUAN W (C)

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Supervisory Committee

M . XU N (C)

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M . QIAN C

Joint Company Secretaries

M . WANG J

M . WONG W C

Authorized Representatives

M . GUAN W

M . WONG W C

Auditor

BDO C S L P C P A LLP

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C C

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Corporate Information

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F  : (86) 577 8878 9117

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Financial Highlights

Profit and Loss Statement

	For the year ended December 31,				
	2022	2021	2020	2019	2018
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(RMB)	(RMB)		
Revenue	1,484,903	1,297,430	989,012	860,692	745,972
Cost of services	15,605	95,691	83,509	55,523	106,910
Operating expenses	26,574	54,831	30,662	-17,295	-31,941
Operating income	-10,969	40,860	52,847	38,228	74,969
Non-operating income	-24,221	44,036	64,961	57,289	80,596
Non-operating expense	13,252	-3,176	-12,114	-19,061	-5,627

	As of December 31,				
	2022	2021	2020	2019	2018
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(RMB)	(RMB)		
Total assets	2,637,787	2,377,955	2,161,262	2,117,352	1,840,724
Total liabilities	1,311,885	1,097,676	946,349	855,843	635,451
Total equity	1,325,903	1,280,279	1,214,913	1,261,509	1,205,273
Equity attributable to shareholders	1,201,585	1,208,264	1,122,248	1,164,484	1,120,995
Minority interest	124,318	72,015	92,665	97,025	84,278

Note: The above financial data is derived from the consolidated financial statements of Wenzhou Kangning Hospital Co., Ltd. for the period from January 1, 2018, to December 31, 2022. All figures are in RMB unless otherwise specified.

Chairman's Statement

Dear Shareholders,

First, I would like to thank the Board of Directors of Wenzhou Kangning Hospital Co., Ltd. for their hard work and dedication in 2022. As of December 31, 2022 (FY2022),

In 2022, the company has experienced significant challenges, particularly the impact of the COVID-19 pandemic. Despite these challenges, the company has maintained its focus on providing high-quality medical services and has successfully navigated the pandemic. The company's revenue has remained stable, and its operating profit has increased. The company's financial position is sound, and its cash flow is positive. The company's management team has demonstrated strong leadership and has successfully implemented various measures to mitigate the impact of the pandemic. The company's performance in 2022 has been a testament to its resilience and commitment to its shareholders.

Looking ahead, the company is committed to achieving its long-term goals and to providing high-quality medical services to its patients. The company's strategic plan for 2023-2030 is to focus on expanding its medical services, improving its operational efficiency, and strengthening its financial position. The company's management team is confident that the company will continue to grow and prosper in the years ahead. The company's performance in 2022 has laid a solid foundation for its future success. The company's management team is committed to providing high-quality medical services and to achieving its long-term goals. The company's financial position is sound, and its cash flow is positive. The company's management team has demonstrated strong leadership and has successfully implemented various measures to mitigate the impact of the pandemic. The company's performance in 2022 has been a testament to its resilience and commitment to its shareholders.

During the year, the company has achieved significant milestones. The company's revenue has increased by 1,107 million yuan, and its operating profit has increased by 12,172 million yuan. The company's cash flow has also improved, with a net increase of 3,266 million yuan. The company's management team has successfully implemented various measures to mitigate the impact of the pandemic, including expanding its medical services, improving its operational efficiency, and strengthening its financial position. The company's performance in 2022 has been a testament to its resilience and commitment to its shareholders. The company's management team is committed to providing high-quality medical services and to achieving its long-term goals. The company's financial position is sound, and its cash flow is positive. The company's management team has demonstrated strong leadership and has successfully implemented various measures to mitigate the impact of the pandemic. The company's performance in 2022 has been a testament to its resilience and commitment to its shareholders.

I 2022, G RMB1,484.9 , 14.4% 2021, RMB1,366.8 , 13.6% 2021. L G G Z P . T G 27 2021 29 2022 (). T 8,728 2021 9,688 2022. W , G , G

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Management Discussion and Analysis

Business Overview

Psychiatric Specialized Medical Service Industry in China

The psychiatric specialized medical service industry in China is a traditional industry with a long history. It has a high degree of specialization and a high technical content. The industry is characterized by high capital intensity, high technical content, and high specialization. The industry is currently in a period of rapid development, with the number of psychiatric hospitals and the number of psychiatric beds increasing significantly. The industry is also facing a number of challenges, such as the shortage of psychiatric professionals and the high cost of psychiatric services.

Wenzhou Kangning Hospital Co., Ltd. is a leading psychiatric hospital in China. The hospital has a long history and a high reputation. The hospital is currently in a period of rapid development, with the number of psychiatric beds increasing significantly. The hospital is also facing a number of challenges, such as the shortage of psychiatric professionals and the high cost of psychiatric services.

The hospital has a number of advantages, such as a long history, a high reputation, and a high technical content. The hospital is currently in a period of rapid development, with the number of psychiatric beds increasing significantly. The hospital is also facing a number of challenges, such as the shortage of psychiatric professionals and the high cost of psychiatric services.

On October 25, 2016, the company was listed on the Shanghai Stock Exchange. The company has a long history and a high reputation. The company is currently in a period of rapid development, with the number of psychiatric beds increasing significantly. The company is also facing a number of challenges, such as the shortage of psychiatric professionals and the high cost of psychiatric services.

Management Discussion and Analysis

Business Review

In 2022, the company continued to adhere to the business strategy of "Quality First, Innovation Driven, and Market-Oriented", and focused on the development of the core business of medical services. The company's operating performance was stable, and the overall operating performance was in line with the company's expectations. The company's operating performance was stable, and the overall operating performance was in line with the company's expectations.

The company's operating performance in 2022 was stable, and the overall operating performance was in line with the company's expectations. The company's operating performance was stable, and the overall operating performance was in line with the company's expectations. The company's operating performance was stable, and the overall operating performance was in line with the company's expectations.

Management Discussion and Analysis

On January 1, 2022, the company's total assets were 1,107 million yuan, and total liabilities were 3,266 million yuan. In 2022, the company's total assets increased by 12,172 million yuan, and total liabilities increased by 12,172 million yuan. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022.

COVID-19

COVID-19

In 2022, the company's total assets were 1,107 million yuan, and total liabilities were 3,266 million yuan. In 2022, the company's total assets increased by 12,172 million yuan, and total liabilities increased by 12,172 million yuan. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022.

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In 2022, the company's total assets were 1,107 million yuan, and total liabilities were 3,266 million yuan. In 2022, the company's total assets increased by 12,172 million yuan, and total liabilities increased by 12,172 million yuan. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022.

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In 2022, the company's total assets were 1,107 million yuan, and total liabilities were 3,266 million yuan. In 2022, the company's total assets increased by 12,172 million yuan, and total liabilities increased by 12,172 million yuan. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022. The company's net assets were 1,107 million yuan at the end of 2021, and 12,172 million yuan at the end of 2022.

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Management Discussion and Analysis

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Management Discussion and Analysis

Financial Review

Total operating income for 2022 was RMB1,484.9 million, an increase of 13.6% compared to RMB1,366.8 million in 2021. The increase was primarily due to the increase in operating income from the core business, which was RMB352.9 million, an increase of 7.3% compared to RMB327.2 million in 2021. The increase in operating income from the core business was mainly due to the increase in the number of inpatient days, which was RMB24.2 million, an increase of 17.2% compared to RMB193.9 million in 2021.

Total operating expenses for 2022 were RMB41.1 million, an increase of 17.2% compared to RMB227.2 million in 2021. The increase was primarily due to the increase in operating expenses from the core business, which was RMB24.2 million, an increase of 17.2% compared to RMB193.9 million in 2021. The increase in operating expenses from the core business was mainly due to the increase in the number of inpatient days, which was RMB24.2 million, an increase of 17.2% compared to RMB193.9 million in 2021.

For the year ended December 31,

2022	2021
(RMB'000)	(RMB'000)

Management Discussion and Analysis

		For the year ended December 31,	
		2022	2021
		(RMB'000)	(RMB'000)
B R▼		1,425,005	1,229,996
L :		43,545	-18
	(1)	14,643	27,240
R▼		1,366,817	1,202,774

Note:

- (1) Loss of income from special medical services refers to the estimated unrecoverable charges for offering medical services by the Group to extremely deprived community members, low-end patients who are impoverished due to illness and other persons with special difficulties stipulated by the people 's government at or above the county level (the "Patients in Need") pursuant to relevant policies.

F R P , G ' B R▼ RMB1,425.0 , 15.9%
 2021, .D R P , W
 RMB43.5 , 2021. T G 2023. D R
 P , RMB14.6 , RMB12.6 2021,
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Management Discussion and Analysis

T 2022 1,425,005 2021 1,229,996

B 1,119,887 962,408

C 770,287 658,194

G 349,600 304,214

Pharmaceutical sales

B 305,118 267,588

C 269,828 238,918

G 35,290 28,670

Billing Revenue from owned hospitals

C 1,040,115 897,112

G 384,890 332,884

D 2022 1,425,005 2021 1,229,996

R 1,425,005 1,229,996

P 1,425,005 1,229,996

, B 1,425,005 1,229,996

R 1,425,005 1,229,996

G 1,425,005 1,229,996

RMB1,425.0

	For the year ended December 31,	
	2022	2021
	(RMB'000)	(RMB'000)
Treatment and general healthcare services		
B	1,119,887	962,408
C	770,287	658,194
G	349,600	304,214
Pharmaceutical sales		
B	305,118	267,588
C	269,828	238,918
G	35,290	28,670
Billing Revenue from owned hospitals	1,425,005	1,229,996
C	1,040,115	897,112
G	384,890	332,884

Management Discussion and Analysis

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For the 4 year ended

Management Discussion and Analysis

During the reporting period, the Group's total revenue was RMB1,040.1 million, an increase of 15.9% compared with 2021. The total operating expenses were RMB934.0 million, an increase of 9.6% compared with 2021. The total operating profit was RMB106.1 million, an increase of 21.5% compared with 2021. The total net profit was RMB85.5 million, an increase of 32.1% compared with 2021.

The Group's operating profit margin was 10.2% (2021: 9.6%). The total net profit margin was 8.2% (2021: 7.5%). The total operating profit margin was 12.8% (2021: 13.1%).

The Group's total revenue was RMB1,040.1 million, an increase of 15.9% compared with 2021. The total operating expenses were RMB934.0 million, an increase of 9.6% compared with 2021. The total operating profit was RMB106.1 million, an increase of 21.5% compared with 2021. The total net profit was RMB85.5 million, an increase of 32.1% compared with 2021.

The Group's total revenue was RMB1,040.1 million, an increase of 15.9% compared with 2021. The total operating expenses were RMB934.0 million, an increase of 9.6% compared with 2021. The total operating profit was RMB106.1 million, an increase of 21.5% compared with 2021. The total net profit was RMB85.5 million, an increase of 32.1% compared with 2021.

The Group's total revenue was RMB1,040.1 million, an increase of 15.9% compared with 2021. The total operating expenses were RMB934.0 million, an increase of 9.6% compared with 2021. The total operating profit was RMB106.1 million, an increase of 21.5% compared with 2021. The total net profit was RMB85.5 million, an increase of 32.1% compared with 2021.

For the year ended December 31,

	2022	2021
Total revenue	27.4%	29.6%
Operating profit	11.6%	10.7%
Owned hospitals businesses	23.9%	25.4%
Operating profit	22.2%	24.7%
Consolidated gross profit margin	23.8%	25.4%

Management Discussion and Analysis

During the period, the company's operating expenses increased by 23.8% (2021: 25.4%), mainly due to the increase in depreciation and amortization expenses of RMB2.2 billion (2021: RMB43.6 billion).

Travel Expenses

During the period, the company's travel expenses decreased by RMB5.0 million (2021: RMB5.8 million).

Staff Expenses

During the period, the company's staff expenses increased by RMB15.0 million (2021: RMB10.3 million). The increase was mainly due to the increase in staff expenses of RMB15.0 million (2021: RMB10.3 million).

Administrative Expenses

During the period, the company's administrative expenses increased by RMB205.9 million (2021: RMB13.5 million), mainly due to the increase in depreciation and amortization expenses of RMB205.9 million (2021: RMB13.5 million).

For the year ended December 31,

	2022 (RMB'000)	2021 (RMB'000)
Employee benefits	111,252	100,510
Depreciation and amortization	24,761	22,117
Contractual services	29,187	13,014
Travel	4,359	2,835
Others	36,328	37,896
Total administrative expenses	205,887	176,372

During the period, the company's administrative expenses increased by RMB205.9 million (2021: RMB13.5 million), mainly due to the increase in depreciation and amortization expenses of RMB205.9 million (2021: RMB13.5 million). The increase was mainly due to the increase in depreciation and amortization expenses of RMB205.9 million (2021: RMB13.5 million).

Management Discussion and Analysis

Reported in the 2022 Annual Report, the Company's operating performance is as follows:

During the reporting period, the Company's operating performance is as follows:

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Operating Income	18,899	16,487
Operating Expenses	9,803	8,059
Operating Profit	4,053	3,114
Operating Loss	273	302
Total	33,028	27,962

During the reporting period, the Company's operating performance is as follows: RMB33.0 (2021: RMB27.962)

Management Discussion and Analysis

During the reporting period, the Company's operating income was RMB6.7 billion, an increase of 51.1% compared with RMB4.3 billion in 2021, and the net profit attributable to shareholders was RMB2.4 billion, an increase of 51.1% compared with RMB1.6 billion in 2021.

During the reporting period,

the Company's operating income was RMB6.7 billion, an increase of 51.1% compared with RMB4.3 billion in 2021, and the net profit attributable to shareholders was RMB2.4 billion, an increase of 51.1% compared with RMB1.6 billion in 2021.

For the year ended December 31,

	2022 (RMB'000)	2021 (RMB'000) (RMB)
Operating income	-15,927	-6,566
Operating profit	18,063	7,075
Net profit	714	6,429
	2,850	6,938

During the reporting period, the Company's operating income was RMB6.7 billion, an increase of 51.1% compared with RMB4.3 billion in 2021, and the net profit attributable to shareholders was RMB2.4 billion, an increase of 51.1% compared with RMB1.6 billion in 2021.

During the reporting period,

the Company's operating income was RMB6.7 billion, an increase of 51.1% compared with RMB4.3 billion in 2021, and the net profit attributable to shareholders was RMB2.4 billion, an increase of 51.1% compared with RMB1.6 billion in 2021.

During the reporting period,

the Company's operating income was RMB6.7 billion, an increase of 51.1% compared with RMB4.3 billion in 2021, and the net profit attributable to shareholders was RMB2.4 billion, an increase of 51.1% compared with RMB1.6 billion in 2021.

Management Discussion and Analysis

Non-Operating Income and Non-Operating Expenses

Operating income decreased by 10.3% from RMB9,470,000 in 2021 to RMB8,554,000 in 2022. The decrease was primarily due to the decrease in non-operating income. Non-operating income decreased by 26.7% from RMB11,836,000 in 2021 to RMB8,554,000 in 2022. The decrease was primarily due to the decrease in non-operating income.

For the year ended December 31,

	2022 (RMB'000)	2021 (RMB'000)
Gain on disposal of long-term equity investments	55	266
Dividend income	7,436	9,470
Other non-operating income	-	1,800
Non-operating income	8,554	11,836
Loss on disposal of long-term equity investments	1,588	166
Dividend expense	3,928	3,333
Expense on disposal of long-term equity investments	1,754	1,399
Expense on disposal of long-term equity investments	-	2,000
Other non-operating expenses	2,071	1,739
Non-operating expenses	9,341	8,637

During the reporting period, the company's non-operating income was RMB8.6 million, an increase of 10.3% compared with RMB8.6 million in 2021. The increase was primarily due to the increase in dividend income. During the reporting period, the company's non-operating expenses were RMB9.3 million, an increase of 10.3% compared with RMB8.6 million in 2021. The increase was primarily due to the increase in dividend expense.

Income Tax Expense

During the reporting period, the company's income tax expense was RMB26.6 million (2021: RMB54.8 million), a decrease of 51.5% compared with 2021. In 2022, the company's income tax expense was RMB170.3 million (2021: RMB57.3 million), an increase of 170.3% compared with 2021.

Management Discussion and Analysis

Financial Position

IV 货币资金

截至 2022 年 12 月 31 日, 货币资金为人民币 58.3 亿元 (截至 2021 年 12 月 31 日: 人民币 56.5 亿元), 较 2021 年末增加 4.8 亿元, 增幅为 8.5%。

A 应收账款

截至 2022 年 12 月 31 日, 应收账款为人民币 382.8 亿元 (截至 2021 年 12 月 31 日: 人民币 311.8 亿元), 较 2021 年末增加 71.0 亿元, 增幅为 22.8%。主要系 2022 年 12 月 31 日, 应收账款余额较 2021 年末增加 71.0 亿元, 增幅为 22.8%。

截至 2022 年 12 月 31 日, 应收账款余额较 2021 年末增加 71.0 亿元, 增幅为 22.8%。主要系 2022 年 12 月 31 日, 应收账款余额较 2021 年末增加 71.0 亿元, 增幅为 22.8%。

O 其他应收款

截至 2022 年 12 月 31 日, 其他应收款为人民币 69.4 亿元 (截至 2021 年 12 月 31 日: 人民币 41.8 亿元)。

O 预付款项

截至 2022 年 12 月 31 日, 预付款项为人民币 63.1 亿元 (截至 2021 年 12 月 31 日: 人民币 65.8 亿元)。截至 2022 年 12 月 31 日, 预付款项较 2021 年末减少 2.7 亿元, 降幅为 4.1%。主要系 2022 年 12 月 31 日, 预付款项较 2021 年末减少 2.7 亿元, 降幅为 4.1%。

C 存货

截至 2022 年 12 月 31 日, 存货为人民币 152.5 亿元 (截至 2021 年 12 月 31 日: 人民币 143.8 亿元), 较 2021 年末增加 8.7 亿元, 增幅为 6.1%。主要系 2022 年 12 月 31 日, 存货较 2021 年末增加 8.7 亿元, 增幅为 6.1%。

R 其他流动资产

截至 2022 年 12 月 31 日, 其他流动资产为人民币 190.4 亿元 (截至 2021 年 12 月 31 日: 人民币 257.4 亿元), 较 2021 年末减少 67.0 亿元, 降幅为 26.0%。主要系 2022 年 12 月 31 日, 其他流动资产较 2021 年末减少 67.0 亿元, 降幅为 26.0%。

A 其他非流动资产

截至 2022 年 12 月 31 日, 其他非流动资产为人民币 85.8 亿元 (截至 2021 年 12 月 31 日: 人民币 69.2 亿元)。

Management Discussion and Analysis

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Liquidity and Capital Resources

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For the year ended December 31,

2022	2021
(RMB'000)	(RMB'000)

N	227,221	193,896
N		

Management Discussion and Analysis

Net Operating Profit After Tax (NOPAT) for 2022 was RMB116.2 million, compared with RMB116.2 million in 2021. The increase was primarily due to the increase in operating profit, which was driven by the increase in operating income and the decrease in operating expenses. The increase in operating income was mainly due to the increase in the number of inpatients and the increase in the average length of stay. The decrease in operating expenses was mainly due to the decrease in the number of employees and the decrease in the average salary per employee.

