



Wenzhou Kangning Hospital Co., Ltd.

Stock code:

2 FINANCIAL HIGHLIGHTS

2.1 Principal Financial Data and Indicators

		For the year ended December 31,	
		2022 (RMB'000)	2021 (RMB'000)
Operating income		1,484,903	1,297,430
Operating expenses		15,605	95,691
Operating profit		26,574	54,831
Non-operating income		-10,969	40,860
Non-operating expenses		-24,221	44,036
Profit before income tax		13,252	-3,176
Income tax expense			
Profit after income tax			
Net profit			
Basic earnings per share			
Diluted earnings per share			
Operating profit margin			
Net profit margin			
Return on assets			
Return on equity			
Operating assets	As of December 31, 2022 (RMB'000)	As of December 31, 2021 (RMB'000)	As of December 31, 2021 (RMB'000)
Operating assets	2,637,787	2,377,955	2,161,262
Operating assets	1,311,885	1,097,676	946,349
Operating assets	1,325,903	1,280,279	1,214,913
Operating assets	1,201,585	1,208,264	1,122,248
Operating assets	124,318	72,015	92,635
		For the year ended December 31,	
		2022 (RMB'000)	2021 (RMB'000)
Operating assets		227,221	193,896
Operating assets		-273,615	-239,049
Operating assets		116,178	33,833
Operating assets		69,861	-11,358

3 BUSINESS REVIEW AND OUTLOOK

3.1 Business Review

In 2022, following the COVID-19 pandemic, the global health landscape has shifted significantly. The World Health Organization (WHO) has declared the end of the public health emergency, but the impact of the pandemic remains profound. The global economy has been severely affected, with many countries experiencing recession. The healthcare system has been strained, and the mental health of many people has been impacted. The pandemic has also led to a re-evaluation of public health measures and a focus on improving global health equity.

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4 MANAGEMENT DISCUSSION AND ANALYSIS

4.1 Financial Review

Our Gross Revenue for 2022 was RMB1,484.9 million, an increase of 14.4% from RMB1,366.8 million in 2021. As of December 31, 2022, our Accounts Receivable balance was RMB1,366.8 million, an increase of 13.6% from RMB1,202.774 million in 2021. Our Accounts Payable balance was RMB352.9 million, an increase of 23.9% (2021: 25.4%). Our Operating Expenses for 2022 were RMB806.8 million, an increase of 7.3% from RMB752.9 million in 2021. Our Net Income for 2022 was RMB24.2 million, an increase of 24.2% from RMB19.39 million in 2021. Our Cash and Cash Equivalents at the end of 2022 were RMB41.1 million, an increase of 17.2% from RMB22.7 million in 2021.

4.1.1 Revenue and Cost of Revenue

Our Gross Revenue is calculated as follows: () minus () equals () ; () minus () equals () ; () minus () equals () .

Our Cost of Revenue is calculated as follows: () minus () equals () .

	For the year ended December 31,	
	2022	2021
	(RMB'000)	(B'000)
Revenue	1,366,817	1,202,774
Cost of Revenue	110,018	71,097
	8,068	23,559
Total revenue	1,484,903	1,297,430

Our Revenue is calculated as follows: () minus () equals () .

Our Cost of Revenue is calculated as follows: () minus () equals () . (Billing Revenue) minus () equals () . Our Gross Revenue is calculated as follows: () minus () equals () . Our Cost of Revenue is calculated as follows: () minus () equals () . Our Net Income is calculated as follows: () minus () equals () .

本公司在截至2022年12月31日止年度內，並無任何重大合約，其條款與本公司截至2021年12月31日止年度內所訂立的合約有重大不同。

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
本公司在截至2022年12月31日止年度內，並無任何重大合約，其條款與本公司截至2021年12月31日止年度內所訂立的合約有重大不同。	1,425,005	1,229,996
本公司在截至2022年12月31日止年度內，並無任何重大合約，其條款與本公司截至2021年12月31日止年度內所訂立的合約有重大不同。	43,545	-18
本公司在截至2022年12月31日止年度內，並無任何重大合約，其條款與本公司截至2021年12月31日止年度內所訂立的合約有重大不同。	14,643	27,240
本公司在截至2022年12月31日止年度內，並無任何重大合約，其條款與本公司截至2021年12月31日止年度內所訂立的合約有重大不同。	<u>1,366,817</u>	<u>1,202,774</u>

附註：

- (1) 本公司在截至2022年12月31日止年度內，並無任何重大合約，其條款與本公司截至2021年12月31日止年度內所訂立的合約有重大不同。

本公司在截至2022年12月31日止年度內，並無任何重大合約，其條款與本公司截至2021年12月31日止年度內所訂立的合約有重大不同。

For the year ended December 31, 2022 (RMB'000) and 2021 (B'000)

	2022 (RMB'000)	2021 (B'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

During the year ended December 31, 2022, the Group's total revenue was RMB1,425.0 million, compared with B195.0 million in 2021, an increase of 15.6%.

The Group's total revenue was composed of the following components:

During the year ended December 31, 2022, the Group's total revenue was RMB1,425.0 million, compared with B195.0 million in 2021, an increase of 15.6%.

	For the year ended December 31,	
	2022	2021
Inpatients		
Inpatient bed-days	9,688	8,728
Efficient patient days (%)	3,536,120	3,185,720
	88.7	87.1
Revenue from inpatient services	3,134,950	2,773,964
Revenue from inpatient services (RMB'000)	1,061,798	908,337
Revenue from inpatient services (RMB)	339	327
Revenue from inpatient services (RMB'000)	156,512	145,349
Revenue from inpatient services (RMB)	50	52
Total inpatient revenue (RMB'000)	1,218,310	1,053,686
Total average inpatient spending per bed-day (RMB)	389	380
Outpatients		
Outpatient visits	527,050	402,666
Revenue from outpatient services	58,089	54,071
Revenue from outpatient services (RMB)	110	134
Revenue from outpatient services (RMB'000)	148,606	122,239
Revenue from outpatient services (RMB)	282	304
Total outpatient revenue (RMB'000)	206,695	176,310
Total average outpatient spending per visit (RMB)	392	438
Total treatment and general healthcare services revenue (RMB'000)	1,119,887	962,408
Total pharmaceutical sales revenue (RMB'000)	305,118	267,588
Decrease in pharmaceutical sales revenue, 2022 compared to 2021, 15.6%		
Decrease in pharmaceutical sales revenue, 2022 compared to 2021, 13.0%		
Decrease in pharmaceutical sales revenue, 2022 compared to 2021, 2.4%		
Decrease in pharmaceutical sales revenue, 2022 compared to 2021, 85.5% (2021: 85.7%)		

Decreased by 17.2% (2021: 30.9%) to RMB1,040.1 million, or 10.5% of total revenue (2021: 14.5%).

