

H K E c a e a d C e a L e d a d T e S c E c a e f H K L e d a e e b y
f e c e f a c e e , a e e e e a a a c c a c c c e e e a d e e
d c a a y a b y a e e f a y e e a f e a c e e e a y a f e
c e f a c e e .

2 FINANCIAL HIGHLIGHTS

2.1 Principal Financial Data and Indicators

	For the six months ended June 30	
	2024 <i>RMB'000</i> <i>(Unaudited)</i>	2023 <i>RMB'000</i> <i>(Unaudited)</i>
Revenue	828,957	777,925
Profit before tax	61,513	60,207
Income tax expense	16,516	11,478
Net profit	44,996	48,729
Net profit attributable to equity holders of the Company	50,724	43,750
Profit attributable to equity holders of the Company	-5,727	4,979
Net cash generated from operating activities	116,536	113,591
	As at	As at
	June 30,	December 31,
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Total assets	3,008,352	3,047,687
Total liabilities	1,581,890	1,639,481
Total equity	1,426,462	1,408,206
Equity attributable to equity holders of the Company	1,290,906	1,265,065
Non-current equity	135,555	143,141

Psychiatric Healthcare Business

The Government has been focusing on the development of psychiatric healthcare services. It has established a dedicated department to oversee and coordinate the implementation of various mental health programs. The government has also increased its financial support for psychiatric hospitals and community-based mental health centers. This includes funding for research, training of mental health professionals, and the development of new treatment approaches. The goal is to provide comprehensive and accessible psychiatric healthcare to all citizens.

During the period, the government has implemented several key initiatives to improve psychiatric healthcare. One major focus has been on strengthening the mental health workforce. This involves providing specialized training and continuing education for psychiatrists, psychologists, nurses, and social workers. Additionally, the government has promoted the integration of mental health services into primary care settings, ensuring that individuals can receive timely and appropriate care. Another significant effort has been the expansion of community mental health services, including crisis intervention teams and peer support programs. These services aim to reduce the stigma associated with mental illness and provide a supportive environment for individuals with mental health conditions. The government has also prioritized the development of evidence-based practices and the use of digital health technologies to enhance the quality and efficiency of psychiatric care. Overall, these efforts demonstrate a commitment to advancing the field of psychiatric healthcare and improving the lives of those affected by mental illness.

Elderly Healthcare Business

According to the latest data, the elderly population is growing rapidly, and the government has taken proactive measures to address the healthcare needs of this demographic. A key strategy has been to enhance the capacity of long-term care facilities and home care services. This includes investing in infrastructure, recruiting and training staff, and implementing quality assurance measures. The government has also supported the development of innovative care models, such as integrated care for the elderly and dementia care programs. These models focus on providing holistic care that addresses the physical, cognitive, and emotional needs of older adults. Furthermore, the government has established a dedicated office to coordinate and monitor the implementation of elderly healthcare policies. This office works closely with various stakeholders, including healthcare providers, community organizations, and families, to ensure that services are tailored to the specific needs of the elderly population. The government's commitment to elderly healthcare is reflected in its continued investment in research, policy development, and service delivery. By prioritizing the health and well-being of older adults, the government aims to create a more inclusive and supportive society for all ages.

The above table reflects the breakdown of the Revenue from the Group's operations as follows:

	For the six months ended June 30	
	2024	2023
	(RMB'000)	(RMB'000)
	(Unaudited)	(Unaudited)
Revenue from operations	784,892	744,197
Less: Variable costs	19,256	15,505
Revenue from operations	765,636	728,692

For the six months ended June 30, 2024, the Revenue from operations increased by RMB784.9 million, or 5.5% as compared to the corresponding period of 2023, which was primarily due to the increase in the revenue from operations of RMB19.3 million, or 2.5% as compared to the corresponding period of 2023, which was primarily due to the increase in the revenue from operations of RMB3.8 million, or 2.1% as compared to the corresponding period of 2023.