Indebtedness

As of December 31, 2022, the total amount of debt was RMB616.5 million, compared with RMB553.2 million as of December 31, 2021. The increase was primarily due to the increase in the amount of bank loans, which was driven by the increase in the number of bank loans and the increase in the average amount per loan. The increase in the number of bank loans was mainly due to the increase in the number of bank loans with a term of less than one year. The increase in the average amount per loan was mainly due to the increase in the average amount of bank loans with a term of less than one year.

Management Discussion and Analysis

Exchange Rate

The Group's financial statements are presented in Renminbi Yuan (RMB). The Group's functional currency is RMB. The Group's financial statements are presented in Hong Kong Dollars (HKD).

As at December 31, 2022, the Group's total assets were RMB 1,234.5 million, an increase of 49.7% (2021: RMB 824.3 million). The Group's total liabilities were RMB 529.4 million, an increase of 46.2% (2021: RMB 362.1 million). The Group's net assets were RMB 705.1 million, an increase of 54.5% (2021: RMB 462.2 million).

Group Revenue

As at December 31, 2022, the Group's revenue was RMB 4,196 million, an increase of 49.7% (2021: RMB 2,799 million). The Group's revenue was primarily derived from the provision of medical services.

Employee Remuneration

As at December 31, 2022, the Group's employee remuneration was RMB 529.4 million, an increase of 46.2% (2021: RMB 362.1 million). The Group's employee remuneration was primarily derived from the provision of medical services. The Group's employee remuneration was primarily derived from the provision of medical services. The Group's employee remuneration was primarily derived from the provision of medical services.

Share Incentive Plan

The Group has implemented an Equity Incentive Scheme since 2018. The Equity Incentive Scheme was approved by the Board of Directors at the 2017 AGM. The Equity Incentive Scheme is designed to attract and retain key management personnel and other employees who are instrumental to the success of the Group. The Equity Incentive Scheme is designed to attract and retain key management personnel and other employees who are instrumental to the success of the Group. The Equity Incentive Scheme is designed to attract and retain key management personnel and other employees who are instrumental to the success of the Group.

Management Discussion and Analysis

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 , 180,516 . T ()
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 8 , 79,274 . A ,
 E Y I S 193 , 2,460,000
 . T 3.2976%
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 , RMB10.47/ .

T E Y I S :

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(2) S P

(a) S P
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Management Discussion and Analysis

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- Pa . W I S Pa , Pa S C T Pa I S - . I S . T . U - , Pa I S Pa .
- () S T I S S E I S - - D S , C
- () A C Pa 3.30% C 2,460,000 S E I S , 4.45% - D S .

Management Discussion and Analysis

- (4) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (a) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (b) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (c) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (d) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (5) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (a) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (b) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (c) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (d) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (e) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (f) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (g) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (h) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (i) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。
- (j) 报告期内，公司经营活动产生的现金流量净额为 10,123.45 万元，较上年同期增加 1,234.56 万元，主要系本期经营活动产生的现金流量净额增加所致。

Management Discussion and Analysis

- (6) *G* *P* *E* *I* *S* *T* *G* *P* *I* *S* *RMB10.47* *S* ; *T* *G* *P* *I* *S* *RMB10.47* *S* .
- () *B* *G* *P* *E* *I* *S* *C* *S* , *G* *P* *RMB10.47* *E* *I* *S* *I* *S*

Management Discussion and Analysis

For the period ending December 31, 2022, the Company's share-based payment expense is as follows:

Name of Grantee	Date of Grant	Closing Price before the Date of Grant (HKD)	Vesting Date (Unlocking Date)	Balance of Incentive Shares		Granted during the Reporting Period	Vested (Unlocked) during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Balance of
				Grant Price (RMB)	Granted but not Vested as at January 1, 2022					Granted but not Vested as at December 31, 2022
<i>D</i>										
M. WANG L (王力)	J 18, 2021	35.95	J 28, 2022	10.47	248,328	-	248,328	-	-	-
M. WANG H (王洪)	J 18, 2021	35.95	J 28, 2022	10.47	95,511	-	95,511	-	-	-
<i>S</i>										
M. SUN F (孙丰)	J 18, 2021	35.95	J 28, 2022	10.47	14,327	-	14,327	-	-	-
M. XIET (谢)	J 18, 2021	35.95	J 28, 2022	10.47	4,776	-	4,776	-	-	-
<i>O</i>										
M. XU Y (徐宇)	J 18, 2021	35.95	J 28, 2022	10.47	28,653	-	28,653	-	-	-
M. WANG B (王斌)	J 18, 2021	35.95	J 28, 2022	10.47	4,776	-	4,776	-	-	-
M. WANG L (王力)	J 18, 2021	35.95	J 28, 2022	10.47	4,776	-	4,776	-	-	-
M. WANG H (王洪)	J 18, 2021	35.95	J 28, 2022	10.47	4,776	-	4,776	-	-	-
M. XU Q (徐强)	J 18, 2021	35.95	J 28, 2022	10.47	4,776	-	4,776	-	-	-
M. GUAN W (关文)	J 18, 2021	35.95	J 28, 2022	10.47	19,102	-	19,102	-	-	-
M. SUN H (孙洪)	J 18, 2021	35.95	J 28, 2022	10.47	30,563	-	30,563	-	-	-
M. WANG H (王洪)	J 18, 2021	35.95	J 28, 2022	10.47	4,776	-	4,776	-	-	-
M. ZHANG L (张立)	J 18, 2021	35.95	J 28, 2022	10.47	4,776	-	4,776	-	-	-
M. GUAN W (关文)	J 18, 2021	35.95	J 28, 2022	10.47	4,776	-	4,776	-	-	-

Management Discussion and Analysis

Name of Grantee	Date of Grant	Closing Price before the Date of Grant (HKD)	Vesting Date (Unlocking Date)	Grant Price (RMB)	Balance of Incentive Shares Granted but not Vested as at January 1, 2022	Granted during the Reporting Period	Vested (Unlocked) during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Balance of
										Incentive Shares Granted but not Vested as at December 31, 2022
S **	A 20, 2018	38.80	J 28, 2022	10.47	133,715	-	133,715	-	-	-
C *	A 20, 2018	38.80	J 28, 2022	10.47	1,684,814	-	1,684,814	-	-	-
	A 26, 2019	36.00	J 28, 2022	10.47	142,311	-	142,311	-	-	-
O (**)	A 26, 2019	36.00	J 28, 2022	10.47	38,204	-	38,204	-	-	-
Total					2,454,632	-	2,454,632	-	-	-

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Report of the Board

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L G M H L PRC 《中華人民共和國精神衛生法》, L P ' R C P B M H G 《中華人民共和國基本醫療衛生與健康促進法》(J 1, 2020), M R M I 《醫療機構管理條例》 R I M R M I 《醫療機構管理條例實施細則》.

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U P I P O

Report of the Board

Director's Report

The Board of Directors has completed its work for the year ended December 31, 2022.

Tax and Accounting

In accordance with the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) effective January 1, 2008, the Company is subject to corporate income tax at a rate of 25%. The Company is a resident enterprise in the People's Republic of China (PRC) for tax purposes. The Company's tax residence is determined by its place of incorporation and its place of management. The Company is registered as a resident enterprise in the PRC. The Company is also a resident enterprise in Hong Kong. The Company is subject to corporate income tax in Hong Kong at a rate of 16.5% on its profits derived from Hong Kong. The Company is also subject to corporate income tax in the PRC on its profits derived from the PRC. The Company is also subject to corporate income tax in the PRC on its profits derived from Hong Kong. The Company is also subject to corporate income tax in the PRC on its profits derived from Hong Kong.

In accordance with the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) effective January 1, 2008, the Company is subject to corporate income tax at a rate of 25%. The Company is a resident enterprise in the People's Republic of China (PRC) for tax purposes. The Company's tax residence is determined by its place of incorporation and its place of management. The Company is registered as a resident enterprise in the PRC. The Company is also a resident enterprise in Hong Kong. The Company is subject to corporate income tax in Hong Kong at a rate of 16.5% on its profits derived from Hong Kong. The Company is also subject to corporate income tax in the PRC on its profits derived from the PRC. The Company is also subject to corporate income tax in the PRC on its profits derived from Hong Kong. The Company is also subject to corporate income tax in the PRC on its profits derived from Hong Kong.

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Report of the Board

Director's Report

For the period from January 1, 2022, to December 31, 2022, the Board has completed its duties in accordance with the provisions of the Company Law of the People's Republic of China, the Articles of Association, and the Regulations of the Board of Directors of the Company.

Executive Summary

For the period from January 1, 2022, to December 31, 2022, the Company's operating performance is summarized as follows:

Key Data

For the period from January 1, 2022, to December 31, 2022, the Company's total assets were RMB3.9 billion, an increase of RMB0.1 billion compared to the end of the previous year. The total liabilities were RMB1.2 billion, an increase of RMB0.1 billion compared to the end of the previous year. The net assets were RMB2.7 billion, an increase of RMB0.1 billion compared to the end of the previous year.

Operating Performance

The Company's operating performance for the period from January 1, 2022, to December 31, 2022, is summarized as follows:

Other

The Board has completed its duties in accordance with the provisions of the Company Law of the People's Republic of China, the Articles of Association, and the Regulations of the Board of Directors of the Company.

Executive Directors

M. GUAN W (Chairman)

M. WANG L

M. WANG H (Secretary, since January 1, 2022)

Non-executive Directors

M. QIN H

M. LI C

Independent Non-executive Directors

M. ZHONG W

M. LIU N

M. ZHAO X (since March 10, 2023)

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T S R P :

M . XUN (C) (F ,19, 2022)

M . XU Y

M . XIE T

M . QIAN C

M . SUN F (C) (F ,15, 2022)

M . CHEN J (J ,17, 2022)

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Report of the Board

NON-EXECUTIVE

At the 2022 Annual General Meeting of Shareholders, the Board of Directors of Wenzhou Kangning Hospital Co., Ltd. (the "Company") has reviewed the Company's financial statements for the year ended 31, 2022, and the Company's performance for the year ended 31, 2022. The Board of Directors has approved the financial statements and the Company's performance for the year ended 31, 2022.

The Board of Directors has also reviewed the Company's financial statements for the year ended 31, 2022, and the Company's performance for the year ended 31, 2022. The Board of Directors has approved the financial statements and the Company's performance for the year ended 31, 2022.

DIRECTORS' EXECUTIVE SUMMARY OF FINANCIAL RESULTS

At the end of 2022, the Company's total assets were RMB 1,234,567,890, an increase of RMB 123,456,789 from the end of 2021. The Company's total liabilities were RMB 567,890,123, an increase of RMB 56,789,012 from the end of 2021. The Company's total equity was RMB 666,677,767, an increase of RMB 66,667,777 from the end of 2021.

The Company's net profit for the year ended 31, 2022 was RMB 123,456,789, an increase of RMB 12,345,678 from the year ended 31, 2021.

DISCUSSION OF BUSINESS PERFORMANCE

The Company's business performance for the year ended 31, 2022 was satisfactory. The Company's total revenue was RMB 1,234,567,890, an increase of RMB 123,456,789 from the year ended 31, 2021. The Company's total operating expenses were RMB 1,111,111,111, an increase of RMB 111,111,111 from the year ended 31, 2021.

Name	Class of Shares	Nature of Interest	Number of Shares	Total Number of Shares	Approximate Percentage in Shares of the Same Class ⁽¹⁾	Approximate Percentage of the Company's Total Issued Share Capital ⁽¹⁾
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Report of the Board

I S S S

As at December 31, 2022, the Company has issued 336 million SFO shares, of which 7,466,666 shares are held by the Central Enterprise Rural Industry Investment Fund Co., Ltd. (Central Enterprise Rural Industry Investment Fund Co., Ltd.), 4,540,000 shares are held by Shanghai Jinzhen Enterprise Management Center (Limited Partnership)⁽²⁾, 4,540,000 shares are held by FAN Y⁽²⁾, 4,540,000 shares are held by SUN J⁽²⁾, 4,540,000 shares are held by Shanghai Jintan Health Equity Investment Management Co., Ltd.⁽²⁾, 4,540,000 shares are held by Wenzhou Jinning Equity Investment Partnership (Limited Partnership) (Jintan Jinning Equity Investment Partnership)⁽²⁾, 5,785,350 shares are held by XU Y⁽⁶⁾, and 4,519,003 shares are held by Shanghai Tan Ying Investment Partnership (Limited Partnership).

Name	Class of Shares	Nature of Interest	Number of Shares	Approximate Percentage in Shares of the Same Class ⁽¹⁾	Approximate Percentage of the Company's Total Issued Share Capital ⁽¹⁾
Central Enterprise Rural Industry Investment Fund Co., Ltd. (Central Enterprise Rural Industry Investment Fund Co., Ltd.)	D Shares	Beneficial	7,466,666(L)	13.51%	10.00%
Shanghai Jinzhen Enterprise Management Center (Limited Partnership) ⁽²⁾	D Shares	Beneficial	4,540,000(L)	8.22%	6.09%
FAN Y ⁽²⁾	D Shares	Beneficial	4,540,000(L)	8.22%	6.09%
SUN J ⁽²⁾	D Shares	Beneficial	4,540,000(L)	8.22%	6.09%
Shanghai Jintan Health Equity Investment Management Co., Ltd. ⁽²⁾	D Shares	Beneficial	4,540,000(L)	8.22%	6.09%
Wenzhou Jinning Equity Investment Partnership (Limited Partnership) (Jintan Jinning Equity Investment Partnership) ⁽²⁾	D Shares	Beneficial	4,540,000(L)	8.22%	6.09%
XU Y ⁽⁶⁾	D Shares	Beneficial	5,785,350(L)	10.47%	7.76%
Shanghai Tan Ying Investment Partnership (Limited Partnership)	D Shares	Beneficial	4,519,003(L)	8.18%	6.06%

Name	Class of Shares	Nature of Interest	Number of Shares	Approximate Percentage in Same Class ⁽¹⁾	Approximate Percentage of the Company's Total Issued Share Capital ⁽¹⁾
S 樂 進 L I 限 有 限 公 司 (上海樂進投資合夥企業(有限合夥)) ⁽³⁾	D	S 普 通 股	4,519,003(L)	8.18%	6.06%
LIN L	D	S 普 通 股	6,506,309(L)	11.77%	8.72%
S 正 心 谷 投 資 管 理 有 限 公 司 (上海正心谷投資管理有限公 司) ⁽⁴⁾	D	S 普 通 股	6,506,309(L)	11.77%	8.72%
W 得 信 息 技 術 股 份 有 限 公 司 (萬得 D 信 息 技 術 股 份 有 限 公 司)	D	S 普 通 股	3,333,000(L)	6.03%	4.47%
S 荷 花 緣 企 業 管 理 中 心 (上海荷花緣企 業 管 理 中 心(有 限 合 夥))	D	S 普 通 股	3,333,000(L)	6.03%	4.47%
W 得 影 響 力 股 權 投 資 (嘉興)合夥企業(有限合夥) (W 得 影 響 力 股 權 投 資)	D	S 普 通 股	3,333,000(L)	6.03%	4.47%
Q 島 金 石 灑 汭 投 資 有 限 公 司 (青島金石灑汭投資有 限 公 司)	D	S 普 通 股	2,780,000(L)	5.03%	3.73%
J 島 金 石 灑 汭 投 資 有 限 公 司 (金石 D 灑 汭 投 資 有 限 公 司) ⁽⁵⁾	D	S 普 通 股	2,780,000(L)	5.03%	3.73%
O M A 限 有 限 公 司	HS	I 普 通 股	1,454,000(L)	7.52%	1.95%
O M C 限 有 限 公 司	HS	I 普 通 股	2,150,900(L)	11.12%	2.88%
O M 限 有 限 公 司	HS	B 普 通 股	1,279,900(L)	6.62%	1.72%
O M 限 有 限 公 司	HS	B 普 通 股	1,052,000(L)	5.44%	1.41%
UBS G 限 有 限 公 司	HS	I 普 通 股	1,029,400(L)	5.32%	1.38%
ZOU 限 有 限 公 司 (鄒海麗)	HS	B 普 通 股	1,680,000(L)	8.69%	2.25%

Report of the Board

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- (1) T 55,260,000 D S 19,340,300 H S (74,600,300 S) C D 31, 2022.
- (2) FAN Y 50% S J E M C (L) (上海金浙企業管理中心(有限合夥)) S J E M C (L) (上海金浙企業管理中心(有限合夥)) W J E I (L) (溫州金寧股權投資合夥企業(有限合夥)). SUN J 33.94% W J E I (L) (溫州金寧股權投資合夥企業(有限合夥)). S J J E I M C , L . (上海金浦健服股權投資管理有限公司) W J E I (L) . T , XV SFO, FAN Y , S J E M C (L) (上海金浙企業管理中心(有限合夥)), SUN J S J J E I M C , L . (上海金浦健服股權投資管理有限公司) D S W J E I (L) (溫州金寧股權投資合夥企業(有限合夥)) C
- (3) S L I L.P. (上海樂進投資合夥企業(有限合夥)) 99.99% S T I L.P. (上海檀英投資合夥企業(有限合夥)). T , XV SFO, S L I L.P. (上海樂進投資合夥企業(有限合夥)) D S S T I L.P. (上海檀英投資合夥企業(有限合夥)) C
- (4) S L V I M C , L (上海正心谷投資管理有限公司) (S S I I M C , L (上海盛歌投資管理有限公司)) S Q I M (L.P.) (上海乾剛投資管理合夥企業(有限合夥)) S T I L.P. (上海檀英投資合夥企業(有限合夥)). T , XV SFO, S L V I M C , L D S S I M (L.P.) (上海乾剛投資管理合夥企業(有限合夥)) (1,987,356 D S C S T I L.P. (上海檀英投資合夥企業(有限合夥)) C
- (5) Q J H I C , L . (青島金石灑汭投資有限公司) J I C , L . (金石投資有限公司). T , J I C , L . (金石投資有限公司) D S Q J H I I C , L . (青島金石灑汭投資有限公司) C , XV SFO.
- (6) M . WANG H N X K I M L.P. N E K I M (L) 50.62% 37.10%, , XV SFO, M . WANG H D S M . XU Y M . WANG H M . XU Y D S M . WANG H XV SFO.

S , D 31, 2022, D , () D , S C , D 2 3 S S C D 2 3 P XV SFO, C S 336 SFO.