Decreased by 16.4% (2021: 78.6%) to RMB33,584 million, or 14.0% of total revenue (2021: 21.4%). Decreased by 12.8% (2021: 13.8%), or 71.9% (2021: 69.3%) to RMB99,553 million, or 12.8% of total revenue (2021: 13.8%).

Cost of revenue of owned hospitals decreased by 15.9% (2021: 21.5%) to RMB1,040.1 million, or 10.5% of total revenue (2021: 14.5%).

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Cost of revenue of owned hospitals	339,777	310,090
Cost of revenue of leased hospitals	390,107	321,207
Cost of revenue of other hospitals	33,584	42,283
Cost of revenue of other hospitals	99,553	75,386
Cost of revenue of other hospitals	63,747	53,470
Cost of revenue of other hospitals	27,588	25,595
Cost of revenue of other hospitals	85,759	69,081
Cost of revenue of owned hospitals	1,040,115	897,112

Decreased by 15.9% (2021: 21.5%) to RMB1,040.1 million, or 10.5% of total revenue (2021: 14.5%).

For the year ended December 31, 2022, the Company's gross profit margin was 32.7% (2021: 34.6%). The Company's operating profit margin was 37.5% (2021: 35.8%). The Company's net profit margin was 12.8% (2021: 13.1%).

The Company's gross profit margin for the year ended December 31, 2022, was 32.7% (2021: 34.6%), which was lower than the 2021 level. This was primarily due to the increase in the cost of goods sold, which was B110.0 million (2021: B85.5 million) (2021: B51.6 million).

The Company's operating profit margin for the year ended December 31, 2022, was 37.5% (2021: 35.8%), which was higher than the 2021 level. This was primarily due to the increase in the operating profit, which was B8.1 million (2021: B23.6 million), which was primarily due to the increase in the operating profit margin.

4.1.2 Gross Profit and Gross Profit Margin

The Company's gross profit margin for the year ended December 31, 2022, was 32.7% (2021: 34.6%), which was lower than the 2021 level. This was primarily due to the increase in the cost of goods sold, which was B352.9 million (2021: B326.7 million) (2021: B326.7 million).

	For the year ended December 31,	
	2022	2021
Gross profit margin	27.4%	29.6%
Operating profit margin	11.6%	10.7%
Owned hospitals businesses	23.9%	25.4%
	22.2%	24.7%
Consolidated gross profit margin	23.8%	25.4%

The Company's gross profit margin for the year ended December 31, 2022, was 23.8% (2021: 25.4%), which was lower than the 2021 level. This was primarily due to the increase in the cost of goods sold, which was B43.6 million (2021: B22.2 million) (2021: B22.2 million).

4.1.3 Tax and Surcharge

Decreased by RMB5.0 million (2021: RMB5.8 million).

4.1.4 Selling Expenses

Decreased by RMB15.0 million (2021: RMB10.3 million). The decrease was mainly due to the decrease in the commission fee of 1.1% (2021: 0.9%).

4.1.5 Administrative Expenses

Decreased by RMB89.1 million (2021: RMB100.5 million). The decrease was mainly due to the decrease in the depreciation expense of RMB10.5 million (2021: RMB12.5 million), the decrease in the amortization expense of RMB10.5 million (2021: RMB12.5 million), the decrease in the office rent of RMB10.5 million (2021: RMB12.5 million), the decrease in the office supplies of RMB10.5 million (2021: RMB12.5 million), the decrease in the office electricity of RMB10.5 million (2021: RMB12.5 million), the decrease in the office water of RMB10.5 million (2021: RMB12.5 million), the decrease in the office internet of RMB10.5 million (2021: RMB12.5 million), the decrease in the office telephone of RMB10.5 million (2021: RMB12.5 million), the decrease in the office postage of RMB10.5 million (2021: RMB12.5 million), the decrease in the office travel of RMB10.5 million (2021: RMB12.5 million), the decrease in the office entertainment of RMB10.5 million (2021: RMB12.5 million), the decrease in the office catering of RMB10.5 million (2021: RMB12.5 million), the decrease in the office transportation of RMB10.5 million (2021: RMB12.5 million), the decrease in the office security of RMB10.5 million (2021: RMB12.5 million), the decrease in the office insurance of RMB10.5 million (2021: RMB12.5 million), the decrease in the office legal fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office consulting fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office auditing fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office appraisal fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office valuation fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office brokerage fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office commission fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office agency fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office management fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office supervision fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office consulting fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office auditing fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office appraisal fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office valuation fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office brokerage fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office commission fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office agency fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office management fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office supervision fees of RMB10.5 million (2021: RMB12.5 million).

	For the year ended	
	December 31,	
	2022	2021
	(RMB'000)	(RMB'000)
Employee salaries and wages	111,252	100,510
Depreciation	24,761	22,117
Commission	29,187	13,014
Office rent	4,359	2,835
Office supplies	36,328	37,896
Total administrative expenses	205,887	176,372

Decreased by RMB205.9 million (2021: RMB13.5 million). The decrease was mainly due to the decrease in the depreciation expense of 16.7% (2021: 15.1%) (2021: RMB13.5 million), the decrease in the amortization expense of RMB10.5 million (2021: RMB12.5 million), the decrease in the office rent of RMB10.5 million (2021: RMB12.5 million), the decrease in the office supplies of RMB10.5 million (2021: RMB12.5 million), the decrease in the office electricity of RMB10.5 million (2021: RMB12.5 million), the decrease in the office water of RMB10.5 million (2021: RMB12.5 million), the decrease in the office internet of RMB10.5 million (2021: RMB12.5 million), the decrease in the office telephone of RMB10.5 million (2021: RMB12.5 million), the decrease in the office postage of RMB10.5 million (2021: RMB12.5 million), the decrease in the office travel of RMB10.5 million (2021: RMB12.5 million), the decrease in the office entertainment of RMB10.5 million (2021: RMB12.5 million), the decrease in the office catering of RMB10.5 million (2021: RMB12.5 million), the decrease in the office transportation of RMB10.5 million (2021: RMB12.5 million), the decrease in the office security of RMB10.5 million (2021: RMB12.5 million), the decrease in the office insurance of RMB10.5 million (2021: RMB12.5 million), the decrease in the office legal fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office consulting fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office auditing fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office appraisal fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office valuation fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office brokerage fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office commission fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office agency fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office management fees of RMB10.5 million (2021: RMB12.5 million), the decrease in the office supervision fees of RMB10.5 million (2021: RMB12.5 million).

