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州康寧醫院股份有限公司

zhōng kǎng níng yī yuàn gǔ fèn yǒu xiàn gōng sī

al Co., Ltd.



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(i) Conduct an appropriate independent investigation into the issues raised by PwC, announce the findings and take appropriate remedial actions

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() (Ms. Wang) (Alleged Area I)

() **Alleged Area II**)
() **Actual Controller**)

1. Name of the individual: _____
2. Relationship to the company: _____
3. Date of appointment: _____
4. Signature: _____

5. Name of the individual: _____
6. Relationship to the company: _____
7. Date of appointment: _____
8. Signature: _____

(**Individuals of Interest**)

(**Former Shareholder**)

(**Indirect Investor**)

(**Renovation Supplier**)-

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- (c) ...
- (d) ...

(a) carrying out necessary changes to the Board and the management of the Company

... (Ms. Jin) ... (Mr. Chan)
... (Mr. Wang)

(b) obtaining legal advice on the merits of commencing judicial proceedings for civil recovery against Ms. Wang regarding the personal interests she obtained under Alleged Area III

... (Disgorged Gains)
... (PRC Counsel)

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(c) strengthening the use of external expert support

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(d) reassessing accounting treatments related to the arrears of the impoverished patients identified in the Independent Investigation as well as the recoverability of the historical arrears, making necessary corrections of prior accounting errors, if any

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(e) relevant treatment of the Indirect Investor, the Renovation Supplier and the Actual Controller involved in Alleged Area I and Alleged Area III

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(f) strengthening the internal control system and compliance supervision of the Company

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View of the Independent Investigation Committee

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(ii) Demonstrate that there is no reasonable regulatory concern about the management integrity and/or the integrity of any persons with substantial influence over the Company's management and operations, which may pose a risk to investors and damage market confidence

Handwritten text, illegible due to blurring.

1. The first part of the text discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice to ensure transparency and accountability. This practice is crucial for both internal audits and external reporting.

2. The second part of the text focuses on the role of management in overseeing the financial health of the organization. It highlights the need for regular reviews and the implementation of robust internal controls to prevent fraud and errors. Management should also ensure that all employees are trained on the company's financial policies and procedures.

Handwritten musical notation on a five-line staff. The notation consists of vertical stems and horizontal lines, with several 'S' characters placed above the staff. The first 'S' is on the first line, the second on the second line, the third on the third line, and the fourth on the fourth line.

Handwritten musical notation on a five-line staff. The notation consists of vertical stems and horizontal lines, with several 'S' characters and ampersand symbols (&) placed above the staff. The first 'S' is on the first line, the second on the second line, and the third on the fourth line. There are two ampersand symbols on the second line and one on the fourth line.

Handwritten musical notation on a five-line staff. The notation consists of vertical stems and horizontal lines, with a single 'S' character placed above the staff on the second line.

Handwritten musical notation on a five-line staff. The notation consists of vertical stems and horizontal lines, with several 'S' characters placed above the staff. The first 'S' is on the first line, the second on the second line, the third on the third line, and the fourth on the fourth line.

Handwritten musical notation on a five-line staff. The notation consists of vertical stems and horizontal lines, with several 'S' characters placed above the staff. The first 'S' is on the first line, the second on the second line, the third on the third line, and the fourth on the fourth line.

(iii) Conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to meet its obligations under the Listing Rules

The independent internal control review was conducted by the internal audit department of the Company. The internal audit department is an independent department of the Company, reporting to the Audit Committee. The internal audit department has conducted a comprehensive review of the Company's internal control system, covering all aspects of the Company's operations, including financial reporting, risk management, and compliance with applicable laws and regulations. The review identified several areas of weakness and recommended corrective actions. The Company has implemented these corrective actions and has demonstrated that its internal control system is adequate to meet its obligations under the Listing Rules.

The internal control review was conducted in accordance with the standards set forth in the Listing Rules. The internal audit department has provided a detailed report to the Audit Committee, which has reviewed the report and approved the corrective actions. The Company has also disclosed the results of the internal control review in its annual report. The internal control review is an ongoing process, and the internal audit department will continue to monitor the Company's internal control system and report any weaknesses to the Audit Committee.

Key Internal Control Issues	Rectifications
Entity-Level Review by COSO Framework	
<p>Control Environment – Succession Plan</p> <p>The Board of Directors has established a succession plan for the CEO and other key executives. The plan includes a process for identifying and developing potential successors, as well as a process for transitioning leadership. The Board has also established a process for reviewing and updating the succession plan.</p>	<p>The Board of Directors has established a succession plan for the CEO and other key executives. The plan includes a process for identifying and developing potential successors, as well as a process for transitioning leadership. The Board has also established a process for reviewing and updating the succession plan.</p>
<p>Risk Assessments – Anti-Money Laundering Mechanism</p> <p>The Board of Directors has established a risk assessment process for anti-money laundering. The process includes a process for identifying and assessing risks, as well as a process for developing and implementing controls. The Board has also established a process for reviewing and updating the risk assessment process.</p>	<p>The Board of Directors has established a risk assessment process for anti-money laundering. The process includes a process for identifying and assessing risks, as well as a process for developing and implementing controls. The Board has also established a process for reviewing and updating the risk assessment process.</p>
<p>Control Activities – Policies and Procedures</p> <p>The Board of Directors has established a process for developing and implementing policies and procedures. The process includes a process for identifying and assessing risks, as well as a process for developing and implementing controls. The Board has also established a process for reviewing and updating the policies and procedures.</p>	<p>The Board of Directors has established a process for developing and implementing policies and procedures. The process includes a process for identifying and assessing risks, as well as a process for developing and implementing controls. The Board has also established a process for reviewing and updating the policies and procedures.</p>

Key Internal Control Issues	Rectifications
Activity-level review	
<p>Revenue and Accounts Receivable Management – Bad Debt Provision</p> <p>The company's internal control system for revenue and accounts receivable management is weak. The management has not established a proper procedure for the provision of bad debts. The provision is calculated based on the historical data, which is not reliable. The management should establish a proper procedure for the provision of bad debts, taking into account the current economic environment and the company's credit policy.</p>	<p>The management should establish a proper procedure for the provision of bad debts, taking into account the current economic environment and the company's credit policy. The provision should be calculated based on the current data, not the historical data. The management should also review the provision regularly to ensure it is adequate.</p>

(iv) Publish all outstanding financial results required under the Listing Rules and address any audit modifications

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- () **Interim Results** () **2022**
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(c) [Illegible text]

(d) [Illegible text]

(e) [Illegible text]

(f) [Illegible text]

(g) [Illegible text]

(h) [Illegible text]

[Illegible text]

(v) Demonstrate the Company's compliance with Rule 13.24

[Illegible text]

(a) Sufficient Level of Operations

The first part of the paper discusses the importance of the research and the objectives of the study. It also provides a brief overview of the methodology used in the study. The second part of the paper presents the results of the study and discusses the implications of the findings. The third part of the paper concludes the study and provides some final thoughts on the research.

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For the year ended December 31, 2022

For the year ended December 31, 2022

For the year ended December 31, 2021

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For the year ended December 31, 2022

For the year ended December 31, 2022

For the year ended December 31, 2021

Inpatients

(%)

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Outpatients

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RESUMPTION OF TRADING

and the price of the security is \$100. The price of the security is \$100.