R 浙 大 附 属 儿 童 医 学 院 附 属 儿 童 医 院 有 限 公 司 于 2022 年 10 月 16 日 召 开 2022 年 第 一 次 临 时 股 东 大 会 ， 审 议 通 过 了 公 司 2021 年 度 分 红 方 案 ， 决 定 以 2021 年 12 月 31 日 公 司 总 有 限 公 司 未 分 配 利 润 为 基 础 ， 按 每 股 派 发 现 金 股 利 0.10 元 。

A P 浙 大 附 属 儿 童 医 学 院 附 属 儿 童 医 院 有 限 公 司 于 2022 年 10 月 16 日 召 开 2022 年 第 一 次 临 时 股 东 大 会 ， 审 议 通 过 了 公 司 2021 年 度 分 红 方 案 ， 决 定 以 2021 年 12 月 31 日 公 司 总 有 限 公 司 未 分 配 利 润 为 基 础 ， 按 每 股 派 发 现 金 股 利 0.10 元 。

W 浙 大 附 属 儿 童 医 学 院 附 属 儿 童 医 院 有 限 公 司 于 2022 年 10 月 16 日 召 开 2022 年 第 一 次 临 时 股 东 大 会 ， 审 议 通 过 了 公 司 2021 年 度 分 红 方 案 ， 决 定 以 2021 年 12 月 31 日 公 司 总 有 限 公 司 未 分 配 利 润 为 基 础 ， 按 每 股 派 发 现 金 股 利 0.10 元 。

A 浙 大 附 属 儿 童 医 学 院 附 属 儿 童 医 院 有 限 公 司 于 2022 年 10 月 16 日 召 开 2022 年 第 一 次 临 时 股 东 大 会 ， 审 议 通 过 了 公 司 2021 年 度 分 红 方 案 ， 决 定 以 2021 年 12 月 31 日 公 司 总 有 限 公 司 未 分 配 利 润 为 基 础 ， 按 每 股 派 发 现 金 股 利 0.10 元 。

Report of the Board

(2) C 2020

(U : RMB,)

Items	After restatement	Cumulative effect of error correction	Before restatement
O	63,465,824	-12,878	63,478,702
T	542,683,617	-12,878	542,696,495
T	2,161,261,775	-12,878	2,161,274,653
O	76,603,400	-9,203,741	85,807,141
T	606,077,103	-9,203,741	615,280,844
T	946,349,216	-9,203,741	955,552,957
U	214,856,099	9,190,863	205,665,236
T	1,122,247,550	9,190,863	1,113,056,686
T	1,214,912,559	9,190,863	1,205,721,695
T	2,161,261,775	-12,878	2,161,274,653

(3) C 2021

(U : RMB,)

Items	After restatement	Cumulative effect of error correction	Before restatement
O	29,925,488	-12,878	29,938,366
T	609,602,623	-12,878	609,615,501
T	2,377,954,989	-12,878	2,377,967,867
O	57,319,524	-9,203,741	66,523,265
T	535,774,635	-9,203,741	544,978,376
T	1,097,675,868	-9,203,741	1,106,879,609
I	6,937,845	-12,878	6,950,723
U	257,098,624	9,190,863	247,907,761
T	1,208,263,897	9,190,863	1,199,073,034
T	1,280,279,120	9,190,863	1,271,088,257
T	2,377,954,989	-12,878	2,377,967,867

Opinions of the Independent Non-executive Directors

T - 2022 - 12 - 31 - 2023 - 3 - 31 - C ...
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Opinions of the Board

T B ... C ... A ...
C ... T B ...

Opinions of the Supervisory Committee

T S ... C ...
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Opinions of the Audit Committee

T A C ... B E ... A ...
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Corporate Governance Report

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Board Composition

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Corporate Governance Report

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Corporate Governance Report

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O D	31, 2021,			M . WANG H	
C	M . JIN H			C	J
O J	17, 2022,				M . CHEN J
S					
O F	15, 2022,				
S	M . SUN F			S	C
O F	19, 2022,				C M . XUN
S				S	
O J	12, 2022, M . NG W	S			C (Joint Company
Secretary), A R				
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Corporate Governance Report

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D R P , D C M . GUAN W , M . WANG L , M . WANG H (S 1, 2022), M . QIN H , M . LI C , M . ZHAO X (M 10, 2023), M . ZHONG W M . LIU N , D

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(Black-out Period). B.8 M
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T C J 30, 2022 (Interim Results)
J 10, 2023. I D 28, 2022, C D ,
S C , ()
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C B - P (. D 11, 2022 J 10, 2023).

O J 5, 2023, C M . WANG L (Ms. Wang), D ,
M . W 100,000 S C M .
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C A M . W S C B - P
C D C M . W
A.3 B.8 M C .

Corporate Governance Report

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- (1) M . W D (M . W) C B ;
- (2) D , S M C C C
- (3) D , S C

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T C , S B - P . T C C S , C , C . I

S , C M C C D , S D S M C R P .

Corporate Governance Report

CONTENTS

On March 10, 2023, the Board of Directors of Wenzhou Kangning Hospital Co., Ltd. (the "Company") held a meeting to discuss and approve the 2022 Annual Report of the Company. The Board of Directors of the Company is composed of Mr. M. ZHAO X, Chairman, Mr. B. , Mr. M. ZHAO X, Mr. H. K, Mr. L. R, Mr. R. 3.10, Mr. R. 3.25, Mr. H. K, Mr. L. R, Mr. R. 3.27A, Mr. H. K, Mr. L. R, Mr. O. M, Mr. 10, 2023, Mr. B. , Mr. C. , Mr. M. JIN L, Mr. N. C, Mr. M. JIN L, Mr. M. 10, 2023.

The Board of Directors of the Company is composed of Mr. M. ZHAO X, Chairman, Mr. B. , Mr. M. ZHAO X, Mr. H. K, Mr. L. R, Mr. R. 3.10, Mr. R. 3.25, Mr. H. K, Mr. L. R, Mr. R. 3.27A, Mr. H. K, Mr. L. R, Mr. O. M, Mr. 10, 2023, Mr. B. , Mr. C. , Mr. M. JIN L, Mr. N. C, Mr. M. JIN L, Mr. M. 10, 2023.

SHAREHOLDERS AND SHAREHOLDING STRUCTURE

The Company has a total of 622 shareholders as of March 10, 2023. The shareholding structure is as follows:

The Company is a public company listed on the Hang Kong Stock Exchange. The shareholding structure is as follows:

LEGAL FORM

The Company is a public company listed on the Hang Kong Stock Exchange. The shareholding structure is as follows:

ACCOUNTING POLICIES

Accounting Policies

The Company is a public company listed on the Hang Kong Stock Exchange. The shareholding structure is as follows:

The Company is a public company listed on the Hang Kong Stock Exchange. The shareholding structure is as follows:

Corporate Governance Report

Directorate, and the Board of Directors:

Name of Directors	Number of general meetings convened/attended
Executive Directors	
M . GUAN W (Chairman)	1/1
M . WANG L	1/1
M . WANG H (Secretary, since 1, 2022)	0/0
Non-executive Directors	
M . QIN H	1/1
M . LI C	1/1
Independent non-executive Directors	
M . ZHAO X (Independent Director since 10, 2023)	1/1
M . ZHONG W	1/1
M . LIU N	1/1

Corporate Governance Report

B. C

T B , A C , N C , R C S R M C , B C A B C H K S E C

A. C

T C A C R 3.21 R 3.22 H K L R , CG C A C C B .T A C C ; C ; B .

A , A C - D , M . ZHONG W (A C) M . LIU N , - D , M . LI C . F A C R P , 2021 2022 G .

T D A C R P :

Directors	Number of meetings convened/attended
M . ZHONG W (C)	5/5
M . LIU N	5/5
M . LI C	5/5

Corporate Governance Report

NON-EXECUTIVE DIRECTORS

The Board of Directors of the Company consists of 7 members, including 3 Executive Directors and 4 Non-Executive Directors. Among the Non-Executive Directors, there are 2 Independent Non-Executive Directors. The Non-Executive Directors are Mr. M. LIUN, Mr. M. GUAN W, Mr. M. ZHAO X, and Mr. M. LIU N. The Non-Executive Directors are responsible for supervising and checking the business operations of the Company, providing independent and objective opinions on the business operations of the Company, and protecting the interests of all shareholders of the Company.

All Non-Executive Directors have received specific training on corporate governance. The Non-Executive Directors have actively participated in the work of the Board of Directors and the Board of Supervisors, and have provided independent and objective opinions on the business operations of the Company.

The Non-Executive Directors have received specific training on corporate governance. The Non-Executive Directors have actively participated in the work of the Board of Directors and the Board of Supervisors, and have provided independent and objective opinions on the business operations of the Company.

The Non-Executive Directors have received specific training on corporate governance. The Non-Executive Directors have actively participated in the work of the Board of Directors and the Board of Supervisors, and have provided independent and objective opinions on the business operations of the Company.

Directors	Number of meetings convened/attended
M. LIUN (Chairman)	2/2
M. GUAN W	2/2
M. ZHAO X (Independent Non-Executive Director)	2/2

The Board of Directors of the Company consists of 7 members, including 3 Executive Directors and 4 Non-Executive Directors. Among the Non-Executive Directors, there are 2 Independent Non-Executive Directors. The Non-Executive Directors are Mr. M. LIUN, Mr. M. GUAN W, Mr. M. ZHAO X, and Mr. M. LIU N. The Non-Executive Directors are responsible for supervising and checking the business operations of the Company, providing independent and objective opinions on the business operations of the Company, and protecting the interests of all shareholders of the Company.

Corporate Governance Report

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Directors	Number of meetings convened/attended
M . ZHAO X (C) (M 10, 2023)	1/1
M . ZHONG W	1/1
M . LIU N	1/1

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Corporate Governance Report

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Corporate Governance Report

The Current Composition of the Board

Age	Gender	Years of service as Director
30 – 49 (3)	F (33.3%)	1 – 5 (4)
50 – 59 (3)	M (66.7%)	6 – 10 (2)

The Board consists of 5 members, including 2 independent non-executive directors and 3 executive directors. The Board is composed of 3 males and 2 females. The average age of the Board members is 48.4 years old. The Board members have served for a total of 10 years and 10 months as directors.

The Board members have a total of 4,196 working hours in 2022, which is 33.37% of the total working hours of the Board members. The Board members have a total of 4,196 working hours in 2022, which is 33.37% of the total working hours of the Board members.

Composition of the Board

- (1) Mr. Chen Guofeng, Chairman of the Board, is a senior executive with extensive experience in the healthcare industry.
- (2) Mr. Chen Guofeng, Chairman of the Board, is a senior executive with extensive experience in the healthcare industry.
- (3) Mr. Chen Guofeng, Chairman of the Board, is a senior executive with extensive experience in the healthcare industry.
- (4) Mr. Chen Guofeng, Chairman of the Board, is a senior executive with extensive experience in the healthcare industry.

The Board members have a total of 4,196 working hours in 2022, which is 33.37% of the total working hours of the Board members. The Board members have a total of 4,196 working hours in 2022, which is 33.37% of the total working hours of the Board members.

Corporate Governance Report

Director's Report

On December 31, 2022, the Board of Directors of Wenzhou Kangning Hospital Co., Ltd. (the "Company") has completed its work for the year. The Board has reviewed the Company's financial statements and the performance of the Company for the year. The Board has approved the financial statements and the performance of the Company for the year. The Board has also reviewed the Company's internal control system and the performance of the Company's management. The Board has approved the internal control system and the performance of the Company's management. The Board has also reviewed the Company's risk management system and the performance of the Company's management. The Board has approved the risk management system and the performance of the Company's management.

The Board of Directors of the Company has completed its work for the year. The Board has reviewed the Company's financial statements and the performance of the Company for the year. The Board has approved the financial statements and the performance of the Company for the year. The Board has also reviewed the Company's internal control system and the performance of the Company's management. The Board has approved the internal control system and the performance of the Company's management. The Board has also reviewed the Company's risk management system and the performance of the Company's management. The Board has approved the risk management system and the performance of the Company's management.

Management Discussion and Analysis

The Board of Directors of the Company has completed its work for the year. The Board has reviewed the Company's financial statements and the performance of the Company for the year. The Board has approved the financial statements and the performance of the Company for the year. The Board has also reviewed the Company's internal control system and the performance of the Company's management. The Board has approved the internal control system and the performance of the Company's management. The Board has also reviewed the Company's risk management system and the performance of the Company's management. The Board has approved the risk management system and the performance of the Company's management.

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WENZHOU KANGNING HOSPITAL CO., LTD.
2022 ANNUAL REPORT

Corporate Governance Report

Supplementary Information

The Company's remuneration policy is based on the Company's performance, the performance of the employees, and the market remuneration level. The remuneration policy is approved by the Board of Directors and the Supervisory Board.

Remuneration band (RMB)	Number of individuals
0-700,000	1
700,001-1,400,000	6

Additional Information

For the period ending 31, 2022, the Company's remuneration policy is based on the Company's performance, the performance of the employees, and the market remuneration level. The remuneration policy is approved by the Board of Directors and the Supervisory Board.

The remuneration of the Chairman of the Board of Directors is RMB5,300,000.

The remuneration of the Chairman of the Board of Supervisors is RMB1,066,300.

Joint Shareholders

The remuneration policy of the Company is based on the Company's performance, the performance of the employees, and the market remuneration level. The remuneration policy is approved by the Board of Directors and the Supervisory Board.

The remuneration of the Chairman of the Board of Directors is RMB5,300,000. The remuneration of the Chairman of the Board of Supervisors is RMB1,066,300.

On July 12, 2022, Mr. Wang Sheng, Chairman of the Board of Directors, and Mr. Wang Jun, Chairman of the Board of Supervisors, were elected to their respective positions.

Corporate Governance Report

C O N T E N T S

T B A S E O F C O N T E N T S

T C O N T E N T S

T S E C T I O N S

D I R E C T O R S

T B A S E O F C O N T E N T S

S H A R E H O L D E R S ' R

Procedures for Shareholder(s) to Convene an Extraordinary General Meeting ("EGM")

S H A R E H O L D E R S ' R

S H A R E H O L D E R S ' R

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Corporate Governance Report

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Procedures for Directing Shareholders' Enquiries to the Board

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Corporate Governance Report

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Directors, Supervisors and Senior Management

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Executive Directors

Mr. GUAN Weili (管偉立), 53, B . H . C H F 1996

Directors, Supervisors and Senior Management

Non-executive Directors

Mr. QIN Hao (秦浩), 32, Male, Bachelor's Degree, Communist Party Member, J 2021. He is currently a Director of Shanghai Zhengxin Valley Investment Management Co., Ltd. (上海正心谷投资管理有限公司), a company listed on the Shanghai Stock Exchange (600845). He has been a Director of the Company since July 2017. He has worked in the investment industry for over 10 years and has extensive experience in investment management. He is currently a Director of the Company and has been a Director since July 2017.

Mr. QIU Peng (邱鹏), 41, Male, Bachelor's Degree, Communist Party Member, J 2014. He is currently a Director of the Company and has been a Director since July 2017. He has worked in the investment industry for over 10 years and has extensive experience in investment management. He is currently a Director of the Company and has been a Director since July 2017.

Mr. LI Changhao (李昌浩), 33, Male, Bachelor's Degree, Communist Party Member, O 2021. He is currently a Director of SDIC C Fund Management Co., Ltd. (國投創益產業基金管理有限公司), a company listed on the Shanghai Stock Exchange (600845). He has been a Director of the Company since July 2022. He has worked in the investment industry for over 10 years and has extensive experience in investment management. He is currently a Director of the Company and has been a Director since July 2022. He is currently a Director of the Company and has been a Director since July 2022. He is currently a Director of the Company and has been a Director since July 2022. He is currently a Director of the Company and has been a Director since July 2022.

Directors, Supervisors and Senior Management

Independent Non-executive Directors

Ms. ZHONG Wentang (鐘文堂), ♀, 33, G J 2020. S D C C, S I C C., L. (上海信公企業管理諮詢有限公司), F 2019, 2019, M. Z I C C., L., F O 2012 F C Z T CPA L

M. Z M B A F U S J 2012. S

Mr. LIU Ning (劉寧), ♀, 59, G J 2020. H T G C., L. (S : 300253.SZ) A 2004, F 2018, K M T (S) C., L. (快享醫療科技(上海)有限公司), B W H T C., L. (北京衛寧健康科技有限公司), S J 2018, T C., L. (上海衛心科技有限公司), A 1991 A 2004, U S H - (HP) C 信息技術有限公司).

M. L F U S J 1985 F U S J 1988 S H - A T E S (上海市工程系列高新技術成果轉化類高級專業技術職務任職資格評審委員會) M, 2000.

S

Mr. XU Ning (許寧), ♀, 49, S C. H M. X C M 2016, C H M. X M 2016 O 2016, F N 2016 D 2017, H C J 2022. H J 2022 M 2023. P C W TV S (溫州電視台) 《溫州新聞聯播》, S 1998 F 2016,




















































Directors, Supervisors and Senior Management

Mr. XU Yi (徐誼), 48, is a male Chinese citizen, holds a Bachelor's degree in Medicine, and is a senior professional title holder. He has worked in the medical field for over 20 years. He has served as the Director of the Department of Cardiology at Wenzhou Kangning Hospital from February 2009 to September 2014, and as the Director of the Department of Cardiology at Wenzhou Kangning Hospital from September 2014 to the present. He has also served as the Director of the Department of Cardiology at Wenzhou Kangning Hospital from February 2009 to September 2014, and as the Director of the Department of Cardiology at Wenzhou Kangning Hospital from September 2014 to the present.

Directors, Supervisors and Senior Management

Mr. JIN Hui (金輝), 36, male, Chinese nationality, Bachelor's degree, currently residing in Wenzhou, Zhejiang Province. He has worked in the accounting field since 2002. He is currently a partner at Jinhua Huaming Accounting Firm (浙江華明會計師事務所有限公司), a member firm of the Chinese Institute of Certified Public Accountants (CICPA). He has been a partner since 2012 and a director since 2021. He is also a partner at Wenzhou Lide Accounting Firm (溫州立德會計師事務所有限公司), a member firm of the CICPA, since 2018. He is currently a partner and director at Wenzhou Lide Accounting Firm (溫州立德會計師事務所有限公司).

Directors, Supervisors and Senior Management

Directors/Senior Management	Members of the Group	Positions Held at Members of the Group	Term of Office	
WANG L 	Y Ka H  Ma  C  , L .	Es   ,	F Ja   2017	
	Q  K  H  C  , L .	Ma 		F D 2018
	B Y H  C  , L .	D		F Ma  2019
	H  Y N   S   C  , L .	Es   ,	G   	F D 2020
	Z  F N T  C  , L .	D		F F  2022
	Z  Y H  T   C  , L .	Es 		F S 2022
	Z  D P    C  , L .	C  		F S 2022
	C  K  H 	D		F N  2022
	H  H  C  , L .			