4.1.6 Research and Development Expenses

During the year ended December 31, 2022, the Company incurred research and development expenses of RMB33,028 thousand, of which RMB27,962 thousand was capitalized and RMB5,066 thousand was expensed. During the year ended December 31, 2021, the Company incurred research and development expenses of RMB27,962 thousand, of which RMB23,900 thousand was capitalized and RMB4,062 thousand was expensed. The Company's research and development expenses are as follows:

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

During the year ended December 31, 2022, the Company incurred research and development expenses of RMB33,028 thousand (2021: RMB27,962 thousand), of which RMB18,899 thousand was capitalized and RMB9,803 thousand was expensed. During the year ended December 31, 2021, the Company incurred research and development expenses of RMB27,962 thousand, of which RMB16,487 thousand was capitalized and RMB8,059 thousand was expensed. The Company's research and development expenses are as follows:

4.1.7 Finance Expenses – Net

The following table shows the components of finance expenses, net, for the years ended December 31, 2022 and 2021:

	For the year ended December 31,	
	2022 (RMB'000)	2021 (B'000)
Interest expense	-2,762	-1,691
Finance charges / income	-78	39
Bank charges	33,214	21,978
Interest income	11,936	14,290
	<u>2,000</u>	<u>3,042</u>
Finance expenses – net	<u>44,310</u>	<u>37,658</u>

During the year ended December 31, 2022, the Group incurred finance expenses of B44.3 million, compared with B6.7 million for the year ended December 31, 2021, an increase of 51.1%. The increase was primarily due to the increase in bank charges of B2.4 million for the year ended December 31, 2022.

4.1.8 Investment Income

During the year, the Company's investment income was derived from the following sources:

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Dividend income from equity investments	-15,927	-6,566
Gain on disposal of equity investments	18,063	7,075
Dividend income from debt investments	714	6,429
	<u>2,850</u>	<u>6,938</u>
During the year, the Company's investment income was derived from the following sources: B2.9		
Holding of assets, including equity investments, debt investments, and other investments, B-15.9		
During the year, the Company's investment income was derived from the following sources: B-15.9		
Holding of assets, including equity investments, debt investments, and other investments, B-15.9		
During the year, the Company's investment income was derived from the following sources: B-15.9		
Holding of assets, including equity investments, debt investments, and other investments, B-15.9		
During the year, the Company's investment income was derived from the following sources: B-15.9		
Holding of assets, including equity investments, debt investments, and other investments, B-15.9		

4.1.9 Credit Impairment Losses

During the year, the Company's credit impairment losses were as follows: B25.2

(2021: B2.1), Gain on disposal of equity investments: B15.9

4.1.10 Asset Impairment Losses

During the year, the Company's asset impairment losses were as follows: B10.3

Gain on disposal of equity investments: B15.9

4.1.11 Non-Operating Income and Non-Operating Expenses

For the year ended December 31, 2022, the Company's non-operating income and non-operating expenses are as follows:

	For the year ended December 31,	
	2022 (RMB'000)	2021 (B'000)
Gain on disposal of subsidiaries	55	266
Dividend income	7,436	9,470
Dividend income from associates	—	1,800
Other non-operating income	1,063	300
Non-operating income	8,554	11,836
Loss on disposal of subsidiaries	1,588	166
Dividend expense	3,928	3,333
Expense on disposal of subsidiaries	1,754	1,399
Expense on disposal of associates	—	2,000
Other non-operating expenses	2,071	1,739
Non-operating expenses	9,341	8,637
During the year ended December 31, 2022, the Company's non-operating income and non-operating expenses are as follows: During the year ended December 31, 2021, the Company's non-operating income and non-operating expenses are as follows:		

4.1.12 Income Tax Expense

During the year ended December 31, 2022, the Company's income tax expense is as follows: (2021: B54.8 million), which is 51.5% of the profit before income tax. In 2021, the Company's income tax expense is 170.3% of the profit before income tax.

4.2 Financial Position

4.2.1 Inventory

As of December 31, 2022, the Company's inventory was B58.3 million (As of December 31, 2021: B56.5 million), an increase of 4.4%.

4.2.2 Accounts Receivables

As of December 31, 2022, the Company's accounts receivables were B382.8 million (December 31, 2021: B311.8 million), an increase of 22.8%. The Company's accounts receivables are primarily from the sale of goods.

The Company's accounts receivables are primarily from the sale of goods, and the Company's accounts receivables are primarily from the sale of goods. The Company's accounts receivables are primarily from the sale of goods, and the Company's accounts receivables are primarily from the sale of goods.

4.2.3 Other Receivables and Prepayments

A f D 31, 2022, B69.4
 (f D 31, 2021 (): B41.8).

4.2.4 Other Non-current Financial Assets

A. f. D. 31, 2022, B63.1 (f. D. 31, 2021: B65.8). D. B2.7
J. F. G.

4.2.5 Construction in progress

A f D 31, 2022, f B152.5
 (f D 31, 2021: f B43.8
),
 f L H , f L C ,
 H , f H f
 J H

4.2.6 Right-of-use Assets

A f D f 31, 2022, f B190.4 f
D f 31, 2021: B257.4 f f
 f B54.2 f f f H
H G f f f H

4.2.7 Accounts Payables

A f D 31, 2022, B85.8 (f
D 31, 2021: B69.2).

4.2.8 Receipts in Advance and Contract Liabilities

A f D 31, 2022, B
29.9 (f D 31, 2021: B16.3).

4.2.9 Other Payables

A. f. D. 31, 2022, B72.2 (f
D. 31, 2021 (B57.3), f
B17.0 f L
H.

4.3 Liquidity and Capital Resources

For the year ended December 31, 2022 (RMB'000) and 2021 (B'000)

	For the year ended December 31, 2022 (RMB'000)	2021 (B'000)
Net cash generated from operating activities	227,221	193,896
Net cash used in investing activities	-273,615	-239,049
Net cash generated from financing activities	116,178	33,833
Net change in cash and cash equivalents	69,861	-11,358

4.3.1 Net Cash Generated from Operating Activities

Net cash generated from operating activities for 2022 was RMB227.2 million, compared with B24.2 million for 2021. The increase was primarily due to the increase in net income of RMB35.5 million, the increase in net income of RMB160.6 million, and the increase in net income of RMB11.6 million.