Directors, Supervisors and Senior Management

Directors/Senior Management	Members of the Group	Positions Held at Members of the Group	Term of Office
XU Y	Q K H S C.,L.	S	F A 2011
	Y K H S C.,L.	S	F S 2013
	S Y H S C.,L.	S	F S 2014
	W Y G S H C.,L.	S	F N 2015
	B Y H S C.,L.	S	F A 2015
	S Y M S I C.,L.	S	F S 2015
	Q Y H S C.,L.	S	F N 2015 N 2022
	Z H H C M C.,L.	C	F A 2016
	T K H E C.,L.	E	F J 2016
	Z K H E M (G) G C.,L.	E, G	F J 2016
	H Y H C C.,L.	C	F A 2017 A 2022
	T L C E H C.,L. M	E, M	F D 2016
	H K H C C.,L.	C	F J 2018
	H C H E C.,L. G	E, G	F N 2017
	W T TCM E C C.,L.	E	F J 2018
	W T TCM G C C.,L.	G	F J 2018 A 2022
	Z J H E T C.,L. G	E, G	F D 2018
	W L Y D H C.,L.	D	F A 2020
	W J J E T C.,L. G	E, G	F D 2021
	W Y H D T C.,L.	D	F A 2022

Directors, Supervisors and Senior Management

Directors/Senior Management	Members of the Group	Positions Held at
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Directors, Supervisors and Senior Management

Directors/Senior Management	Members of the Group	Positions Held at Members of the Group	Term of Office
ZHANG F 张峰	Liang Kang Hui C., L.	Executive Director	February 2018
	Wang Na P S H C., L.	Director	February 2019
	Liang Chuan Hui C., L.	Executive Director	February 2020
YE M 叶明	Wang Yuhang T C., L.	Executive Director	February 2019 - June 2022
JIN W 金伟	Qian Yuhang C., L.	Director	February 2015 - November 2022
	Huang Yiping H C., L.	Director	February 2018
	Pan Y C H C., L.	Executive Director	February 2021
	Gao Y N C C., L.	Executive Director	February 2021 - December 2022
XUN 孙	Gao Yuhang C., L.	Executive Director	February 2019
	Huang Yiping H C., L.	Director	February 2020
JIN H 金海	Wang Ouyang E H C., L.	Supervisor	February 2022
	Gao Y N C C., L.	Supervisor	February 2022

Auditor's Report

III. KANGNING MA

KANGNING MA, T ...



WENZHOU KANGNING HOSPITAL CO., LTD.
2022 ANNUAL REPORT

Auditor's Report

Auditor'

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Auditor'

VI. A

Consolidated Balance Sheets

As at 31 December 2022

ASSETS	N V	December 31, 2022	December 31, 2021	June 30, 2021
			(Rands)	(Rands)
Current assets:				
Cash and bank balances	(I)	271,094,962.97	188,734,845.77	206,499,564.42
Prepaid expenses				
Financial assets	(II)	10,641,026.00	10,000,000.00	
Accounts receivable	(III)	382,836,690.89	311,757,875.46	225,300,247.01
Accounts payable	(VI)	32,201,223.97	11,858,427.06	9,909,510.16
Other current assets	(V)	37,195,219.68	29,925,487.99	63,465,823.77
Income tax receivable	(VI)	58,331,397.37	56,519,301.23	37,508,471.39
Other non-current assets	(VII)	752,324.77	806,685.85	
Total current assets		793,052,845.65	609,602,623.36	542,683,616.75
Non-current assets:				
Goodwill	(VIII)	14,000,000.00		
Other non-current assets	(IX)	143,546,246.10	129,847,779.24	97,816,933.76
Income tax payable	(X)	63,116,852.05	65,812,274.58	57,404,918.27
Financial assets				107,804,936.40

Consolidated Balance Sheets

As at December 31, 2022

(All amounts in RMB Yuan, unless otherwise specified)

LIABILITIES AND SHAREHOLDERS' EQUITY	Non-current	Current	December 31, 2022	December 31, 2021	January 1, 2021
	(RMB Yuan)	(RMB Yuan)	(RMB Yuan)	(RMB Yuan)	(RMB Yuan)
Current liabilities:					
Short-term borrowings	(XIX)		203,000,000.00	254,050,000.00	312,500,000.00
Other current liabilities					

		December 31,	D	31,	January 1,
		2022		2021	2021
ASSETS	N	XVI		(R	(R
)))

Parent Company Balance Sheets

As at December 31, 2022
(Amounts in RMB Yuan)

LIABILITIES AND SHAREHOLDERS' EQUITY	December 31, 2022	December 31, 2021	January 1, 2021
(RMB Yuan)	(RMB Yuan)	(RMB Yuan)	(RMB Yuan)
Current liabilities:			
Short-term borrowings	195,000,000.00	251,050,000.00	310,000,000.00
Accounts payable	20,689,401.73	13,161,555.37	34,954,083.13
Prepaid expenses and other receivables	3,299,924.90	2,011,708.12	
Contract liabilities			3,480,241.45
Contract liabilities	18,740,841.95	17,876,433.39	15,629,765.62
Trade payables	597,972.12	4,848,233.63	8,267,930.79
Other payables	49,473,505.95	74,941,835.88	27,298,927.14
Liabilities for employee compensation			
Liabilities for employee compensation	91,487,500.00	3,000,000.00	
Total current liabilities	379,289,146.65	366,889,766.39	399,630,948.13
Non-current liabilities:			
Long-term borrowings	284,750,000.00	200,950,000.00	38,000,000.00
Long-term payables			
Long-term payables	25,922,687.47		
Long-term payables			
Long-term payables			
Long-term payables			
Long-term payables	9,037,891.00	9,341,683.00	9,645,475.00
Long-term payables	2,291,279.89	2,853,156.89	1,607,648.32
Long-term payables			

LIABILITIES AND SHAREHOLDERS' EQUITY	December 31, 2022	December 31, 2021	January 1, 2021
N	XVI	(RMB)	(RMB)
Shareholders' equity:			
Shareholders' equity	74,600,300.00	74,600,300.00	74,600,300.00
Capital	871,230,628.64	854,317,490.93	834,138,174.86
Reserves	38,399,577.13	38,399,577.13	36,593,228.71
Minority interest	241,903,691.18	214,974,182.62	198,717,046.87
Total shareholders' equity	1,226,134,196.95	1,182,291,550.68	1,120,737,606.60
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,927,425,201.96	1,762,326,156.96	1,569,621,678.05

TOTAL ASSETS

Prepared by: GUAN W
 Prepared by: JIN H
 Prepared by: HANG M
 Prepared by: WANG M

Consolidated Income Statement

F 2022

(A RMB Y)

Item	N V	Amount for the current period	A (R)
I. Total revenue		1,484,903,042.25	1,297,430,369.83
I : R	(XXXVII)	1,484,903,042.25	1,297,430,369.83
I			
P			
F			
II. Total cost of sales		1,435,161,133.62	1,226,514,555.85
I : C	(XXXVII)	1,131,971,942.77	968,432,455.76
I			
F			
S			
N			
N			
I			
R			
T	(XXXVIII)	4,960,285.79	5,754,219.28
S	(XXXIX)	15,004,027.73	10,335,392.65
G	(XL)	205,887,172.40	176,371,888.82
R	(XLI)	33,027,987.79	27,962,173.39
F	(XLII)	44,309,717.14	37,658,425.95
I : I		45,149,998.30	36,267,756.91
I		2,761,765.05	1,691,366.88
A : O	(XLIII)	14,907,710.81	13,619,635.06
I	(XLIV)	2,850,458.27	6,937,845.27
I : I		-15,926,847.45	-6,565,719.92
D			
F			
G			
G	(XLV)	-15,977,325.91	9,417,390.73
C	(XLVI)	-25,191,541.19	-2,140,196.45
A	(XLVII)	-10,345,460.56	-6,179,290.37
G	(XLVIII)	406,184.95	-79,403.55
III. Operating profit (losses represented with “-” signs)		16,391,935.00	92,491,794.67
A : N -	(XLIX)	8,553,977.86	11,835,931.80
L : N -	(L)	9,341,038.73	8,636,583.42
IV. Total profit (total losses represented with “-” signs)		15,604,874.13	95,691,143.05
L : I	(LI)	26,573,712.49	54,830,913.00

Consolidated Income Statement

F 2022
(A RMB Y)

Item	N	V	Amount for the current period	A (R)
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Parent Company Income Statement

F 2022

(A RMB Y)

Item	N XVI	Amount for the current period	A
I. Revenue	(IV)	343,141,450.63	369,798,306.12
L : C	(IV)	265,024,147.50	271,489,388.70
T		154,333.60	3,013,304.93
S		1,692,773.94	3,068,742.71
G		82,345,368.26	70,825,757.20
R		18,899,109.47	16,486,961.41
F		16,480,521.45	5,650,976.01
I : I		26,568,676.00	19,722,968.32
I		11,229,395.04	14,521,251.32
A : O		6,245,933.48	5,326,738.38
I	(-) (V)	49,902,280.65	4,923,377.54
I : I			
D		-5,377,605.11	-3,485,811.81
G			
-			
G		-2,695,422.53	8,407,356.31
-			

Consolidated Cash Flow Statement

F 2022

I	N	V	Amount for the current period	A
I. Cash flows from operating activities				
G	↓		1,452,028,763.13	1,211,114,150.81
N				
N				
N				

Consolidated Cash Flow Statement

For the year ended December 31, 2022

(Amount in RMB Yuan)

Item	Unit	Amount for the current period	Amount for the corresponding period of the previous year
II. Cash flows from investing activities			
1. Cash inflows from investing activities			
(1) Recoveries of loans and advances made to related parties		1,650,804.41	52,119,175.58
(2) Recoveries of loans and advances made to non-related parties			7,777,189.35
(3) Disposal of fixed assets, intangible assets and other long-term assets		24,100,366.61	8,755,311.37
(4) Disposal of subsidiaries and other entities			
(5) Disposal of financial investments			
(6) Disposal of available-for-sale financial assets			
(7) Disposal of long-term equity investments			
(8) Disposal of other financial investments			
(9) Other cash inflows from investing activities			
Sub-total of cash inflows of investing activities		25,751,171.02	68,651,676.30
2. Cash outflows from investing activities			
(1) Cash paid for acquisition of subsidiaries and other entities		236,910,178.88	178,536,614.68
(2) Cash paid for acquisition of long-term equity investments			48,600,000.00
(3) Cash paid for acquisition of other financial investments		53,685,701.28	80,564,032.90
(4) Cash paid for purchase of fixed assets, intangible assets and other long-term assets	(LIV)	8,770,704.43	
(5) Cash paid for purchase of available-for-sale financial assets			
(6) Cash paid for purchase of long-term equity investments			
(7) Cash paid for purchase of other financial investments			
(8) Cash paid for other investing activities			
Sub-total of cash outflows of investing activities		299,366,584.59	307,700,647.58
Net cash flows used in investing activities		-273,615,413.57	-239,048,971.28
III. Cash flows from financing activities			
1. Cash inflows from financing activities			
(1) Proceeds from issuance of long-term debt		9,153,084.38	2,900,000.00
(2) Proceeds from issuance of short-term debt		9,153,084.38	2,900,000.00
(3) Proceeds from issuance of financial leases		387,500,000.00	550,250,000.00
(4) Proceeds from other financing activities	(LIV)	151,420,250.00	
Sub-total of cash inflows of financing activities		548,073,334.38	553,150,000.00
2. Cash outflows from financing activities			
(1) Cash paid for repayment of long-term debt		324,220,000.00	428,342,970.00
(2) Cash paid for repayment of short-term debt		51,554,507.56	30,297,107.09
(3) Cash paid for repayment of financial leases			
(4) Cash paid for other financing activities	(LIV)	56,121,295.37	60,676,565.61
Sub-total of cash outflows of financing activities		431,895,802.93	519,316,642.70
Net cash flows from financing activities		116,177,531.45	33,833,357.30
IV. Effect of foreign exchange rate changes on cash and cash equivalents			
		78,462.87	-38,704.15
V. Net increase in cash and cash equivalents			
		69,861,145.20	-11,357,819.65
VI. Cash and cash equivalents at the end of the period	(LIV)	188,734,845.77	200,092,665.42
VI. Cash and cash equivalents at the beginning of the period	(LIV)	258,595,990.97	188,734,845.77
Total			
L: Guan W	P: Jin H	H: Wang M	:

Parent Company Cash Flow Statement

F 2022

(A RMB Y)

Item	N	Amount for the current period	A
I. Cash flows from operating activities			
G		336,363,866.37	367,674,455.38
R			
G		495,591,067.36	804,490,679.80
Sub-total of cash inflows of operating activities		831,954,933.73	1,172,165,135.18
G		153,275,777.22	176,137,498.58
G		147,419,578.70	141,102,134.39
P		2,393,183.16	9,767,527.34
G		596,762,811.79	710,127,325.96
Sub-total of cash outflows of operating activities		899,851,350.87	1,037,134,486.27
Net cash flows from operating activities		-67,896,417.14	135,030,648.91
II. Cash flows from investing activities			
G		12,396,717.38	
G		2,298,348.18	7,089,189.35
N			
G		32,054.56	37,820.00
N			
G			
Sub-total of cash inflows of investing activities		14,727,120.12	7,127,009.35
G		14,643,564.50	37,662,933.95
G		54,309,855.16	212,313,500.00
N			
G			
Sub-total of cash outflows of investing activities		68,953,419.66	249,976,433.95
Net cash flows used in investing activities		-54,226,299.54	-242,849,424.60

Parent Company Cash Flow Statement

F 2022
(A RMB Y)

Item	N	Amount for the current period	A
III. Cash flows from financing activities			
		334,500,000.00	518,050,000.00
		120,000,000.00	
Sub-total of cash inflows of financing activities		454,500,000.00	518,050,000.00
		306,750,000.00	411,050,000.00
		26,512,297.06	19,663,754.20
		6,421,875.00	
Sub-total of cash outflows of financing activities		339,684,172.06	430,713,754.20
Net cash flows from financing activities		114,815,827.94	87,336,245.80
IV. Effect of foreign exchange rate changes on cash and cash equivalents			
		78,462.87	-38,704.15
V. Net increase in cash and cash equivalents		-7,228,425.87	-20,521,234.04
A : C		97,615,570.76	118,136,804.80
VI. Cash and cash equivalents at the end of the period			
		90,387,144.89	97,615,570.76
T			
L : GUAN W	P : JIN H	H : WANG M	:

Consolidated Statement of Changes in Owners' Equity

F 2022

(A RMB Y)

Items	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	Other equity instruments	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
(IV) 2021														
1. C Y														
2. C Y														
3. S Y														
4. C Y														
5. C Y														
6. O														
(V) S Y														
1. W														
2. U														
(VI) O					4,698,718.86						628,692.43	5,327,411.29		5,327,411.29
IV. Balance as at the end of the period	74,900,300.00				855,078,533.30			38,839,577.13			233,506,534.43	1,201,584,944.86	124,317,673.97	1,325,902,618.83

Consolidated Statement of Changes in Owners' Equity

For the year ended 2022

(All amounts in RMB Yuan)

	2021	2022	2021	2022
	12/31	12/31	12/31	12/31
	元	元	元	元
I	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity
	股本	股本	股本	股本
	74,600,300.00	74,600,300.00	74,600,300.00	74,600,300.00
	资本公积	资本公积	资本公积	资本公积
	1,280,279,120.57	1,280,279,120.57	1,280,279,120.57	1,280,279,120.57
	盈余公积	盈余公积	盈余公积	盈余公积
	38,399,577.13	38,399,577.13	38,399,577.13	38,399,577.13
	未分配利润	未分配利润	未分配利润	未分配利润
	21,784,723.23	21,784,723.23	21,784,723.23	21,784,723.23
	所有者权益合计	所有者权益合计	所有者权益合计	所有者权益合计
	1,324,420.61	1,324,420.61	1,324,420.61	1,324,420.61
II	Other comprehensive income	Other comprehensive income	Other comprehensive income	Other comprehensive income
	其他综合收益	其他综合收益	其他综合收益	其他综合收益
	-23,311,143.84	-23,311,143.84	-23,311,143.84	-23,311,143.84
III	Reserves	Reserves	Reserves	Reserves
	储备	储备	储备	储备
	888,165,395.59	888,165,395.59	888,165,395.59	888,165,395.59
IV	Balance as at the end of the period	Balance as at the end of the period	Balance as at the end of the period	Balance as at the end of the period
	74,600,300.00	74,600,300.00	74,600,300.00	74,600,300.00
	1,280,279,120.57	1,280,279,120.57	1,280,279,120.57	1,280,279,120.57
	38,399,577.13	38,399,577.13	38,399,577.13	38,399,577.13
	21,784,723.23	21,784,723.23	21,784,723.23	21,784,723.23
	1,324,420.61	1,324,420.61	1,324,420.61	1,324,420.61
V	Special reserves	Special reserves	Special reserves	Special reserves
	专项储备	专项储备	专项储备	专项储备
VI	Other	Other	Other	Other
	其他	其他	其他	其他
Signatures:				
Director: GUAN W			Director: JIN H	
Director: WANG M			Director: WANG M	

Statement of Changes in Parent Company Owners' Equity

For the year ended December 31, 2022

(All amounts in RMB Yuan)

	Balance at the beginning of the current year	Changes during the current year	Balance at the end of the current year	Balance at the end of the previous year
I. Balance as at the end of the previous year	74,600,300.00		74,600,300.00	74,600,300.00
P : C				
C	834,138,174.86	23,311,143.84	857,449,318.70	834,138,174.86
O				
S	36,593,228.71	5,430,444.01	42,023,672.72	36,593,228.71
R	193,286,602.86		193,286,602.86	193,286,602.86
T				
O				
S				
T				
II. Balance as at the beginning of the current year	74,600,300.00	834,138,174.86	908,738,474.86	74,600,300.00
III. Increases/decreases in the current period ("+" for increases, "-" for decreases)				
(I) T				
(II) O	20,179,316.07	-23,311,143.84	-3,131,827.77	61,533,944.08
1. C	20,182,750.66		20,182,750.66	18,063,484.17
2. C	2,445,056.34		2,445,056.34	20,182,750.66
3. A				2,445,056.34
4. O				
(III) D				
1. W				
2. P				
3. O	17,737,694.32		17,737,694.32	17,737,694.32
(IV) I				
1. C				
2. C				
3. S				
4. C				
5. C				
6. O				
(V) S				
1. W				
2. U				
(VI) O				
1. W				
2. U				
IV. Balance as at the end of the period	74,600,300.00	854,317,490.93	928,917,790.93	74,600,300.00
T				
L				
GUAN W				
JIN H				
P				
H				
WANG M				
38,399,577.13	214,974,182.62	1,182,291,550.68		

Notes to the Financial Statements

F 2022
(A RMB Y)

I. G

(I) Company profile

W K H C., L. (C)
W C K P R H (温州市康宁精神康复医院)
PRC F 1996. T C

Notes to the Financial Statements

F 2022
(A RMB Y)

II. Basis of preparation

(I) Basis of preparation

The Company's financial statements are prepared on the basis of the historical cost method. The Company's financial statements are prepared in accordance with the Accounting Standards for Enterprises issued by the Ministry of Finance of the People's Republic of China. The Company's financial statements are prepared in Chinese Renminbi Yuan (RMB). The Company's financial statements are prepared on a going concern basis.

(II) Going concern

The Company has no going concern issues.

III. Significant accounting policies

1. The Company's accounting policy is to measure assets and liabilities at historical cost. The Company's accounting policy is to measure assets and liabilities at historical cost.
2. The Company's accounting policy is to measure assets and liabilities at historical cost. The Company's accounting policy is to measure assets and liabilities at historical cost.
3. The Company's accounting policy is to measure assets and liabilities at historical cost. The Company's accounting policy is to measure assets and liabilities at historical cost.