4.3.2 Net Cash Used in Investing Activities

Net cash used in investing activities for 2022 was RMB273.6 million, compared with B236.9 million for 2021. The increase was primarily due to the increase in net income of RMB273.6 million, the increase in net income of RMB236.9 million, and the increase in net income of RMB236.9 million.

4.3.3 Net Cash Generated from Financing Activities

Net cash generated from financing activities for 2022 was RMB116.2 million, compared with B11.6 million for 2021.

4.3.4 Significant Investment, Acquisition and Disposal

For the year ended December 31, 2022, the Company did not have any significant investment, acquisition and disposal. For the year ended December 31, 2021, the Company did not have any significant investment, acquisition and disposal.

4.4 Indebtedness

4.4.1 Bank Borrowings

As at December 31, 2022, the Group had bank borrowings of RMB616.5 million (as at December 31, 2021: RMB553.2 million), of which RMB339.4 million were secured bank borrowings and RMB277.1 million were unsecured bank borrowings. As at December 31, 2022, the Group had bank borrowings with a weighted average interest rate of 4.25%.

4.4.2 Contingent Liability

As at December 31, 2022, the Group had no contingent liability. As at December 31, 2021, the Group had no contingent liability.

4.4.3 Asset Pledge

The Group's assets pledged to secure bank borrowings include land use rights, buildings, machinery, equipment, vehicles, and other assets. As at December 31, 2022, the Group had pledged assets with a carrying amount of RMB826.75 million (2021: RMB826.75 million) to secure bank borrowings. As at December 31, 2022, the Group had pledged assets with a carrying amount of RMB195.0 million (2021: RMB195.0 million) to secure bank borrowings. As at December 31, 2022, the Group had pledged assets with a carrying amount of RMB195.0 million (2021: RMB195.0 million) to secure bank borrowings. As at December 31, 2022, the Group had pledged assets with a carrying amount of RMB195.0 million (2021: RMB195.0 million) to secure bank borrowings.

4.4.4 Lease Liabilities

The Group has lease liabilities for its operating leases. As at December 31, 2022, the Group had lease liabilities of RMB25.5 million (2021: RMB25.5 million). As at December 31, 2022, the Group had lease liabilities of RMB25.5 million (2021: RMB25.5 million). As at December 31, 2022, the Group had lease liabilities of RMB25.5 million (2021: RMB25.5 million). As at December 31, 2022, the Group had lease liabilities of RMB25.5 million (2021: RMB25.5 million).

4.4.5 Financial Instruments

The Group's financial instruments include bank borrowings, trade receivables, trade payables, and other financial instruments. As at December 31, 2022, the Group had financial instruments with a carrying amount of RMB171.4 million (2021: RMB171.4 million). As at December 31, 2022, the Group had financial instruments with a carrying amount of RMB171.4 million (2021: RMB171.4 million). As at December 31, 2022, the Group had financial instruments with a carrying amount of RMB171.4 million (2021: RMB171.4 million). As at December 31, 2022, the Group had financial instruments with a carrying amount of RMB171.4 million (2021: RMB171.4 million).

4.4.6 Exposure to Fluctuation in Exchange Rates

The Group's exposure to fluctuation in exchange rates is primarily related to its bank borrowings denominated in HKD. As at December 31, 2022, the Group had bank borrowings denominated in HKD of RMB25.5 million (2021: RMB25.5 million). As at December 31, 2022, the Group had bank borrowings denominated in HKD of RMB25.5 million (2021: RMB25.5 million). As at December 31, 2022, the Group had bank borrowings denominated in HKD of RMB25.5 million (2021: RMB25.5 million). As at December 31, 2022, the Group had bank borrowings denominated in HKD of RMB25.5 million (2021: RMB25.5 million).

As at December 31, 2022, the Group had bank borrowings denominated in HKD of RMB25.5 million (2021: RMB25.5 million). As at December 31, 2022, the Group had bank borrowings denominated in HKD of RMB25.5 million (2021: RMB25.5 million). As at December 31, 2022, the Group had bank borrowings denominated in HKD of RMB25.5 million (2021: RMB25.5 million). As at December 31, 2022, the Group had bank borrowings denominated in HKD of RMB25.5 million (2021: RMB25.5 million).

4.4.7 Gearing Ratio

A f D 31, 2022, G (): 49.7% (f D 31, 2021 (): 46.2%), f

4.4.8 Employees and Remuneration Policy

A f D 31, 2022, G f 4,196 f - (f D 31, 2021: 3,661 f -). D , (f f f) B529.4 (2021: B443.3). T B124.3 (G). T f , f f

4.4.8.1 *Subcase I*[illegible]

I f E , I f f
f 165 , 1,818,529
f f f
23 , 180,516 ()
f f f f
f 13 , 540,229 . A f f
f 8 , f 79,274
. A f f f
E , I f 193 , 2,460,000
f 3.2976% f C
f f f B10.47/
f 48 f f

5 SIGNIFICANT EVENTS

5.1 Dividend

B. D. 31, 2022.

5.2 Independent investigation related matters

С. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840,

[illegible]

14, 2022, (C (Investigation Firm_) f (Alleged Area I.); (2) f (Alleged Area II.); (3) f (Alleged Area III.). D f 14, 2022 23, 2022, I F , 14, 2022. I f C , C , I F A , A . A f , C ()

C. A. A. f. D. 31,
2021 2021 A. 27, 2022 15, 2022,

30, 2022. I f J, 30, 2022. J, 10, 2023. J, 16, 2023.

1. $\mathcal{C} \rightarrow \mathcal{C}'$ is a $\mathcal{C}$ - $\mathcal{C}'$ equivalence if and only if $\mathcal{C} \rightarrow \mathcal{C}'$ is a $\mathcal{C}$ - $\mathcal{C}'$ equivalence.

- I $\square$ f , B f $\square$ f ;
C :
1. C B f C ;
 2. $\square$ A G H f A A
III, C $\square$ f ;
 3. f ;

5.3 Correction of previous accounting errors

A 5.2 f , f f
C f 2020
2021, f , 38 f 3 B f D
11 f 3 C f C
f f C f A E
f 2021 f
f :

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

5.3.1.1 f B9.18 2020
B f f f f
I F f
2019 2020 C, B9.18 B14.43 f
A 30 f 3
f B 8 f 3 f C
f C f C
A E D F f 2020,
B9.18 f , f
f f
f B f f
f 2020 B12,878 B9,203,741 ,
B9,190,863; f f 2021
B12,878, B12,878 B9,203,741 ,
B9,190,863.

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

(1) Cumulative impact of the correction of previous accounting errors in the financial statements for 2020

(in million B, for the year ended 31.12.2020)

Items	After restatement	Cumulative effect of error correction	Before restatement
Net income	12,987,640	9,190,863	3,796,777
Goodwill	83,509,118	9,190,863	74,318,255
Intangible assets	52,846,923	9,190,863	43,656,060
Non-current assets			
- Property, plant and equipment	64,961,025	9,190,863	55,770,162

(2) Cumulative impact of the correction of previous accounting errors in the financial statements for 2021

(in million B, for the year ended 31.12.2021)

Items	After restatement	Cumulative effect of error correction	Before restatement
Net income	63,465,824	-12,878	63,478,702
Goodwill	542,683,617	-12,878	542,696,495
Intangible assets	2,161,261,775	-12,878	2,161,274,653
Non-current assets			
- Property, plant and equipment	76,603,400	-9,203,741	85,807,141
- Intangible assets	606,077,103	-9,203,741	615,280,844
- Non-current financial assets	946,349,216	-9,203,741	955,552,957
- Other non-current assets	214,856,099	9,190,863	205,665,236
Current assets			
- Inventory	1,122,247,550	9,190,863	1,113,056,686
- Other current assets	1,214,912,559	9,190,863	1,205,721,695
Current liabilities			
- Other current liabilities	2,161,261,775	-12,878	2,161,274,653

(3) Continued Financial Results for 2021

(Unit: RMB million)

Items	After restatement	Cumulative effect of error correction	Before restatement
Operating income	29,925,488	-12,878	29,938,366
Operating profit	609,602,623	-12,878	609,615,501
Profit before income tax	2,377,954,989	-12,878	2,377,967,867
Income tax expense	57,319,524	-9,203,741	66,523,265
Profit after income tax	535,774,635	-9,203,741	544,978,376
Profit attributable to owners of the parent	1,097,675,868	-9,203,741	1,106,879,609
Minority interest	6,937,845	-12,878	6,950,723
Profit attributable to equity holders of the company	257,098,624	9,190,863	247,907,761
Other comprehensive income			
Other comprehensive income attributable to owners of the parent	1,208,263,897	9,190,863	1,199,073,034
Other comprehensive income attributable to minority interest	1,280,279,120	9,190,863	1,271,088,257
Other comprehensive income attributable to equity holders of the company			
Other comprehensive income attributable to equity holders of the company	2,377,954,989	-12,878	2,377,967,867

Opinions of the Independent Non-executive Directors

The Independent Non-executive Directors have reviewed the financial statements of the Company for the year ended December 31, 2021, and have concluded that the financial statements are prepared in accordance with the applicable accounting standards, and the financial information is true and accurate. The Independent Non-executive Directors have no objection to the financial statements of the Company for the year ended December 31, 2021.

Opinions of the Board

The Board of Directors has reviewed the financial statements of the Company for the year ended December 31, 2021, and has concluded that the financial statements are prepared in accordance with the applicable accounting standards, and the financial information is true and accurate. The Board of Directors has no objection to the financial statements of the Company for the year ended December 31, 2021.

Opinions of the Supervisory Committee

The Supervisory Committee has reviewed the financial statements of the Company for the year ended December 31, 2021, and has concluded that the financial statements are prepared in accordance with the applicable accounting standards, and the financial information is true and accurate. The Supervisory Committee has no objection to the financial statements of the Company for the year ended December 31, 2021.

Opinions of the Audit Committee

The Audit Committee has reviewed the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022. The Audit Committee has reviewed the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022.

6 PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company has not purchased, sold or redeemed any listed securities during the year ended 31 December 2022.

7 REVIEW OF ANNUAL RESULTS

The Audit Committee has reviewed the annual results of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022. The Audit Committee has reviewed the annual results of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022.

The Audit Committee has reviewed the annual results of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022. The Audit Committee has reviewed the annual results of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022.

8 COMPLIANCE WITH CG CODE

The Company has not purchased, sold or redeemed any listed securities during the year ended 31 December 2022.

On 10, 2023, the HA (Mr. Zhao) has reviewed the annual results of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022. The HA (Mr. Zhao) has reviewed the annual results of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022. The HA (Mr. Zhao) has reviewed the annual results of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022, and the financial statements of the Company for the year ended 31 December 2022.

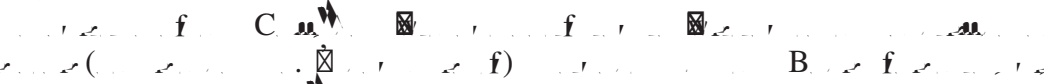
9 COMPLIANCE WITH THE MODEL CODE

[illegible][illegible]

On June 30, 2022 (Interim Results), J. 10, 2023. I. 28, 2022, C. D., f. C., f. I.; (.) D. f. C. f. C. B. (f. D. 11, 2022. J. 10, 2023).

J 5, 2023, C f A G L (Ms. Wang_),
D f C f B13.28 A G J , f 100,000
f C D B19, 2022 (Disposal_).
D f C A f C
B f C D
f C , C f A.3 B.8 f C

[illegible]

- (1) ;
- (2) ;
- (3) .

12 FINANCIAL REPORT

12.1 Accounting Policies

By _____, Chairman of the Board of Directors, of _____, dated _____, 2006
(_____), the Accounting Standards for Business Enterprises—CAS).