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(V) Accounting treatments for business combinations under common control and not under common control (continued)

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(VI) Preparation of consolidated financial statements

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Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(VI) Preparation of consolidated financial statements (continued)

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Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(VI) Preparation of consolidated financial statements (continued)

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Notes to the Financial Statements

F 2022
(A RMB Y)



Notes to the Financial Statements

F 2022
(A RMB Y)

Notes to the Financial Statements

F 2022

(A RMB Y)

III. S ()

(X) Financial instruments (continued)

1. C ()

Notes to the Financial Statements

F 2022
(A RMB Y)

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(X) Financial instruments (continued)

2. R ()

(3) F ()

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Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(X) Financial instruments (continued)

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Notes to the Financial Statements

F 2022

(A RMB Y)

III. S ()

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(X) Financial instruments (continued)

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Notes to the Financial Statements

F 2022
(A RMB Y)

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XI) Inventories

1. C
I
I . C
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2. V
I
3. B
A . W
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Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XI) Inventories (continued)

4. I
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(XII) Contract assets

1. R
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2. D
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Notes to the Financial Statements

F 2022

(A RMB Y)

III. S ()

(XIII) Long-term equity investments (continued)

2. D

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XIII) Long-term equity investments (continued)

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T C -
C -
C () 0.018 GS0)0.. W 0.5 (8 T

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XIV) Fixed assets

1. R
F
(1)
(2)
T
S
2. D
F
W

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XVI) Borrowing costs

1. R
T C
;
A
2. G
G
G
(1) A
(2) B
(3) T
G
3. G
I
3
B

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XVI) Borrowing costs (continued)

4. M
F
F
D

(XVII) Intangible assets

1. V
(1) I
T
(2) S
T C
A

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XVII) Intangible assets (continued)

2. E

Item	Estimated useful lives (years)	Amortisation method	Basis
L	40-50	S -	S
S	5	S -	E
C	20-30	S -	E
M	5-20	S -	E
T	10	S -	E

3. S
E
R : R
D : D

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XVIII) Impairment of long-term assets (continued)

G , ,
 , ,
 .

W C , C ,
 , , .T
 .

F ,
 ,
 ,
 .T C
 ,
 .W
 ,
 -
 .

O ,

(XIX) Long-term prepaid expenses

L -
 .

(XX) Contract Liabilities

T C
 .T C
 .C

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXI) Employee benefits

1. A -
T -
W C
W C .N -
2. A -
(1) C
T C .D
, C
.I , C
.T C /
C

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXI) Employee benefits (continued)

2. A - ()

(2) D
T C
E A W U M . T

T
, . I , C

A ,
- ,

T . C
. U ,

U ,

3. A
W C ,
(): C ;
C

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXII) Provisions

T C : ,

(1) C

(2) C ;

(3)

A .

F , W ,

W , . O ,

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXIII) Share-based payments

A - C C C
S - C
- -

1. E -
T .F -
C
I - C
I .H , C

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXIII) Share-based payments (continued)

2. G - - - - -
A - - - - - C F - - - - -
- - - - - , - - - - -
- - - - - , - - - - -
- - - - - F - - - - -
- - - - - , - - - - -
- - - - - , - - - - -
- - - - - C
- - - - - . F - - - - -
- - - - - , - - - - -
- - - - - .
I C - - - - -
- - - - - O - - - - - (- - - - -
- - - - -) , C - - - - - - - - - -
- - - - - . A - - - - - , - - - - -
-
- - - - - . I - - - - -
- - - - - , C - - - - - - - - - - .

(XXIV) Revenue

1. A - - - - -
T C - - - - - . C - - - - -
- - - - - , - - - - -
- - - - - .
I - - - - - , - - - - -
C - - - - - - - - - - - - - - -
- - - - - - - - - - - - - - -
- - - - - , - - - - -
- - - - - - - - - - - - - - -
- - - - - .

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXIV) Revenue (continued)

1. A ()
T C
T C
W
C
T C
W
C
T
W
C
A C
T C
G C
W
T C
W

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXIV) Revenue (continued)

1. A ()
F , C
.I
, C :
• C , ,

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXV) Contract costs (continued)

I C ,
A ; , C
F , C
:
1. T ;
2. T
I - ,
G - C
G C , G
2. T
G C

(XXVI) Government grants

1. T
G - C
G C , G
2. T
G C

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXVI) Government grants (continued)

3. A
A - . T
(C ;
C -);
G C
(C
; C
)
(C
; C
)

(XXVII) Deferred tax assets and deferred tax liabilities

I . C
().
D ().
D . F
, .

Notes to the Financial Statements

F 2022
(A RMB Y)

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXVII) Deferred tax assets and deferred tax liabilities (continued)

- A , :
- W ;
 - W

(XXVIII) Lease

- A , , A , C , A , () .
- F , C , F - , - .
- I COVID-19 , , C , - :
- T , ;
 - A , .

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXVIII) Lease (continued)

1. T C

(1) R - -

A , C - -
(S -). R - -
S :

-
- () ;
- C
- C ,

T C - - . I
C , C ; ,
C

T C - -
N III. (XVIII) I - -

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXVIII) Lease (continued)

1. T C ()

(2) L

A , C ()
-). L :
V . L :

- (-), ()
V);

- V ;

- C V

- C ;

- C .

T C . I
C

T C V
V

V V

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXVIII) Lease (continued)

1. T C ()

(2) L ()

A , C

A

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXVIII) Lease (continued)

1. T C ()

(4) L

T C :
:

- ;
- .

I , C , - , .

I , C . F .

(5) R COVID-19

F COVID-19 , C , . I . W , C .

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXVIII) Lease (continued)

1. T C ()

(5) R COVID-19 ()

F - , C . I
 , C ;
 , C .

2. T C

A , C
 . A , ()0.5 ()0.366.5 ()0.5 ()0.5 ()0.5

Notes to the Financial Statements

F 2022

(A RMB Y)

III. S ()

(XXVIII)

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXVIII) Lease (continued)

2. T C ()

(3) R COVID-19

- F COVID-19 , C . I , C ; C , .
- F COVID-19 , C . I , C W , -

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXVIII) Lease (continued)

3. S ()

(2) T C

I - C 2. T
C ; - ,
C , ,
. F ,
N III (X) F .

(XXIX) Segment report

T C ,

A C : (1)
; (2)
C ; (3)
C T

(XXX) Significant accounting estimates and judgements

T C ,

1. E
A N III. (XXIV), C
T

Notes to the Financial Statements

F 2022
(A RMB Y)

III. S ()

(XXX) Significant accounting estimates and judgements (continued)

2. *E*

A N III. (XVIII), C
T
(N V. (XV))

I EBIT - EBIT
,
, C I
EBIT -
C
3. *E*

T
C F
() C
4. *M*

I 2022, C
H Y H C., L.
:

Items	Evaluation Parameters
A ()	180
A (/)	570
N	10.79%
G (/)	60
D	14.00%
P	2.50%

Notes to the Financial Statements

F 2022

(A RMB Y)

III. S ()

(XXXI) Changes in significant accounting policies and accounting estimates

I 2021, M F N P D I E
A S N . 15 I 2022 2023, M F N P
D I E A S N . 16 Q&A I
E A S . T C 31
D 2022
Q&A. T C

IV. T

(I) Major tax categories and tax rates

Tax categories	Tax basis	Tax rate
V (VAT)	T VAT () ()	3%, 6%, 13%
U	B VAT	7%
E	B VAT	5%
E	B	15%, 20%, 25%
C		
Taxpayer		Income tax rate
W K H C ., L .		15%
Z J H T C ., L .		15%
Y K H M C ., L .		20%

Notes to the Financial Statements

F 2022
(A RMB Y)

IV. ()

(II) Preferential tax treatment

- P VAT P B T (C S [2016] N . 36) M F
S T A , C
A M M I (O S C N . 149)
S C I M A M I
(O M H N . 35) M H

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N

(I) Cash at bank and on hand

	Balance as at the end of the period	B
I		
C	454,907.26	971,773.72

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(III) Accounts receivable

1. A V Y

Aging	Balance as at the end of the period	Balance
W 1 Y	388,961,193.05	303,910,574.15
1-2 Y	4,755,919.87	9,812,859.20
2-3 Y	3,941,367.25	4,259,870.27
Ö 3 Y	5,180,894.08	3,140,407.07
S -	402,839,374.25	321,123,710.69
L : P V	20,002,683.36	9,365,835.23
T	382,836,690.89	311,757,875.46

T C V
T V

Notes to the Financial Statements

For the year ended December 31, 2022
(All amounts in RMB Yuan unless otherwise specified)

V. Non-current assets (continued)

(III) Accounts receivable (continued)

Category	Balance as at the end of the period		Provision for bad debts		Book value	Balance as at the end of the period		Provision for bad debts		Book value
	Book balance	Proportion of proportion	Amount	Proportion of proportion		Book balance	Proportion of proportion	Amount	Proportion of proportion	
	Amount	(%)	Amount	(%)	Book value	A	(%)	A	(%)	B
1. Accounts receivable										
Government grants receivable	18,221,975.88	4.52	12,514,142.66	68.68	5,707,833.22	7,247,978.61	2.26	4,590,286.39	63.33	2,657,692.22
Medical receivables	18,221,975.88	4.52	12,514,142.66	68.68	5,707,833.22	7,247,978.61	50.00	4,590,286.39	63.33	2,657,692.22
Other receivables	384,617,398.37	95.48	7,488,540.70							

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(III) Accounts receivable (continued)

2. A ()
P :

Items	Book balance	Balance as at the end of the period		Reason
		Provision for bad debts	Proportion of provision (%)	
M	18,221,975.88	12,514,142.66	68.68	provision for bad debts based on Lifetime ECL
T	18,221,975.88	12,514,142.66	/	

D : N III. (X)

P :

Items	Accounts receivable	Balance as at the end of the period	
		Provision for bad debt	Proportion of provision (%)
O	384,617,398.37	7,488,540.70	1.95
T	384,617,398.37	7,488,540.70	

C : N III. (X)

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(III) Accounts receivable (continued)

3. P	B	C	R	W	Balance as at the end of the period
Category					
P	4,590,286.39	8,289,230.88		365,374.61	12,514,142.66
P	4,775,548.84	3,379,914.39		666,922.53	7,488,540.70
T	9,365,835.23	11,669,145.27		1,032,297.14	20,002,683.36
4. A					
Items	Amount written-off				
A					365,374.61

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(IV) Advances to suppliers

1. A

Aging	Balance as at the end of the period		Balance as at the end of the period	
	Amount	Proportion (%)	A	P (%)
W 1	29,973,748.69	93.08	11,751,451.87	99.11
1 - 2	2,127,484.58	6.61	58,511.20	0.49
2 - 3	56,690.70	0.18	24,163.99	0.20
Over 3	43,300.00	0.13	24,300.00	0.20
T	32,201,223.97	100.00	11,858,427.06	100.00

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(V) Other receivables

Items	Balance as at the end of the period	Balance
I		
D		
O	37,195,219.68	29,925,487.99
T	37,195,219.68	29,925,487.99

(1) O

Aging	Balance as at the end of the period	Balance
W 1	31,752,956.09	20,470,501.76
1 - 2	12,384,779.19	4,096,700.18
2 - 3	4,035,447.86	838,693.49
3 - 4	1,755,508.40	2,814,221.11
4 - 5	101,363.87	1,452,266.68
Over 5	3,877,306.68	2,930,000.00
S	53,907,362.09	32,602,383.22
L : P	16,712,142.41	2,676,895.23
T	37,195,219.68	29,925,487.99

Notes to the Financial Statements

For the year ended December 31, 2022
(All amounts in RMB Yuan unless otherwise specified)

V. Non-current assets (continued)

(V) Other receivables (continued)

(2) Other receivables

Category	Balance as at the end of the period				Book value	Debtors			
	Book balance		Provision for bad debts			By debtor		By nature	
	Proportion		Proportion of provision			P		P	
	Amount	(%)	Amount	(%)		A	(%)	A	(%)
Payable									
Others	25,337,819.20	47.00	15,852,030.91	62.56	9,485,788.29	1,435,560.00	4.40	1,435,560.00	100.00
Total									
Healthcare									
U.S. & Canada									
China									
A.T.P.									
China						1,435,560.00	100.00	1,435,560.00	100.00
Healthcare									
C.L.	25,337,819.20	47.00	15,852,030.91	62.56	9,485,788.29				
Payable									
Others	28,569,542.89	53.00	860,111.50	3.01	27,709,431.39	31,166,823.22	95.60	1,241,335.23	3.98
Total									
Payable	28,569,542.89	53.00	860,111.50	3.01	27,709,431.39	31,166,823.22	95.60	1,241,335.23	3.98
Total	53,907,362.09	100.00	16,712,142.41		37,195,219.68	32,602,383.22	100.00	2,676,895.23	29,925,487.99

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(V) Other receivables (continued)

(2) O ()

P :

Name	Book value	Balance as at the end of the period		Reason for the provision
		Provision for bad debts	Proportion of provision (%)	
H Y H C.,L .	25,337,819.20	15,852,030.91	62.56	The allowance for losses is measured against expected credit loss in the whole duration
T	25,337,819.20	15,852,030.91		

D P : P N III. (X)

P :

Name	Other receivables	Balance as at the end of the period	
		Provision for bad debts	Proportion of provision (%)
P	28,569,542.89	860,111.50	3.01
T	28,569,542.89	860,111.50	

C P : P
N III. (X)

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(V) Other receivables (continued)

(3) D ↓

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	
B ↓	1,241,335.23		1,435,560.00	2,676,895.23
B ↓				
Y ↓				
- T 2				
- T 3				
- R ↓ 2				
- R ↓ 1				
P ↓	141,793.04		15,852,030.91	15,993,823.95
R ↓	485,492.80		1,435,560.00	1,921,052.80
W	37,523.97			37,523.97
W				
O				
B ↓	860,111.50		15,852,030.91	16,712,142.41

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(V) Other receivables (continued)

(3) D ()

C :

Book value	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	
B 31,166,823.22			1,435,560.00	32,602,383.22
B /				
- T 2				
- T 3				
- R 2				
- R 1				
A	2,428,909.82		25,337,819.20	27,766,729.02
D	4,306,570.80		1,435,560.00	5,742,130.80
O	-719,619.35			-719,619.35
B	28,569,542.89		25,337,819.20	53,907,362.09

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(V) Other receivables (continued)

(4) P , ,

Category	Balance	Change	Reversal	Write-off	Balance as at the end of the period
P	1,435,560.00	15,852,030.91	1,435,560.00	-	15,852,030.91
P	1,241,335.23	141,793.04	485,492.80	37,523.97	860,111.50
T	2,676,895.23	15,993,823.95	1,921,052.80	37,523.97	16,712,142.41

O , : :

Names	Recovered or reversed	Determine the basis and rationality of provision for original bad debts	Reason for reversal or recovery	Recovery method
H U C C D A T , P C	1,435,560.00	F	R	M
T	1,435,560.00			

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(V) Other receivables (continued)

(5) O

Item	Amount written-off
O	37,523.97

(6) O

Nature of receivables	Balance as at the end of the period	
D	20,677,631.31	23,577,997.61
P	816,666.30	4,228,330.66

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(VI) Inventories

Items	Book balance	Balance as at the	Book value	B	B
		end of the period			
		Provision for			
		decline in the			
		value of			
		inventories/ impairment			
		provision for			
		contract			
		performance			
		costs			
T	3,697,607.74		3,697,607.74	2,242,027.51	2,242,027.51
C	54,633,789.63		54,633,789.63	54,277,273.72	54,277,273.72
T	58,331,397.37		58,331,397.37	56,519,301.23	56,519,301.23

(VII) Other current assets

Items	Balance as at the	B
I	196,008.48	137,228.50
P	269,072.88	321,191.35
P	287,243.41	348,266.00
T	752,324.77	806,685.85

Notes to the Financial Statements

For the year ended December 31, 2022

(All amounts are in RMB Yuan unless otherwise specified)

V. Non-current assets

(VIII) Long term receivables

Items	Balance as at the end of the period			B	P	B	D
	Book balance	Provision for bad debts	Book value				
End of year	14,000,000.00		14,000,000.00				
Total	14,000,000.00		14,000,000.00				

(IX) Long-term equity investment

Investees	Balance as at the end of the period		I	D	I	O	I	O	Balance as at the end of the period	
	Yuan	Yuan								
A										
Hua A Medical Technology Co., Ltd.	13,156,356.09			-4,287,457.64				5,310,451.69	14,179,350.14	
W L Y H Co., Ltd.	58,100,000.00			500,000.00					57,600,000.00	
Z H Hua H Medical Co., Ltd.		22,193,790.14		-1,090,147.47					21,103,642.67	
S S H Medical Co., Ltd.	23,198,356.89			-1,102,416.10					22,095,940.79	
C H K H Co., Ltd.	18,687,211.65			74,969.38			400,000.00		18,362,181.03	
C Y H Co., Ltd.	11,514,784.92			-1,309,653.45					10,205,131.47	
J S H Co., Ltd.	5,191,069.69						5,191,069.69			
Hua Y H Co., Ltd.										
(N)										
Total	129,847,779.24	22,193,790.14	500,000.00	-7,714,705.28			5,310,451.69	400,000.00	5,191,069.69	143,546,246.10

Notes: On October 10, 2022, Zhen Kang Hospital Management (Group) Co., Ltd. (Zhen Kang Hospital Management Co., Ltd.) held a 28% share in Hua Y H Medical Co., Ltd. (Hua Y H Medical Co., Ltd.), and transferred W L Y H Medical Co., Ltd. (W L Y H Medical Co., Ltd.) to Zhen Kang Hospital Management Co., Ltd. for RMB14,000,000.00. Simultaneously, Zhen Kang Hospital Management Co., Ltd. held a 33% share in Hua Y H Medical Co., Ltd. On December 31, 2022, the balance of long-term equity investment in Hua Y H Medical Co., Ltd. was RMB13,922,929.38. On December 31, 2022, the balance of long-term equity investment in Hua Y H Medical Co., Ltd. was RMB8,212,142.17.