Chang6

C A , , f B, E f $\square$:

(A B)

31

Items	Year ended December 31,	
	2022	2021
A : Operating profit	14,907,711	13,619,635
I : Operating profit	2,850,458	6,937,845
I : Operating profit	-15,926,847	-6,565,720
D : Operating profit	-	-
F : Operating profit	-	-
G : Operating profit	-	-
G : Operating profit	-15,977,326	9,417,391
C : Operating profit	-25,191,541	-2,140,196
A : Operating profit	-10,345,461	-6,179,290
G : Operating profit	406,185	-79,404
III. Operating profit	16,391,934	92,491,795
(losses represented with “-” signs)	8,553,978	11,835,932
A : Operating profit	9,341,039	8,636,584
IV. Total profit	15,604,873	95,691,143
(total losses represented with “-” signs)	26,573,712	54,830,913
V. Net profit (net losses represented with “-” signs)	-10,968,839	40,860,230
(I) C : Operating profit	-10,968,839	40,860,230
1. Operating profit	-	-
2. Operating profit	-	-
(II) C : Operating profit	-24,220,782	44,035,995
1. Operating profit	13,251,944	-3,175,765
2. Operating profit	-	-

Items

Year ended December 31,
2022 2021
()

VI. Other comprehensive income, net of tax

(I)		
1. C		
2.		
3. C		
4. C		
(II)		
1.		
2. C		
3. A		
4. C		
5.		
6. E		
7.		

VII. Total comprehensive income

A	-10,968,838	40,860,230
A	-24,220,782	44,035,995
A	13,251,944	-3,175,765

VIII. Earnings per share:

(I) B	-0.32	0.61
(II) D	-0.32	0.59

12.2.2 Annual Consolidated Balance Sheets

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ASSETS	December 31, 2022	December 31, 2021	January 1, 2021
Current assets:			
Cash and cash equivalents	271,094,963	188,734,846	206,499,564
Accounts receivable, net	—	—	—
Inventory	—	—	—
Prepaid expenses and other current assets	10,641,026	10,000,000	—
Deferred income taxes	—	—	—
Assets held for sale	—	—	—
Other current assets	382,836,691	311,757,875	225,300,247
Investments	—	—	—
Available-for-sale securities	32,201,224	11,858,427	9,909,510
Equity securities	—	—	—
Debt securities	—	—	—
Real estate	—	—	—
Other investments	37,195,220	29,925,488	63,465,824
Financial instruments	—	—	—
Intangible assets	58,331,397	56,519,301	37,508,472
Goodwill	—	—	—
Other intangible assets	—	—	—
Other assets	—	—	—
Other non-current assets	752,325	806,686	—
Total current assets	793,052,846	609,602,623	542,683,617

ASSETS	December 31, 2022	December 31, 2021	January 1, 2021
Non-current assets:			
Goodwill	—	—	—
Deferred income taxes	—	—	—
Intangible assets	—	—	—
Leasehold improvements	14,000,000	—	—
Leasehold improvements	143,546,246	129,847,779	97,816,934
Inventory	—	—	—
Prepaid expenses	—	—	—
Prepaid expenses	63,116,852	65,812,275	57,404,918
Investments	—	—	107,804,936
Financial assets	695,020,441	721,846,772	533,743,384
Contract assets	152,497,400	43,795,718	134,941,286
Contract liabilities	—	—	—
Other non-current assets	190,403,752	257,412,270	232,612,441
Investments	254,684,348	227,991,785	162,536,728
Deferred income taxes	—	—	—
Goodwill	107,655,738	135,741,377	79,199,853
Leasehold improvements	189,586,339	150,501,038	153,550,840
Deferred income taxes	20,682,398	14,336,965	40,258,388
Other non-current assets	13,541,047	21,066,387	18,708,451
Total non-current assets	1,844,734,561	1,768,352,366	1,618,578,158
TOTAL ASSETS	2,637,787,407	2,377,954,989	2,161,261,775

LIABILITIES AND SHAREHOLDERS' EQUITY	December 31, 2022	December 31, 2021	December 31, 2021
Current liabilities:			
Accounts payable	203,000,000	254,050,000	312,500,000
Bank overdrafts	—	—	—
Accrued interest	—	—	—
Deferred income	13,922,929	—	—
Deferred income taxes	—	—	—
Other	997,944	—	36,080
Accounts receivable	85,773,062	69,162,002	71,955,864
Other	29,894,837	16,275,603	4,644,278
Contract liabilities	—	3,241	12,965,175
Other	—	—	—
Other	—	—	—
Other	—	—	—
Other	—	—	—
Other	70,588,350	60,488,184	42,785,133
Other	33,507,164	30,235,329	49,046,555
Other	72,193,730	57,319,524	76,603,400
Other	—	—	—
Other	—	—	—
Other	—	—	—
Other	147,598,324	48,240,752	35,540,617
Other	—	—	—
Total current liabilities	657,446,340	535,774,635	606,077,103

LIABILITIES AND SHAREHOLDERS' EQUITY	December 31, 2022	December 31, 2021	January 1, 2021
Non-current liabilities:			
Long-term debt	391,010,000	280,950,000	110,992,970
Deferred income taxes	—	—	—
Other non-current liabilities	—	—	—
Long-term debt, net	171,437,740	231,733,760	194,601,230
Long-term debt, gross	42,404,938	—	—
Long-term debt, net of discount	—	—	—
Deferred income taxes	—	—	—
Other non-current liabilities	9,037,891	9,341,683	9,645,475
Deferred income taxes	40,547,879	39,875,790	25,032,438
Other non-current liabilities	—	—	—
Total non-current liabilities	654,438,448	561,901,233	340,272,113
Total liabilities	1,311,884,788	1,097,675,868	946,349,216
Shareholders' equity:			
Common stock	74,600,300	74,600,300	74,600,300
Preferred stock	—	—	—
Retained earnings	—	—	—
Accumulated other comprehensive income	855,078,533	838,165,396	819,309,066
Long-term debt, net	—	—	23,311,144
Other shareholders' equity	—	—	—
Long-term debt, net of discount	38,399,577	38,399,577	36,593,229
Long-term debt, gross	—	—	—
Long-term debt, net of discount	233,506,534	257,098,624	214,856,099
Long-term debt, gross	—	—	—
Long-term debt, net of discount	1,201,584,945	1,208,263,897	1,122,247,550
Long-term debt, gross	124,317,674	72,015,224	92,665,099
Long-term debt, net of discount	—	—	—
Total shareholders' equity	1,325,902,619	1,280,279,120	1,214,912,559
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,637,787,407	2,377,954,989	2,161,261,775

12.2.3 Annual Consolidated Statements of Cash Flow

(A ~~.....~~ B ~~.....~~)

Items	Year ended December 31,	
	2022	2021
I. Cash flows from operating activities		
Cash from operations	1,452,028,763	1,211,114,151
Change in cash and cash equivalents	—	—
Change in cash and cash equivalents	—	—
Change in cash and cash equivalents	—	—
Cash from operations	—	—
Change in cash and cash equivalents	—	—
Change in cash and cash equivalents	—	—
Cash from operations	—	—
Change in cash and cash equivalents	—	—
Change in cash and cash equivalents	—	—
Cash from operations	—	—
Change in cash and cash equivalents	—	—
Change in cash and cash equivalents	—	—
Cash from operations	—	—
Change in cash and cash equivalents	—	—
Change in cash and cash equivalents	—	—
Cash from operations	100,857,821	96,220,745
Sub-total of cash inflows of operating activities	1,552,886,584	1,307,334,896
Cash from operations	613,477,475	553,860,986
Change in cash and cash equivalents	—	—
Change in cash and cash equivalents	—	—
Cash from operations	—	—
Change in cash and cash equivalents	—	—
Change in cash and cash equivalents	—	—
Cash from operations	—	—
Change in cash and cash equivalents	—	—
Change in cash and cash equivalents	—	—
Cash from operations	525,082,523	425,383,922
Change in cash and cash equivalents	51,200,498	44,017,853
Cash from operations	135,905,523	90,175,636
Sub-total of cash outflows of operating activities	1,325,666,020	1,113,438,397
Net cash flows from operating activities	227,220,564	193,896,499

Items	Year ended December 31,	
	2022	2021
II. Cash flows from investing activities		
Cash received from the sale of property, plant and equipment	—	52,119,176
Cash received from the sale of investments	1,650,804	7,777,189
Net cash received from the sale of property, plant and equipment, and investments	24,100,367	8,755,311
Cash paid for the acquisition of property, plant and equipment	—	—
Cash paid for the acquisition of investments	25,751,171	68,651,676
Cash paid for the acquisition of investments, net of cash received	236,910,179	178,536,614
Cash paid for the acquisition of investments	—	48,600,000
Net cash paid for the acquisition of investments	—	—
Net cash paid for the acquisition of investments	53,685,701	80,564,033
Cash paid for the acquisition of investments	8,770,704	—
Sub-total of cash outflows of investing activities	299,366,584	307,700,647
Net cash flows from investing activities	-273,615,413	-239,048,971

Items	Year ended December 31,	
	2022	2021
III. Cash flows from financing activities		
Cash received from the issuance of bank loans	9,153,084	2,900,000
Interest on bank loans	9,153,084	2,900,000
Cash received from the issuance of bonds	387,500,000	550,250,000
Cash received from the issuance of equity	151,420,250	-
Interest on bonds	548,073,334	553,150,000
Cash received from the issuance of equity	324,220,000	428,342,970
Cash received from the issuance of equity, net of fees	51,554,508	30,297,107
Interest on equity	-	-
Cash received from the issuance of equity, net of fees	56,121,295	60,676,566
Sub-total of cash outflows of financing activities	431,895,803	519,316,643
Net cash flows from financing activities	116,177,531	33,833,357
IV. Effect of foreign exchange rate changes on cash and cash equivalents	78,463	-38,704
V. Net increase in cash and cash equivalents	69,861,145	-11,357,819
At the beginning of the period	188,734,846	200,092,665
VI. Cash and cash equivalents at the end of the period	258,595,991	188,734,846

12.2.4 Consolidated Statement of Changes in Shareholders' Equity

(Amount in million Chinese Yuan)

Items	Other equity instruments				Amount for the current period Equity attributable to owners of the parent company							Subtotal	Non-controlling interests	Total owners' equity
	Share capital	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Provision for general risk	Retained earnings			
I. Balance at the beginning of the period	74,600,300				838,165,396				38,399,577		257,098,624	1,208,263,897	72,015,224	1,280,279,121
II. Changes during the period														
1. Issuance of new shares														
2. Issuance of new shares														
3. Issuance of new shares														
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151. Issuance of new shares														
152. Issuance of new shares														
153. Issuance of new shares														
154. Issuance of new shares														

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

Items	Other equity instruments				Amount for the current period Equity attributable to owners of the parent company							Non- controlling interests	Total owners' equity
	Share capital	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Provision for general risk	Retained earnings	Subtotal	
(X) 1. 2019年12月31日													
(X) 2. 2019年12月31日													
(X) B. 2019年12月31日					4,698,718						628,692	5,327,410	5,327,410
(X) 2019年12月31日	74,600,300				855,078,533				38,399,577		233,506,534	1,201,584,944	1,325,902,618

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II. B.

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

12.3.1 Accounts receivable

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

	December 31, 2022 RMB	December 31, 2021 RMB
1 year or less	388,961,193	303,910,574
1-2 years	4,755,920	9,812,859
2-3 years	3,941,367	4,259,870
3-4 years	3,248,300	3,140,407
4-5 years	1,932,594	
Over 5 years	402,839,374	321,123,710
Less: Expected credit loss	20,002,683	9,365,835
Net accounts receivable	<u>382,836,691</u>	<u>311,757,875</u>

Accounts receivable shown by classification of bad debt provisions

[illegible]

12.3.2 Accounts payable

		December 31,	
		2022	2021
		RMB	B
Accounts payable		84,193,739	65,938,475
Prepaid expenses		1,161,389	2,767,906
Accounts receivable		71,969	168,510
Other receivables		345,965	287,111
Total		85,773,062	69,162,002

12.3.3 Revenue and cost of sales

Analysis of revenue and cost of sales

	Year ended December 31,		December 31,	
	2022		2021	
	Revenue	Cost	Revenue	Cost
Revenue from operations	1,366,816,938	1,040,114,650	1,202,774,378	897,111,636
Other income	118,086,104	91,857,293	94,655,992	71,320,820
Total	1,484,903,042	1,131,971,943	1,297,430,370	968,432,456

12.3.5 Credit impairment losses

	Year ended December 31,	
	2022	2021
Losses on credit impairment losses	11,260,563	3,005,695
Losses on credit impairment losses	13,930,978	-865,499
	<u>25,191,541</u>	<u>2,140,196</u>

12.3.6 Earning per Share

Basic earning per Share

	Year ended December 31,	
	2022	2021
Comprehensive income	-24,220,782	44,035,995
Weighted average common shares outstanding	74,600,300	72,140,300
Basic earnings per share	-0.32	0.61
Interim: Basic earnings per share	-0.32	0.61
Basic earnings per share	-	-