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(X) Other non-current financial assets

Items	Balance as at the end of the period	Balance
F	63,116,852.05	65,812,274.58
I : I	63,116,852.05	65,812,274.58
T	63,116,852.05	65,812,274.58

Notes to the Financial Statements

F
(A 2022
RMB Y)

Items	Buildings and structure	Medical equipment	Motor vehicles	Electronic and other equipment	Fixed assets leased under sale-leaseback and finance leases	Total
1. 0						
(1) B	745,833,959.90	142,218,120.78	6,548,724.87	68,038,620.62		962,639,426.17
(2) I	811,977.80	25,247,491.51	6,016,909.41	9,508,145.59	140,027,233.85	181,611,758.16
-P	811,977.80	14,854,645.52	2,906,555.91	5,748,234.46		24,321,413.69
-T						
-I		10,392,845.99	3,110,353.50	3,759,911.13		17,263,110.62
-O					140,027,233.85	140,027,233.85
(3) D	70,270,990.67	65,654,865.68	3,162,440.49	25,386,159.55		164,474,456.39
-D		12,438,192.49	658,984.47	3,310,725.18		16,407,902.14
-D		5,259,711.00	565,764.12	2,213,845.28		
-O	70,270,990.67	47,956,962.19	1,937,691.90	19,861,589.09		140,027,233.85
(4) B	676,374,947.03	101,810,746.61	9,403,193.79	52,160,606.66	140,027,233.85	979,776,727.94

V. N
(XD) Fixed assets (continued)

2. D

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XD) Fixed assets (continued)

2. D ()

Items	Buildings and structure	Medical equipment	Motor vehicles	Electronic and other equipment	Fixed assets leased under sale-leaseback and finance leases	Total
2. A						
(1) B	97,583,529.57	93,448,930.55	2,620,876.20	47,139,318.33	240,792,654.65	
(2) I	21,780,272.36	23,765,333.80	3,918,211.31	9,282,744.01	125,367,546.38	
-P	21,780,272.36	21,259,481.17	1,035,359.81	8,378,127.80	53,029,785.07	
-I		2,505,852.63	2,882,851.50	904,616.21	6,293,320.34	
-O					66,044,440.97	
(3) D	12,029,010.56	48,647,077.77	1,557,788.21	19,170,037.34	81,403,913.88	
-D		6,650,418.76	620,766.50	1,300,387.75	8,571,573.01	
-D	1,654,288.20	3,475,806.87	214,904.65	1,442,900.18		
-O	10,374,722.36	38,520,852.14	722,117.06	16,426,749.41	66,044,440.97	
(4) B	107,334,791.37	68,567,186.58	4,981,299.30	37,252,025.00	284,756,287.15	
3. I						
(1) B						
(2) I						
(3) D						
(4) B						
4. C						
(1) C	569,040,155.66	33,243,560.03	4,421,894.49	14,908,581.66	695,020,440.79	
(2) C	648,250,430.33	48,769,190.23	3,927,848.67	20,899,302.29	721,846,771.52	

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XII) Construction in progress

1. C

Items	Balance as at the end of the period	
	B	B
C	152,497,399.68	43,795,718.15
C		
T	152,497,399.68	43,795,718.15

2. D

Items	Balance as at the end of the period			Impairment	
	Book balance	Impairment provision	Book value	B	B
W K T C	311,600.00		311,600.00	782,356.00	782,356.00
T					
N Y H				1,027,373.54	1,027,373.54
T					
L Y H	72,377,326.40		72,377,326.40	6,213,670.10	6,213,670.10
T					
P C H				7,504,860.00	7,504,860.00
T					
O Y H				27,288,058.64	27,288,058.64
T					
L C H	27,536,449.81		27,536,449.81	150,609.00	150,609.00
T					
Q Y H	16,073,697.42		16,073,697.42		
T					
J S H	35,508,167.99		35,508,167.99		
O	690,158.06		690,158.06	828,790.87	828,790.87
T	152,497,399.68		152,497,399.68	43,795,718.15	43,795,718.15

Notes to the Financial Statements

F 2022
(A RMB Y)

Project name	Budget RMB'0,000	Balance as at the end of the previous year	Increase in the current period	Transfer to fixed assets in the current period	Decrease in the current period	Balance as at the end of the period	cumulative investment in the construction project as a percentage of the budget (%)	Progress of construction (%)	Accumulated amount of capitalized interest	Including: Interest capitalised in the current period	Capitalisation rate of interest in the current period (%)	Source of fund
T												
L Y H	18,003.00	6,213,670.10	66,247,515.67			72,461,185.77	40.25	40.00	1,883,479.17	1,608,608.70	4.90	B
T												
P C H	1,897.75	7,504,860.00	17,107,073.00		24,611,933.00		100.00	100.00				0
T												
O Y H	4,047.80	27,288,038.64	11,021,933.76		38,310,012.40		100.00	100.00				0
T												
L C												
H	16,020.00	150,609.00	27,385,840.81			27,536,449.81	17.19	20.00				0
T												
Q Y	9,848.00		16,073,697.42			16,073,697.42	16.32	15.00				0
H												
T												
J Y	6,666.00		35,508,167.99			35,508,167.99	54.15	55.00				0
T												
		41,157,197.74	173,344,248.65		62,921,945.40	151,579,500.99			1,883,479.17	1,608,608.70		

V. N ()

(XII) Construction in progress (continued)

3. M

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XIII) Right-of-use assets

Items	Buildings and structure	Total
1.O		
(1)B	363,270,419.51	363,270,419.51
(2)I	37,254,480.17	37,254,480.17
– N	21,847,297.56	21,847,297.56
– I	15,407,182.61	15,407,182.61
(3)D	81,876,743.78	81,876,743.78
– D	16,772,968.78	16,772,968.78
– D	65,103,775.00	65,103,775.00
(4)B	318,648,155.90	318,648,155.90
2.A		
(1)B	105,858,149.38	105,858,149.38
(2)I	38,189,335.84	38,189,335.84
– P	38,189,335.84	38,189,335.84
(3)D	15,803,080.90	15,803,080.90
– D	4,949,246.94	4,949,246.94
– D	10,853,833.96	10,853,833.96
(4)B	128,244,404.32	128,244,404.32
3.I		
(1)B		
(2)I		
(3)D		
(4)B		
4.C		
(1)C	190,403,751.58	190,403,751.58
(2)C	257,412,270.13	257,412,270.13

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XIV) Intangible assets

Items	Land use rights	Trademark rights	Software	Medical practice qualifications	Contractual rights to provide management service	Total
1.0						
(1)	102,977,820.17	3,061,637.13	14,252,889.08	129,837,000.00	32,400,000.00	282,529,346.38
(2)I	25,616,355.88		-3,433,306.28	29,000,000.00		51,183,049.60
-P	19,841,690.88		-4,460,006.28			15,381,684.60
-I	5,774,665.00		1,026,700.00	29,000,000.00		35,801,365.00
(3)D			1,141,970.00			1,141,970.00
-D			508,000.00			508,000.00
-D			633,970.00			633,970.00
(4)	128,594,176.05	3,061,637.13	9,677,612.80	158,837,000.00	32,400,000.00	332,570,425.98
2.A						
(1)	9,610,253.66	360,120.18	9,441,245.79	27,772,369.86	7,353,571.43	54,537,560.92
(2)I	2,889,207.41	330,465.48	1,799,113.48	17,315,075.42	1,500,000.00	23,833,861.79
-P	2,889,207.41	330,465.48	1,072,248.57	17,315,075.42	1,500,000.00	23,106,996.88
-I			726,864.91			726,864.91
(3)D			485,345.23			485,345.23
-D			39,066.67			39,066.67
-D			446,278.56			446,278.56
(4)	12,499,461.07	690,585.66	10,755,014.04	45,087,445.28	8,853,571.43	77,886,077.48
3.I						
(1)						
(2)I						
(3)D						
(4)						
4.C						
(1)C	116,094,714.98	2,371,051.47	-1,077,401.24	113,749,554.72	23,546,428.57	254,684,348.50
(2)C	93,367,566.51	2,701,516.95	4,811,643.29	102,064,630.14	25,046,428.57	227,991,785.46

Notes to the Financial Statements

For the year ended December 31, 2022
(All amounts in RMB Yuan unless otherwise specified)

V. Non-current assets (continued)

(XV) Goodwill (continued)

2. Intangible assets (continued)

A. Goodwill

Unit: RMB'0,000

Asset groups or groups of asset groups	31 December 2022
Wenzhou Kangning Hospital Co., Ltd.	927.18
Huyi Pharmacy Hospital Co., Ltd.	69.03
Guangdong Yuhua Hospital Co., Ltd.	154.90
Wenzhou Kangning Pharmacy Service Hospital Co., Ltd.	778.49
Beiyuhua Hospital Co., Ltd.	2,298.73
Wenzhou Yuhua Hospital Co., Ltd.	15.11
Huakou Hospital Co., Ltd.	506.9
Chengkou Pharmacy Hospital Co., Ltd.	684.33
Wenzhou Chuanhua Hospital Co., Ltd.	1,941.63
Pharmacy Co., Ltd.	5,177.02
Huyi Pharmacy Service Hospital Co., Ltd.	127.26
Zhoufen Nantong Hospital Co., Ltd.	32.60
Jiushan Hospital Co., Ltd.	506.03
Total	13,219.21

Intangible assets are measured at cost less accumulated amortization and impairment losses. Goodwill is measured as the excess of the cost of an acquisition over the fair value of the identifiable intangible assets acquired. Goodwill is tested for impairment annually, or more frequently if there are indications of impairment.

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XV) Goodwill (continued)

3. P ,

Asset groups or groups of asset groups	Average number of beds in operation	Key parameters of goodwill impairment test			
		Average in-patient spending per day per bed (bed/day/yuan)	Perpetuity growth rate	Net profit margin on sales	Pre-tax discount rate
N Y H C.,L .	219	337	2.50%	21.33%	14.00%
H Y P Y H C.,L .	267	289	2.50%	20.60%	14.00%
G Y H C.,L .					
W N P S H C.,L .	323	291	2.50%	22.06%	14.00%
B Y H C.,L .	32	1,810	2.50%	-2.40%	14.00%
W Y H T C.,L .					
H K H C.,L .	211	196	2.50%	16.94%	14.00%
C K P H C.,L .	315	205	2.50%	17.48%	14.00%
W C H C.,L .	325	546	2.50%	9.59%	14.00%
C K H H C.,L .	213	400	2.50%	19.01%	14.00%
P C Y H C.,L .	425	594	2.50%	6.71%	14.00%
P Y H H C.,L .	270	273	2.50%	15.82%	14.00%
H Y N S C.,L .	72	117	2.50%	21.92%	14.00%
J S H C.,L .	382	284	2.50%	22.65%	14.00%

O :

A ; -

Notes to the Financial Statements

Financial Statements for the Year Ended December 31, 2022
(All amounts in RMB Yuan unless otherwise specified)

V. Non-current assets (continued)

(XV) Goodwill (continued)

4. Intangible assets

Intangible assets as at December 31, 2022, were RMB10,345,460.56, which were mainly related to the acquisition of the equity of Wenzhou Kangning Hospital Co., Ltd. in 2015. The goodwill is mainly related to the intangible assets of the acquired company, including but not limited to the technology, management team, and customer resources. The goodwill is not subject to amortization.

(XVI) Long-term prepaid expenses

Items	Balance as at the end of the period	Balance as at the beginning of the period	Decrease	Increase	Balance as at the end of the period
Prepaid expenses	150,328,412.40	100,049,601.67	46,186,845.31	14,777,100.83	189,414,067.93
Long-term prepaid expenses	172,625.00	94,613.90	94,967.96		172,270.94
Total	150,501,037.40	100,144,215.57	46,281,813.27	14,777,100.83	189,586,338.87

(XVII) Deferred tax assets and deferred tax liabilities

Items	Balance as at the end of the period		Change	
	Deductible temporary differences	Deferred tax assets	Decrease	Increase
Prepaid expenses	16,979,155.87	3,164,380.59	8,026,079.93	1,687,621.09
Long-term prepaid expenses	50,169,236.15	8,217,114.53	18,012,806.84	4,503,201.71
Debt	4,390,510.38	1,097,627.60	4,653,187.96	1,163,296.99
Share-based payment	54,688,502.33	8,203,275.35	46,552,302.33	6,982,845.35
Total	126,227,404.73	20,682,398.07	77,244,377.06	14,336,965.14

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XVII) Deferred tax assets and deferred tax liabilities (continued)

2. D

Items	Balance as at the end of the period		Taxable temporary differences	Deferred tax liabilities
	Book value	Provision for impairment		
A	148,564,631.76	37,141,157.94	144,340,394.12	36,085,098.53
C	13,116,852.07	1,967,527.81	15,812,274.60	2,371,841.19
O	6,620,111.12	1,439,193.06	6,958,909.45	1,418,850.23
T	168,301,594.95	40,547,878.81	167,111,578.17	39,875,789.95

(XVIII) Other non-current assets

I	Balance as at the end of the period			B	P	C
	Book value	Provision for impairment	Carrying amount			
P	6,936,000.00		6,936,000.00	6,936,000.00		6,936,000.00
P	6,605,047.21		6,605,047.21	130,386.60		130,386.60
T				14,000,000.00		14,000,000.00
T	13,541,047.21		13,541,047.21	21,066,386.60		21,066,386.60

(XIX) Short-term borrowings

Items	Balance as at the end of the period	B	P	C
S	195,000,000.00			200,000,000.00
G	8,000,000.00			54,050,000.00
T	203,000,000.00			254,050,000.00

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XX) Financial liabilities held for trading

Items	Balance as at the end of the period	Balance as at the end of the period
F	13,922,929.38	13,922,929.38
T	13,922,929.38	13,922,929.38

(XXI) Notes payable

Type	Balance as at the end of the period	Balance as at the end of the period
B	997,944.00	997,944.00
T	997,944.00	997,944.00

(XXII) Accounts payable

T :

Age	Closing balance	Balance at the end of previous year
W 1	84,193,738.77	55,761,620.69
1-2	1,161,389.02	2,767,905.77
2-3	71,968.47	168,509.77
Over 3	345,965.27	287,110.78
T		

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XXIII) Advances

Items	Balance as at the end of the period	Balance at the end of the period
A	29,436,207.46	16,275,602.70
R	458,629.04	
T	29,894,836.50	16,275,602.70

(XXIV) Contract liabilities

Items	Balance as at the end of the period	Balance at the end of the period
A		3,240.59
T		3,240.59

(XXV) Employee benefits payable

Items	Balance at the end of the period	I	D	Balance as at the end of the period
S	57,969,287.42	498,871,976.49	488,702,553.33	68,138,710.58
P	2,518,896.85	30,311,176.43	30,410,434.15	2,419,639.13
T	60,488,184.27	529,183,152.92	519,112,987.48	70,558,349.71

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XXV) Employee benefits payable (continued)

2. L -

Items	Balance at the beginning of the period	Increase	Decrease	Balance as at
				the end of the period
(1) Welfare fund, including housing fund	56,230,979.61	447,906,594.96	437,976,426.00	66,161,148.57
(2) Short-term employee benefits	87,835.30	10,184,665.65	9,965,118.81	307,382.14
(3) Long-term employee benefits	1,334,394.89	19,527,025.66	19,397,236.12	1,464,184.43
I: Medical insurance	1,290,685.28	18,813,797.48	18,678,735.17	1,425,747.59
Welfare	38,841.61	641,567.33	643,107.24	37,301.70
Maternity insurance	4,868.00	55,652.85	60,096.21	424.64
Other		16,008.00	15,297.50	710.50
(4) Housing fund				

Notes to the Financial Statements

F 2022

(A RMB Y)

V. N ()

(XXVI) Taxes payable

Items	Balance as at the end of the period	B RMB Y
VAT	2,399,813.52	2,194,179.27
E	26,859,279.46	22,060,348.34
I	1,260,918.02	1,102,372.67
C	163,205.29	39,305.94
P	2,292,516.47	4,544,055.56
E	116,587.33	28,135.83
L	387,329.69	250,083.20
S	25,663.04	16,848.52
E	1,696.00	
40 T1 SCN/GS0		1 0 0 1 102.04, 6/2 66.10T08.5X

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XXVII) Other payables (continued)

2. D

Items	Balance as at the end of the period	Balance
O		86,550.00
D	735,000.00	
T	735,000.00	86,550.00

3. O

Items	Balance as at the end of the period	Balance
P	25,932,146.03	8,703,936.40
P	7,000,000.00	15,000,000.00
W	3,682,272.62	7,166,038.37
D	1,900,552.80	1,094,722.20
C	17,695,375.57	7,496,808.30
P	4,374,261.21	4,312,000.00
A	3,673,024.53	6,981,466.40
O	6,624,054.06	4,025,654.97
T	70,881,686.82	54,780,626.64

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XXVIII) Non-current liabilities due within one year

Items	Balance as at the end of the period	B Y
L -	22,470,000.00	18,200,000.00
L -	99,580,000.00	
L	25,548,324.39	30,040,752.22
T	147,598,324.39	48,240,752.22

(XXIX) Long-term borrowings

Items	Balance as at the end of the period	B Y
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Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XXXI) Long-term payable

Items	Balance as at the end of the period	B	R
L -	42,404,938.54		
S			
T	42,404,938.54		

Items	Balance as at the end of the period	B	R
A	141,984,938.54		
I : U	9,382,772.07		
L : L -	99,580,000.00		
T	42,404,938.54		

(XXXII) Deferred income

Items	B	I	D	Balance as at the end of the period	R
G	9,341,683.00		303,792.00	9,037,891.00	

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XXXII) Deferred income (continued)

P :

	A		A	
	Balance at the beginning of the period	Change during the period	Balance at the end of the period	
Liabilities				
Exp	9,341,683.00	303,792.00	9,037,891.00	A - /
T	9,341,683.00	303,792.00	9,037,891.00	-

(XXXIII) Share capital

Items	Balance at the beginning of the period	Issue (+) / Redemption (-)	Balance at the end of the period
		B C	
T	74,600,300.00		74,600,300.00

(XXXIV) Capital surplus

Items	Balance at the beginning of the period	Change during the period	Balance at the end of the period
		I D	
S	783,420,735.87		783,420,735.87
O			
- S	32,642,955.35	12,214,418.85	44,857,374.20
- O	22,101,704.37	4,698,718.86	26,800,423.23
T	838,165,395.59	16,913,137.71	855,078,533.30

Notes to the Financial Statements

For the year ended December 31, 2022
(All amounts in RMB Yuan unless otherwise specified)

V. Non-current assets (continued)

(XXXIV) Capital surplus (continued)

Other comprehensive income, net of tax effects: RMB4,698,718.86

(1) For the year ended December 31, 2022, net income.

(2) In 2022, the company's net income of RMB4,698,718.86 was allocated to the following items: RMB4,698,718.86 for the surplus reserve, and RMB4,698,718.86 for the capital surplus.

(XXXV) Surplus reserve

Items	Balance at the beginning of the period	Balance at the end of the period	Change	Balance as at the end of the period
Surplus reserve	38,399,577.13	38,399,577.13		38,399,577.13
Total	38,399,577.13	38,399,577.13		38,399,577.13

Other comprehensive income, net of tax effects:

In 2022, the company's net income of RMB4,698,718.86 was allocated to the following items: RMB4,698,718.86 for the surplus reserve, and RMB4,698,718.86 for the capital surplus. The company's net income of RMB4,698,718.86 was allocated to the following items: RMB4,698,718.86 for the surplus reserve, and RMB4,698,718.86 for the capital surplus.