Diluted earning per Share

Diluted earnings per share	-0.32	0.59
Interim: Diluted earnings per share	-0.32	0.59
Diluted earnings per share	-	-

12.3.7 Income tax expenses

Table of income tax expenses

	Year ended December 31,	
	2022	2021
Current income tax expense	40,192,565	26,919,820
Deferred income tax expense	<u>-13,618,853</u>	<u>27,911,093</u>
Total	<u><u>26,573,712</u></u>	<u><u>54,830,913</u></u>

Reconciliation between total profit and income tax expenses

	Year ended December 31,	
	2022	2021
Total profit	<u>15,604,874</u>	<u>95,691,143</u>
Income tax expense on income from operations	3,028,480	21,762,976
Income tax expense on other income	7,125,277	1,508,267
Adjustment for income tax expense on income from operations	-3,896,947	-2,591,474
Income tax expense - income from operations	-5,563,847	-283,550
Income tax expense - income from operations, income from other sources	1,736,913	4,012,268
Income tax expense on income from operations, income from other sources	137,339	-3,047,922
Income tax expense on income from operations, income from other sources, income from other sources	31,726,873	40,749,555
Adjustment for income tax expense on income from operations, income from other sources, income from other sources	-4,141,335	-3,263,746
Income tax expense on income from operations, income from other sources, income from other sources, income from other sources	-2,298,769	-4,286,812
Income tax expense on income from operations, income from other sources, income from other sources, income from other sources, income from other sources	<u>-1,280,272</u>	<u>271,351</u>
Total	<u><u>26,573,712</u></u>	<u><u>54,830,913</u></u>

12.3.8 Dividend

Am 31. 2023, B. ... AG .

Am 26. 2022, B. ... AG .

13 CONTINUED SUSPENSION OF TRADING

As a result of the Company's continued failure to file its 2021 Annual Report, the Company's shares will be suspended from trading on the Exchange starting at 9:00 a.m. on April 1, 2022. The Company is required to file its 2021 Annual Report with the Exchange.

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

14 DEFINITIONS

AG – the company's annual general meeting held in 2022.

Article of Association – the company's articles of association.

B – Beijing Yining Hospital Co., Ltd. (北京怡寧醫院有限公司), a company established on July 17, 2015, which is a wholly-owned subsidiary of the Company.

B – the company's board of directors.

C – Cangnan Kangning Hospital Co., Ltd. (蒼南康寧醫院有限公司), a company established on July 15, 2012, which is a wholly-owned subsidiary of the Company.

C – Huangfeng Hospital Co., Ltd. (淳安康寧黃鋒醫院有限公司), a company established on April 16, 2020, which is a wholly-owned subsidiary of the Company.

C – the company's chairman of the board of directors, who is also the chairman of the company's board of directors. The company's board of directors is composed of 11 members, including 3 independent non-executive directors and 8 executive directors. The company's board of directors is responsible for the company's business and management.

CGC – the company's general counsel, who is also the company's secretary for the Hong Kong Listing.

D – the company's director.

D – the company's director, who is also the company's chairman of the board of directors. The company's board of directors is composed of 11 members, including 3 independent non-executive directors and 8 executive directors. The company's board of directors is responsible for the company's business and management.

G – the company's general manager.

H H	K —	H K H C., L. (淮南康寧醫院有限公司), 22, 2017,
J H	—	J H C., L. (浙江傑翎健康科技有限公司) (f I f C., L. (杭州耶利米信息科技有限公司)), D 27, 2018,
J H	—	J H C., L. (縉雲舒寧醫院有限公司), F 15, 2019,
J F	—	C J H C I E I F (L.) (重慶金浦醫療健康服務產業股權投資基金合夥企業(有限合夥)), C 22, 2016 3.5461% f J F
L H	—	L L H C., L. (溫州鹿城怡寧醫院有限公司), A 2, 2020,
L H	C —	L C H C., L. (臨海慈寧醫院有限公司), 11, 2020,
	C —	C f D f L I A 10 H K L
N H	—	N H C., L. (南京怡寧醫院有限公司), 22, 2018,
	C H —	C H C., L. (平陽長庚怡寧醫院有限公司), J 14, 2021,
	H —	H f H C., L. (浦江怡寧黃峰醫院有限公司), 3, 2018,

C_{10} C_{11}

A $\frac{f}{C}$, $\frac{f}{H}$, $\frac{f}{K}$, $\frac{f}{T}$

20, 2015, f C

K, H, C, L (青田康寧醫院有限公司),
 H, C, A
 1, 2011, f, C, -

Figure 1: A schematic diagram of the experimental setup. A laser beam enters from the left, passes through a half-wave plate (HWP) and a polarizing beam splitter (PBS). The beam is then split into two paths: one through a lens (f) and another through a lens (f) and a half-wave plate (HWP). The beams are recombined at a second PBS, which is followed by a lens (f) and a half-wave plate (HWP). The final output is detected by a camera (C).

10. 某企业生产甲、乙两种产品，其单位成本分别为 100 元和 80 元。该企业 2019 年 1 月销售甲产品 100 件，乙产品 50 件。该企业 2019 年 1 月的销售收入为（ ）元。
 A. 10000 B. 8000 C. 13000 D. 15000
 H. 10000

$$\mathcal{L}(\mathbf{f}) = \mathcal{L}(\mathbf{f}) - \mathcal{L}(\mathbf{f}) + \mathcal{L}(\mathbf{f}) = \mathcal{L}(\mathbf{f}) + \mathcal{L}(\mathbf{f}) - \mathcal{L}(\mathbf{f})$$

H (深圳怡寧醫院, H C., L (深圳市怡寧醫院有限公司)), 22, 2014, f C -

(C) 622 f H, K, C

D. № 31, 2022

台州康寧醫院有限公司, 30, 2016, f C

25, 2006, *Journal of Clinical Microbiology*, 44, 11, 3111-3115.

溫嶺南方精神疾病專科醫院有限公司), 20, 2018, C

溫州甌海怡寧老年醫院有限公司), 8, 2021, C

寧心理互聯網醫院(溫州)有限公司), 10, 2020, C

永嘉康寧醫院有限公司), 12, 2012, C

樂清康寧醫院有限公司), 3, 2013, C

樂清怡寧中西醫結合醫院有限公司), 4, 2006, C & 樂清邦爾中西醫結合醫院有限公司)

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Wenzhou Kangning Hospital Co., Ltd.
GUAN Weili
C

A 14, 2023

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