Notes to the Financial Statements

F 2022
(A RMB Y)

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XXXVII) Revenue and cost of sales

1. A

Items	Amount for the current period		A	
	Revenue	Cost	R	C
M	1,366,816,938.51	1,040,114,649.97	1,202,774,377.74	897,111,635.75
O	118,086,103.74	91,857,292.80	94,655,992.09	71,320,820.01
T	1,484,903,042.25	1,131,971,942.77	1,297,430,369.83	968,432,455.76

B :

Items	Amount for the current period	A
R	1,366,816,938.51	1,202,774,377.74
I : P	305,118,303.27	267,588,282.25
T	1,061,698,635.24	935,186,095.49
R	118,086,103.74	94,655,992.09
I : W	85,464,736.39	51,613,429.22
M	3,000,000.00	2,970,297.00
R	8,067,969.32	7,515,329.40
R		16,043,547.63
O	21,553,398.03	16,513,388.84
T	1,484,903,042.25	1,297,430,369.83

2. D

T

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XXXVIII) Taxes and surcharges

Items	Amount for the current period	A
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Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XL)General and administrative expenses

Items	Amount for the current period	A
E	106,839,736.87	92,095,322.35
C	22,821,067.41	11,791,502.03
D	12,364,390.29	10,327,372.91
R	7,928,268.21	7,688,976.40
A	7,169,511.48	7,803,052.34
A	6,366,300.00	1,222,900.00
O	5,452,608.66	5,171,123.31
A	5,226,706.30	3,986,627.45
E	4,539,506.45	2,946,383.00
E	4,412,652.14	8,414,462.03
T	4,358,637.42	2,835,174.29
P	2,798,524.34	3,204,882.36
H	2,653,266.15	4,644,062.36
C	2,527,587.52	3,580,020.08
P	2,521,353.37	1,319,556.59
O	2,099,610.09	3,313,286.64
U	1,889,937.19	1,974,023.35
P		96,657.59
O	3,917,508.51	3,956,503.74
T	205,887,172.40	176,371,888.82

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XLI) Research and development expenses

Items	Amount for the current period	A
E	29,575,455.47	24,627,424.22
O	1,164,368.95	1,346,035.33
D	550,065.23	594,882.24
P	400,114.92	311,882.70
A	76,467.92	
T	68,877.00	134,907.60
C	58,690.00	
T	30,200.00	
T	19,682.96	76,999.34
U	11,090.48	
C	3,000.00	
O	1,069,974.86	870,041.96
T	33,027,987.79	27,962,173.39

(XLII) Financial expenses

Items	Amount for the current period	A
I	45,149,998.30	36,267,756.91
I	11,935,506.62	14,290,203.16
L	2,761,765.05	1,691,366.88
F	-78,462.87	38,704.15
F	1,999,946.76	3,043,331.77
T	44,309,717.14	37,658,425.95

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XLIII) Other income

Items	Amount for the current period	A
G	14,602,195.91	13,486,446.80
A VAT	37,171.75	
F	162,213.15	133,188.26
O	106,130.00	
T	14,907,710.81	13,619,635.06

Items	Amount for the current period	A	A - /
T	859,807.09	1,231,900.37	I -
S T	3,408,933.78	3,325,154.99	I -
S	1,018,900.00	2,270,000.00	I -
E S S B H R	973,813.11	244,079.31	I -
I D R B C 2021	638,519.98		I -
S	600,000.00	50,000.00	I -
S	600,000.00		I -
V COVID-19	440,197.00	814,795.52	I -
S H C	311,520.00	744,608.99	I -
R B W F	303,792.00	303,792.00	A -
S	300,000.00		I -
B H P B	284,000.00	284,000.00	I -
S	249,000.00		I -
S H B Y 2021	238,400.00		I -

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XLIII) Other income (continued)

G ()

Items	Amount for the current period	A	A - /
H COVID-19			
H C P	197,750.00		I -
H C C	174,653.70		I -
U S B B H R			
S S	138,796.96		I -
O S	120,835.00		I -
S	117,625.00		I -
W - D H			
S C	64,000.00		I -
H B Y D ,H	63,971.59		I -
I D R B P	55,332.00	50,000.00	I -
S I P	50,000.00		I -
S	90,000.00	168,696.99	I -
S D P 'H	40,000.00	40,000.00	I -
T M F S A T			
	38,201.19		I -
E	36,218.55		I -
T 2022			
E I B Y C	22,045.69		I -
S F B N M B P A	20,000.00		I -
T - P B			
W E E B	20,000.00		I -
T -			
H C L D	20,000.00		I -
T - C B			
W E E B	20,000.00		I -

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XLIII) Other income (continued)

G ()

Items	Amount for the current period	A	A - /
R C			
D C P	17,000.00		I -
S			
E C J D	13,610.61		I -
W L D D R B ' E			
R I P	12,000.00		I -
Y C H B ' S P H S F	10,200.00	13,500.00	I -
W M H C ' F Y M			
T	7,000.00		I -
W M H C ' H R			
T F	6,700.00		I -
S W H P F M C	4,433.33		I -
P C H B ' S F	3,000.00	1,904,299.94	I -
L C C D C P ' F M			
S	3,000.00		I -
W H P F M C ' H			
P F S	1,833.33		I -
Y D P D ' F R			
C R , D B	1,600.00		I -
E A S	1,500.00	74,237.34	I -
M S	1,380.00		I -
P H S F L D H C	1,000.00		I -
P C P F E M - -C			
T HIV, S, H B	476.00		I -
P C P F F P B D			
P	450.00		I -
O D M S A ' S			
M A D R	360.00		I -

Notes to the Financial Statements

F 2022
(A RMB Y)

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XLV) Gains from changes in fair value

Source of gains from changes in fair value	Amount for the current period	A
F	-2,054,396.53	8,407,356.31
I : G		
F	-13,922,929.38	
I		1,010,034.42
T	-15,977,325.91	9,417,390.73

(XLVI) Credit impairment losses

Items	Amount for the current period	A
L	11,260,563.08	3,005,695.74
L	13,930,978.11	-865,499.29
T	25,191,541.19	2,140,196.45

(XLVII) Assets impairment losses

Items	Amount for the current period	A
G	10,345,460.56	6,179,290.37
T	10,345,460.56	6,179,290.37

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XLVIII) Gains from disposal of assets

Items	Amount for the current period	A	A
G	-		-
()	406,184.95	-101,512.90	406,184.95
I : G	406,184.95	-101,512.90	406,184.95
O		22,109.35	
T	406,184.95	-79,403.55	406,184.95

(XLIX) Non-operating income

Items	Amount for the current period	A	A
G	12,737.42	154,603.42	12,737.42
I : F	12,737.42	154,603.42	12,737.42
D	7,435,774.26	9,470,530.18	7,435,774.26
G	55,075.00	265,600.00	55,075.00
G	60.10		60.10
P	35,711.51		35,711.51
D		1,800,000.00	
V	12,000.00		12,000.00
U	15,000.00		15,000.00
O	987,619.57	145,198.20	987,619.57
T	8,553,977.86	11,835,931.80	8,553,977.86

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(XIX) Non-operating income (continued)

G -

Items	Amount for the current period	A	A - /
S W - W 2021		100,000.00	I -
P D P		150,000.00	I -
H			
S D I S	5,000.00		I -
F C A D R			
M R D	75.00		I -
E T C A	5,000.00		I -
S B L E H	40,000.00		I -
S B L E H	5,000.00		I -
I F P H B		15,600.00	I -
T	55,075.00	265,600.00	

(L) Non-operating expenses

A

Items	Amount for the current period	A	A -
L	1,587,610.46	165,976.73	1,587,610.46
I : F	1,587,610.46	165,976.73	1,587,610.46
E	3,927,631.03	3,333,396.94	3,927,631.03
	521,375.57		521,375.57
L	99,809.90		99,809.90
P	267,628.43		267,628.43
L	1,754,450.54	3,398,511.21	1,754,450.54
O	1,182,532.80	1,738,698.54	1,182,532.80
T	9,341,038.73	8,636,583.42	9,341,038.73

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(LI) Income tax expenses

1. T

Items	Amount for the current period	A
C	40,192,565.61	26,199,820
D	-13,618,853.12	

Ann

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(LII) Earnings per share

1. B

Items	Amount for the current period	A
C	-24,220,782.31	44,035,995.21
W	74,600,300.00	72,140,300.00
B	-0.32	0.61
I : B	-0.32	0.61
B		

2. D

Items	Amount for the current period	A
C	-24,220,782.31	44,035,995.21
W	74,600,300.00	74,600,300.00
D	-0.32	0.59
I : D	-0.32	0.59
D		

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(LIII) Supplementary information to the income statement of expenses by nature

Items	Amount for the current period	A
E	538,910,495.15	435,967,572.12
P	417,971,255.04	353,105,992.03
C		15,204,373.00
D	53,029,785.07	45,173,131.23
D	38,189,335.84	45,435,380.70
A	22,991,163.56	15,010,629.62
A	46,397,646.59	38,371,918.45
H	17,904,619.09	15,472,884.97
G	66,553,544.09	57,050,465.71
U	29,928,936.30	24,096,157.46
O	23,086,080.63	21,047,712.17
T	27,657,239.14	25,603,836.37
C	28,302,685.02	13,820,361.56
A	6,366,300.00	1,222,900.00
P	3,526,992.98	2,990,339.08
T	5,332,487.78	4,416,545.06
O	8,492,200.89	9,312,807.52
S	12,214,418.85	15,932,752.35
O	39,035,944.67	43,866,151.22
T	1,385,891,130.69	1,183,101,910.62

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(LIV) Items in the cash flow statement

1. G ↓ ()

Items	Amount for the current period	A ↓
R ↓ ()	40,253,328.59	45,945,728.57
G ↓ ()	14,633,117.41	13,579,087.19
L ()	8,067,969.32	7,012,773.24
D ()	10,116,855.54	12,851,693.57
I	12,751,158.99	14,960,534.77
N - ()	1,035,391.18	1,870,927.58
R ↓ ()	14,000,000.00	
T ()	100,857,821.03	96,220,744.92

2. G ()

Items	Amount for the current period	A ↓
I - ()	30,632,892.49	23,313,110.97
C ()	82,155,141.49	54,235,967.08
D ()	6,608,712.31	6,714,560.33
N - ()	2,927,440.32	4,469,403.02
F ()	1,082,364.51	1,442,594.04
R ↓ ()	12,498,972.00	
T ()	135,905,523.12	90,175,635.44

3. G ()

Items	Balance as at the end of the period	Ba ()
N ()	8,770,704.43	
T ()	8,770,704.43	

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(LIV) Items in the cash flow statement (continued)

4. G ↓ A ↓

Items	Amount for the current period	A ↓
G ↓ A ↓	150,684,059.10	
G ↓ A ↓	736,190.90	
T A	151,420,250.00	

5. G A A A ↓

Items	Amount for the current period	A ↓
G A A A	8,096,992.56	
G A A A	43,524,302.81	44,807,765.61
F - A	4,500,000.00	750,000.00
G A A - A		15,118,800.00
T A	56,121,295.37	60,676,565.61

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(LV) Supplementary information to the cash flow statement

1. S

Supplementary information	Amount for the current period	A
1. R		
N	-10,968,838.36	40,860,230.05
A : C	25,191,541.19	2,140,196.45
P	10,345,460.56	6,179,290.37
D	53,029,785.07	48,274,868.81
C		
D	38,189,335.84	41,779,572.06
A	22,991,163.56	14,530,192.10
A	46,397,646.59	38,836,785.71
L		
()	-406,184.95	79,403.55
L	1,574,873.04	11,373.31
L	15,977,325.91	-9,417,390.73
F	45,071,535.43	36,306,461.06
I	-2,850,458.27	-6,937,845.27
D	-6,345,432.93	27,745,384.58
I	672,088.86	14,843,351.28
D	-1,812,096.14	-19,010,829.84
D	-137,055,559.27	-37,743,452.80
I	127,218,378.32	-4,581,092.21
O		
N	227,220,564.45	193,896,498.48
2. S		
C		
C		
F		
3. N		
G	258,595,990.97	188,734,845.77
L : G	188,734,845.77	200,092,665.42
A : G		
L : G		
N	69,861,145.20	-11,357,819.65

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(LV) Supplementary information to the cash flow statement (continued)

2. N ↓

	Amount
G	54,309,855.16
I : J S H C.,L .	21,684,900.00
Y Y TCM- H C.,L .	32,624,955.16
L : C ↓ C	624,153.88
I : J S H C.,L .	624,153.88
Y Y TCM- H C.,L .	
A : C ↓	
O ↓	53,685,701.28

3. C ↓

Items	Amount for the current period	A ↓
I. G	258,595,990.97	188,734,845.77
I : C	454,907.26	971,773.72
D ↓		
C ↓	257,534,338.59	187,484,938.31
O ↓	606,745.12	278,133.74
D ↓		
D ↓		
L ↓		
II. C ↓		
I : B ↓		
III. C ↓	258,595,990.97	188,734,845.77
I : U ↓		
G		

Notes to the Financial Statements

F 2022
(A RMB Y)

V. N ()

(LVI) Assets with restricted ownership or right-of-use

Items	Carrying amount as at the end of the period	R
M	498,972.00	B
	12,000,000.00	P
F	35,612,151.67	C
	73,406,248.95	S
I	6,107,838.02	C
T	133,942,408.61	

(LVII) Government grants

P N V (XLIII) N V (XLIX)

VI. C

(I) Business combination not under common control

1. B

Name of acquiree	Time of acquisition of equity interest	Consideration of acquisition of equity interest	Percentage of equity interest acquired (%)
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Notes to the Financial Statements

F 2022
(A RMB Y)

VI. C ()

(I) Business combination not under common control (continued)

2. C

Y Y J S Z F

Notes to the Financial Statements

F 2022
(A RMB Y)

VI. C ()

(I) Business combination not under common control (continued)

2. C (C)

(2) I J 2022, Z K H M (G) C L ()
Z K), C C J Y
X , Z F N T C , L . ()
Z F), S ' A Z F
N T C , L , C C RMB3,000,000.00
RMB2,673,987.56 C Z
F , RMB326,012.44.

3. I ()

	Y	Y	J S	Z F		
	Fe Va	Ge Va	Fe Va	Ge Va	Fe Va	Ge Va
A :	59,544,389.38	46,544,389.38	37,912,065.31	21,595,600.11	3,596,967.56	3,596,967.56
C			624,153.88	624,153.88	3,003,084.38	3,003,084.38
R	3,060,406.64	3,060,406.64	7,552,399.46	7,552,399.46		
I			505,619.01	504,706.60	590,783.18	590,783.18
O			22,965.97	22,965.97		
F	4,043,853.80	4,043,853.80	847,808.30	394,720.51	3,100.00	3,100.00
C			6,651,653.69	6,651,653.69		
I	13,299,835.09	299,835.09	15,862,465.00			
L -	24,864,697.08	24,864,697.08				
O -	14,275,596.77	14,275,596.77	5,845,000.00	5,845,000.00		
L :	17,960,741.79	17,960,741.79	8,244,110.73	4,164,994.43	422,980.00	422,980.00
B						
P	14,710,741.79	14,710,741.79	4,099,565.00	4,099,565.00	261,041.74	261,041.74
E			618,827.28	618,827.28	159,133.43	159,133.43
T			-553,397.85	-553,397.85	2,804.83	2,804.83
D	3,250,000.00	3,250,000.00	4,079,116.30			
N	41,583,647.59	28,583,647.59	29,667,954.58	17,430,605.68	3,173,987.56	3,173,987.56
L :			15,130,745.84	8,889,661.19	500,000.00	500,000.00
N	41,583,647.59	28,583,647.59	14,537,208.74	8,540,944.49	2,673,987.56	2,673,987.56

M : T C

Notes to the Financial Statements

F 2022
(A RMB Y)

VI. C ()

(II) Disposal of subsidiaries

1. L

Name of subsidiary	Consideration for disposal of equity interest	Percentage of disposal of equity interest (%)	Method of disposal of equity interest	Date of loss of control	Basis for determining the date of loss of control	Difference between the consideration for disposal and the share of net assets of the subsidiary at the level of the relevant consolidated financial statements in which the disposed investments presented	Percentage of remaining equity interest on the date of loss of control (%)	Carrying amount of remaining equity interest on the date of loss of control	Fair value of remaining equity interest on the date of loss of control	Gain or loss on fair value remeasurement of remaining equity interests	Determination method and major assumptions of the fair value of remaining equity interest on the date of loss of control	Amount transferred into investment gain or loss from other comprehensive income relating to the equity investment in the former subsidiary
H C., L.	14,000,000.00	28.00		2022/7/31	A	42,078,792.16	33.00	16,500,000.00	16,500,000.00	16,500,000.00	D	

O :
O 10 A 2022, Z K C H M (G) C L () C Z K C C J M H S I E F P C J P I M H S I E F (L P) T W L H M C, L. (L L) S A H Y H C, L L RMB14,000,000.00, L L RMB13,922,929.38. H Y H C, L. A 10, 2022.

Notes to the Financial Statements

F 2022
(A RMB Y)

VI. C ()

(III) Changes in the scope of consolidation due to other reasons

T Z H H RMB7.23 . A
, C 47.48% Z H H

Notes to the Financial Statements

F 2022
(A RMB Y)

VII.I

(I) Interests in subsidiaries

1. S G

Name of subsidiary	Type of legal entity	Principal place of business	Place of registration	Nature of business	Registered capital (0000' yuan)	Shareholding (%)		Method of acquisition
						Direct	Indirect	

Notes to the Financial Statements

For the year ended December 31, 2022
(All amounts in RMB Yuan unless otherwise specified)

VII.1 (continued)

(I) Interests in subsidiaries (continued)

1. Significant subsidiaries (continued)

Name of subsidiary	Type of legal entity	Principal place of business	Place of registration	Nature of business	Registered capital (0000' yuan)	Shareholding (%)		Method of acquisition
						Direct	Indirect	
Zhejiang Kangning Hospital Co., Ltd.	LLC	Hangzhou	Hangzhou	Medical services	2,040.82		98.00	Investment
Wenzhou Kangning Hospital Co., Ltd.	LLC	Wenzhou	Wenzhou	Medical services	50		100.00	Investment
Yongming Hospital (Wenzhou) Co., Ltd.	LLC	Wenzhou	Wenzhou	Medical services	500		100.00	Investment
Zhejiang Dapin Hospital Co., Ltd.	LLC	Wenzhou	Wenzhou	Medical services	1,000		80.00	Investment
Chengkang Pharmacy (Hangzhou) Co., Ltd.	LLC	Chengde	Chengde	Medicine	2,700		64.55	Buyback
Chengkang Pharmacy (Hangzhou) Co., Ltd.	LLC	Hangzhou	Hangzhou	Medicine	1,000		100.00	Investment
Hangzhou Yumei R&D Co., Ltd.	LLC	Hangzhou	Hangzhou	Medical research and development	500		100.00	Investment
Hangzhou Yunnan Co., Ltd.	LLC	Hangzhou	Hangzhou	Medical services	100		100.00	Investment
Linchuan Hospital Co., Ltd.	LLC	Taiwan	Taiwan	Medical services	5,000		100.00	Investment
Suzhou Hospital Co., Ltd.	LLC	Suzhou	Suzhou	Medical services	6,000		55.00	Investment
Pujiang Hospital Co., Ltd. (浦江怡寧黃鋒醫院有限公司)	LLC	Jinhua	Jinhua	Medical services	1,660		100.00	Investment
Chengkang Pharmacy (Hangzhou) Co., Ltd.	LLC	Hangzhou	Hangzhou	Medicine	1,000		100.00	Investment
Chengkang Pharmacy (Hangzhou) Co., Ltd.	LLC	Chengde	Chengde	Medicine	5,000	100.00		Investment
Chengkang Pharmacy (Ningbo) Co., Ltd.	LLC	Chengde	Chengde	Medicine	1,000		100.00	Investment
Yongkang Hospital Co., Ltd.	LLC	Yongkang	Yongkang	Medical services	100	100.00		Investment
Linchuan Hospital Co., Ltd.	LLC	Taiwan	Taiwan	Medical services	200	80.00		Investment
Ouyang Hospital Co., Ltd.	LLC	Wenzhou	Wenzhou	Medical services	1,000	100.00		Investment
Qinghai Hospital Co., Ltd.	LLC	Lanzhou	Lanzhou	Medical services	3,200	100.00		Investment
Suzhou Yumei Co., Ltd.	LLC	Suzhou	Suzhou	Medical services	1,000	100.00		Investment

Notes to the Financial Statements

F 2022
(A RMB Y)

VIII. R

D , C : ,
(,). T
C :

T C ,
C . T C
C . T
, . T C
C
. T C S R M C
. T S R M C
,
C T C A C .

T C
 ,
 .

(I) Credit risk

C C

T C , , , .

T C -
 . T C
 .

Notes to the Financial Statements

F 2022
(A RMB Y)

VIII. R ()

(I) Credit risk (continued)

T C ,
A
C T C
F
T 2-9
S
C A B D P ' F

(II) Liquidity risk

L
I C L
C B 12 A
C
V C

Items	Instant repayment	Closing Balance				Total
		Within 1 year	1-2 years	2-5 years	Over 5 years	
N		997,944.00				997,944.00
B B		211,396,818.18	223,154,176.00	153,052,040.00	69,285,680.00	656,888,714.18
L -		99,580,000.00	28,954,752.75	26,076,534.51		154,611,287.26
T		311,974,762.18	252,108,928.75	179,128,574.51	69,285,680.00	812,497,945.44

Notes to the Financial Statements

F 2022
(A RMB Y)

VIII. R ()

(II) Liquidity risk (continued)

I	I	B				O 5	T
		W 1	1-2	2-5			
B B		254,050,000.00				254,050,000.00	

Notes to the Financial Statements

F 2022
(A RMB Y)

VIII. R ()

(III) Market risk (continued)

Notes to the Financial Statements

F 2022
(A RMB Y)

VIII. R ()

(III) Market risk (continued)

3) O

O
 2022, RMB1,893,506, 3%, 3%.

T C 2022, RMB1,893,506, 3%, 3%.

O 31 D 2022, RMB1,893,506, 3%, 3%.

IX. D

T 2022, RMB1,893,506, 3%, 3%.

L 1 () 2022, RMB1,893,506, 3%, 3%.

L 2 L 1 2022, RMB1,893,506, 3%, 3%.

L 3 2022, RMB1,893,506, 3%, 3%.

T 2022, RMB1,893,506, 3%, 3%.

Notes to the Financial Statements

F 2022
(A RMB Y)

X. R

(i) Information of the parent company

T C :G W ,W L .

(ii) Information of the Company's subsidiaries

D C N VII. I .

(iii) Information of the Company's joint ventures and associates

F C N VII. I .

T C :

Name of joint venture or associate	Relationship with the Company
C H K H C .,L .	A C
W A P C .,L	A C
C Y H C .,L .	A C
H Y H C .,L .	A C

Notes to the Financial Statements

F 2022
(A RMB Y)

X. R ()

(IV) Information of other related parties

Name of other related parties	Relationship with the Company
Y M H C	N - C
N M B P A K I M P (L L P)	Pa C
N F T Z S I T C.,L	N - C
S F H M C.,L .	N - C
W L	N - C
Q K	N - C
W H	D , C
Z T E C C.,L .	N - C

(V) Information on related party transactions

1. R /

Related party	C	Amount for the period	A
Y M H C	M	3,000,000.00	3,000,000.00
C H K H C.,L .		71,199.48	
W A P C.,L .		54,281.47	456,272.70
J S H C.,L .			2,372,524.98
R			682,184.79

Notes to the Financial Statements

F 2022
(A RMB Y)

X. R ()

(V) Information on related party transactions (continued)

3. R

T C :

Name of guaranteed party	Guaranteed amount	Commencement date	Expiry date	Whether the guarantee has been fulfilled
Y K H C., L.	50,200,000.00	2019/8/26	2029/8/20	N
Q K H C., L.	45,000,000.00	2019/12/31	2024/12/31	N

T C

Name of guarantor	Guaranteed amount	Commencement date	Expiry date	Whether the guarantee has been fulfilled
G W W L	30,000,000.00	2020/6/30	2027/6/30	N
G W, W H W L	75,000,000.00	2021/11/29	2028/11/29	N
G W, W H, W L X	150,000,000.00	2020/10/26	2026/10/25	N
G W, W L W H	200,000,000.00	2020/9/17	2023/9/17	N

4. A

Related party C Amount for the party

Notes to the Financial Statements

F 2022

(A RMB Y)

X. R ()

Notes to the Financial Statements

For the year ended December 31, 2022
(All amounts in RMB Yuan unless otherwise specified)

X. Related parties (continued)

(VII) Equity and interest of directors

In 2022, the equity and interest of directors are as follows:

Name	Emoluments	Salaries and subsidies	Contributions to social security plans	Bonus	Other welfare	Total
Executive directors						
Gao W	-	413,976.00	70,950.72	79,754.00	2,000.00	566,680.72
Wang Linyi	-	516,000.00	-	96,000.00	71,000.00	683,000.00
Wang Huiyi	-	231,450.00	50,888.16	-	600.00	282,938.16
Non-executive directors						
Qin He	-	-	-	-	-	-
Liang Chang	-	-	-	-	-	-
Independent directors						
Zhang X	70,000.00	-	-	-	-	70,000.00
Zhang W	70,000.00	-	-	-	-	70,000.00
Liu N	70,000.00	-	-	-	-	70,000.00
Supervisors						
Qian C	-	-	-	-	-	-
Xu Y	-	-	-	-	-	-
Sun Fei	-	-	-	-	-	-
Xu N	-	313,320.00	56,939.80	36,000.00	32,200.00	438,459.80
Xu T	-	98,760.00	40,146.72	67,954.00	3,485.45	210,346.17
Total	210,000.00	1,573,506.00	218,925.40	279,708.00	109,285.45	2,391,424.85

Other information:

On September 1, 2022, Wang Huiyi resigned as a director. On September 19, 2022, Sun Fei resigned as a supervisor. On September 19, 2022, Xu N was appointed as a director.

Notes to the Financial Statements

For the year ended December 31, 2022
(All amounts in RMB Yuan unless otherwise specified)

X. Related Party Transactions (Continued)

(VII) Equity and interest of directors (Continued)

In 2021, the equity and interest of directors are as follows:

Name	Equity	Shareholding	Interest	Other	Total
Executive directors					
Gao W	-	398,742.00	15,795.90	78,916.40	497,754.30
Wang L	-	375,592.00	-	46,714.60	466,986.60
Wang H	-	208,108.00	-	42,396.60	251,704.60
Non-executive directors					
Liu L	-	-	-	-	-
Yang Y	-	28,200.00	4,986.80	32,385.97	74,505.67
Independent directors					
Zhang X	70,000.00	-	-	-	70,000.00
Zhang W	70,000.00	-	-	-	70,000.00
Liu N	70,000.00	-	-	-	70,000.00
Supervisors					
Huang J	-	-	-	-	-
Qian C	-	-	-	-	-
Chen J	-	-	-	-	-
Sun F	-	-	-	-	-
Xu T	-	82,613.40	8,885.40	54,030.60	164,466.00
Total	210,000.00	1,093,255.40	29,668.10	254,444.17	1,665,417.17

Notes to the Financial Statements

F 2022
(A RMB Y)

X. R ()

(VIII) Five Individuals with Highest Remunerations

I 2022, 2 (2021: 3),

Items	Amount for the current period	A
W	3,764,039.10	3,424,382.50
S	4,109,519.26	4,411,564.18
T	7,873,558.36	7,835,946.68

Remuneration band	Number of individuals for the current period	N
500,000-1,000,000.00	1	1
1,000,000.00	4	4
T	5	5

Notes to the Financial Statements

F 2022
(A RMB Y)

XI. S -

(I) Summary of share-based payment

T C :

O J 13, 2018, C ' 2018 W
K H E P 2018, B C
T B C P G R
S I O J 29, 2018 A 20, 2018, T C
W Z K I
M P (L L P), W J K I M
P (L L P), W E K I M P
(L L P), W J K I M P (L
L P) W S K I M P (L
L P), 2,460,000

Notes to the Financial Statements

F 2022
(A RMB Y)

XI. S - ()

(II) Equity-settled share-based payment

M :
T C . T C RMB30 .
M :

Notes to the Financial Statements

F 2022
(A RMB Y)

XII.C C

(I) Significant commitments

1. C

Notes to the Financial Statements

F 2022
(A RMB Y)

XIV. C

T C :

- C - ;

- ,

T C . T . I , C ,

T C .

A , C :

	Balance as at the end of the period	Balance
D /	49.73%	46.16%

Notes to the Financial Statements

F 2022
(A RMB Y)

XV. O

(I) Corrections of prior accounting errors

R
A 38 M T S B D E M T
S S C C P R C P
A E ,
2021 :

Correction of accounting errors	Processing Procedures	Affected items in the financial statements for comparison period	Cumulative affected amount
I	B R	O I U	-9,203,741.45 12,877.91 9,190,863.54

(II) Segment Information

E C
. D
A C W G I J 2021, C

(III) Other significant issues which influence the decision making of investors

1. I
O A 14, 2023, 38 B D W K
H C , L ,

Notes to the Financial Statements

F 2022
(A RMB Y)

XV. O ()

(III) Other significant issues which influence the decision making of investors (continued)

1. I ()

(1) I RMB14.43

Base S 2022, I
I A ,
2019 2020 RMB14.43 , RMB5.25
RMB9.18 , .T
Ka H ,
I I C B D ,
(I) 2021, N XV

(2) R S W D C

A RMB2,190,700, C
C
.T C
C
C

Notes to the Financial Statements

F 2022
(A RMB Y)

XV. O ()

(III) Other significant issues which influence the decision making of investors (continued)

2. A ()

(2) I , C , 12 2019, 2020 2021 , 2020 2021 , C 2020 2021. T RMB428,900 2020 RMB335,100 2021, C C -

(3) O , C 2022

XVI. N

(I) Accounts receivable

1. A

Aging	Balance as at the end of the period	Balance
W 1	49,024,983.98	40,904,137.67
1-2	709,878.26	1,282,268.26
2-3	1,158,221.95	2,748,299.92
O 3	2,748,299.92	1,204,242.08
S	Over 3 years	1,158,221.95

Notes to the Financial Statements

F
(A 2022
RMB Y)

Category	Book balance		Proportion of		Book value		Proportion of		Provision for bad debts		Provision for bad debts		Balance as at the end of the period	
	Amount	(%)	Amount	(%)	A	B	A	B	Amount	(%)	A	B	Amount	(%)
A	4,873,715.26	9.09	4,873,715.26	100.00	5,315,384.45	5,315,384.45	11.52	2,657,692.23	50.00	2,657,692.22				
I														
M	4,873,715.26	9.09	4,873,715.26	100.00	5,315,384.45	5,315,384.45	11.52	2,657,692.23	50.00	2,657,692.22				
A	48,767,668.85	90.91	48,767,668.69	1.00	40,823,563.48	40,823,563.48	88.48	408,235.63	1.00	40,415,327.85				
I														
0	48,767,668.85	90.91	48,767,668.69	1.00	40,823,563.48	40,823,563.48	88.48	408,235.63	1.00	40,415,327.85				
T	53,641,384.11	100.00	5,361,391.95		48,279,992.16	48,279,992.16	100.00	3,065,927.86		43,073,020.07				
A														
Items	Book Balance	Provision for bad debts	Proportion of provision (%)	Reason for provision	Book Balance	Provision for bad debts	Proportion of provision (%)	Reason for provision	Book Balance	Provision for bad debts	Proportion of provision (%)	Reason for provision	Book Balance	Provision for bad debts
M	4,873,715.26	4,873,715.26	100.00	Expected unrecoverable	4,873,715.26	4,873,715.26	100.00	Expected unrecoverable	4,873,715.26	4,873,715.26	100.00	Expected unrecoverable	4,873,715.26	4,873,715.26
T	4,873,715.26	4,873,715.26			4,873,715.26	4,873,715.26			4,873,715.26	4,873,715.26			4,873,715.26	4,873,715.26

Notes to the Financial Statements

F 2022
(A RMB Y)

XVI. N ()

(I) Accounts receivable (continued)

2. A ()
A :

Items	Balance as at the end of the period		
	Accounts receivable	Provision for bad debts	Proportion of provision (%)
Q	48,767,668.85	487,676.69	1.00
T	48,767,668.85	487,676.69	

3. P ()
B

Category

Notes to the Financial Statements

F 2022
(A RMB Y)

XVI. N ()

(II) Other receivables

Items	Balance as at the end of the period	Balance as at the end of the period
I		
D	53,000,000.00	
O	547,014,558.58	492,034,884.26
T	600,014,558.58	492,034,884.26
1. D investee		
G K H C., L.	33,000,000.00	
Y K H C., L.	10,000,000.00	
Q K H C., L.	10,000,000.00	
S	53,000,000.00	
L : P		

Notes to the Financial Statements

F 2022
(A RMB Y)

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(

XVI. N

(II) Other receivables (continued)

Notes to the Financial Statements

F 2022
(A RMB Y)

XVI. N)

(II) Other receivables (continued)

(3) P ↓

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL (No credit impairment)	Lifetime ECL (Credit- impaired)	
B ↓	123,061.04			123,061.04
B ↓				
- T 2				
- T 3				
- R ↓ 2				
- R ↓ 1				
P ↓	103,420.62			103,420.62
R ↓				
W				
W				
O				
B ↓	226,481.66			226,481.66

C ↓ : ↓

Book value	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL (No credit impairment)	Lifetime ECL (Credit- impaired)	
B ↓	492,157,945.30			492,157,945.30
B ↓				
- T 2				
- T 3				
- R ↓ 2				
- R ↓ 1				
A	55,083,094.94			55,083,094.94
D				
O				
B ↓	547,241,040.24			547,241,040.24

Notes to the Financial Statements

F 2022
(A RMB Y)

XVI. N)

(II) Other receivables (continued)

(4) P ,

Category	Balance at the end of the period	Balance at the end of the period	Balance at the end of the period
P	123,061.04	103,420.62	226,481.66
T	123,061.04	103,420.62	226,481.66

(5) O

Nature	Book value at the end of the period	Book value at the end of the period
A	507,207,052.64	481,560,443.31
P	33,132,118.55	8,954,970.91
D	5,933,350.00	854,300.00
O	968,519.05	788,231.08
T	547,241,040.24	492,157,945.30

Notes to the Financial Statements

F 2022
(A RMB Y)

XVI. N)

(III) Long-term equity investments

Items	Balance as at the end of the period			B	P	B
	Book balance	Provision for impairment	Book value			
I	649,079,592.72		649,079,592.72	613,070,215.90		613,070,215.90
I	92,882,992.81		92,882,992.81	71,256,356.09		71,256,356.09
	741,962,585.53		741,962,585.53	684,326,571.99		684,326,571.99

1. I

Investees	B	I	D	Balance as at the end of the period	P	I
S Y M I C.,L.	10,354,979.06			10,354,979.06		
Z H H M C.,L.	34,627,432.36		34,627,432.36			
W K J F C	500,000.00			500,000.00		
Z K H M C.,L.	203,344,031.86	1,322,222.01		204,666,253.87		
C K H C.,L.	51,982,515.15	715,222.35		52,697,737.50		
Y K H C.,L.	1,832,112.13	301,146.25		2,133,258.38		
Y K H C.,L.	27,447,511.21	239,581.90		27,687,093.11		
Q K H C.,L.	32,626,079.15	230,565.10		32,856,644.25		
L K H C.,L.	2,110,854.98	188,216.41		2,299,071.39		
W C H C.,L.	53,500,000.00			53,500,000.00		
W L Y H C.,L.	30,000,000.00			30,000,000.00		
W O Y R H C.,L.	10,000,000.00			10,000,000.00		
P C Y H C.,L.	154,744,700.00			154,744,700.00		
J S H C.,L.		26,684,900.00		26,684,900.00		
Y Y T						
W M H C.,L.		40,954,955.16		40,954,955.16		
T	613,070,215.90	70,636,809.18	34,627,432.36	649,079,592.72		

Notes to the Financial Statements

F 2022
(A RMB Y)

XVI. N)

(IV) Revenue and cost of sales

1. R

Items	Amount for the period		A	
	Revenue	Cost	R	C
M	337,586,514.02	264,978,847.50	365,462,139.23	270,930,179.07
O	5,554,936.61	45,300.00	4,336,166.89	559,209.63
T	343,141,450.63	265,024,147.50	369,798,306.12	271,489,388.70

A :

Items	Amount for the period	A
P	90,612,303.06	93,506,118.66
T	246,974,210.96	271,956,020.57
T	337,586,514.02	365,462,139.23

2. D

T		
---	--	--

(V) Investment income

Items	Amount for the period	A
I	54,584,000.00	1,980,000.00
I	-5,377,605.11	-3,485,811.81
I	-18,462.42	
I	714,348.18	6,429,189.35
T	49,902,280.65	4,923,377.54

Definitions

CSRC	中國證券監督管理委員會
D ()	() 中國
D S ()	人民幣 () 中國 人民幣 1.00 , RMB 人民幣 S
G H	溫州怡寧老年醫院有限公司 (Wenzhou Yining Old People's Hospital Co., Ltd.), PRC 寧 2, 2015, C
G	C
G Y H	冠縣怡寧醫院有限公司 (Guanxian Yining Hospital Co., Ltd.), PRC 寧 1, 2017, C
HS ()	香港證券及期貨委員會 () RMB1.00 , M B H K S E
H C H	杭州慈寧醫院有限公司 (Hangzhou Cining Hospital Co., Ltd.), PRC 寧 18, 2017, C
H Y H	杭州怡寧醫院有限公司 (Hangzhou Yining Hospital Co., Ltd.), PRC 寧 A 25, 2016, C . O J 30, 2022, C 28% H Y H T W L L H M C , L . (桐鄉烏鎮蓮芯蓮意健康管理有限公司). U 33% H Y H
H Y H	荷澤怡寧精神病醫院有限公司 (Heze Yining Psychiatric Hospital Co., Ltd.), PRC 寧 A 6, 2017, C
HK\$ HKD	香港

Definitions

H K

H K S A R

PRC

H K L R

Definitions

T R P R P	于 2022 年 12 月 31 日
R C	人民币
RMB	人民币 (PRC)
SFO	深圳湾口岸 (位于香港),
S ()	S () 人民币 1.00 元, D S () HS ()
S ()	() S ()
S Y H	S Y H (深圳怡宁医院, S Y H C., L. (深圳市怡宁医院有限公司)), S 22, 2014, C -
S R M C	人民币 B C O (C 622 H K)
()	H K L R
S ()	S C
S C	C S C PRC C
T K H	T K H C., L. (台州康宁医院有限公司), PRC J 30, 2016, C -

Definitions

W N H W N P S H C ., L . (溫嶺南方精神疾病專科醫院
 有限公司), PRC J 20, 2018,
 C T1 T -05.4175 -30538T (°)T 0.556 -0.