The above table reflects the breakdown of the Revenue from the Group's operations as follows:

	For the six months ended June 30	
	2024	2023
	(RMB'000)	(RMB'000)
	(Unaudited)	(Unaudited)
Billing Revenue from owned hospitals	784,892	744,197
Cost of sales	555,218	547,492
Gross profit	229,674	196,705

For the six months ended June 30, 2024, the Revenue from operations increased by RMB784.9 million, or 5.5% as compared to the corresponding period of 2023, which was primarily due to the increase in the revenue from operations of RMB19.3 million, or 2.5% as compared to the corresponding period of 2023, which was primarily due to the increase in the revenue from operations of RMB3.8 million, or 2.1% as compared to the corresponding period of 2023.

The above table reflects the breakdown of the Revenue from the Group's operations as follows:

The above table reflects a breakdown of Revenue by category, as detailed in the following table:

	For the six months ended June 30	
	2024	2023
	(Unaudited)	<i>(Audited)</i>
Inpatients		
Inpatient bed days	11,648	10,578
Effective patient care bed-days capacity	2,119,936	1,914,618
Utilization rate (%)	87.4	84.0
Net patient care bed-days	1,852,397	1,607,422
Total inpatient revenue (RMB'000)	586,146	553,572
Average inpatient revenue per bed-day (RMB)	317	345
Percentage of total revenue (RMB'000)	91,056	84,197
Average inpatient revenue per bed-day (RMB)	49	52
Total inpatient revenue (RMB'000)	677,202	637,769
Total average inpatient spending per bed-day (RMB)	366	397
Outpatients		
Net patient care	243,108	250,648
Total outpatient revenue (RMB'000)	31,560	33,647
Average outpatient revenue (RMB)	130	134
Percentage of total revenue (RMB'000)	76,130	72,781
Average outpatient revenue (RMB)	313	291
Total outpatient revenue (RMB'000)	107,690	106,428

Cost of revenue of owned hospitals, including depreciation, amortization, and impairment losses, decreased by RMB555.2 million, or 1.4%, from RMB5,610.2 million in 2023 to RMB5,055.0 million in 2024. The decrease was primarily due to the decrease in depreciation and amortization expenses of RMB490.0 million, or 8.7%, from RMB5,610.2 million in 2023 to RMB5,120.2 million in 2024. The decrease was also due to the decrease in impairment losses of RMB65.2 million, or 1.2%, from RMB65.2 million in 2023 to RMB0 million in 2024.

	For the six months ended June 30	
	2024	2023
	(RMB'000)	(RMB'000)
	(Unaudited)	(Unaudited)
Depreciation and amortization	177,398	188,867
Impairment losses	228,188	208,780
Decrease in fair value of financial assets	14,557	17,993
Decrease in value of investment properties	52,308	49,033
Change in other non-current assets	33,351	32,373
Termination fee	8,450	10,630
Other	40,966	39,816
	555,218	547,492

During the reporting period, the cost of revenue of owned hospitals decreased by RMB555.2 million, or 1.4%, from RMB5,610.2 million in 2023 to RMB5,055.0 million in 2024. The decrease was primarily due to the decrease in depreciation and amortization expenses of RMB490.0 million, or 8.7%, from RMB5,610.2 million in 2023 to RMB5,120.2 million in 2024. The decrease was also due to the decrease in impairment losses of RMB65.2 million, or 1.2%, from RMB65.2 million in 2023 to RMB0 million in 2024.

For the reporting period, the cost of revenue of owned hospitals decreased by RMB555.2 million, or 1.4%, from RMB5,610.2 million in 2023 to RMB5,055.0 million in 2024. The decrease was primarily due to the decrease in depreciation and amortization expenses of RMB490.0 million, or 8.7%, from RMB5,610.2 million in 2023 to RMB5,120.2 million in 2024. The decrease was also due to the decrease in impairment losses of RMB65.2 million, or 1.2%, from RMB65.2 million in 2023 to RMB0 million in 2024.

Re e e f e ea ca e e a ed b e

T e e e e f e ea ca e e a ed b e e f e G a y c de e e e f a e f ed ca de ce , e e e f a ace ca a e y de e a , e e e f ca e a e ce a d e e e f ea ca e f a ec y b e , e c. D e Re Pe d, e e e f e e ea ca e e a ed b e f e G a ed RMB63.0 , f c e e e f a e f a ace ca a d ed ca de ce de e a a RMB41.7 (f e e ded J e 30, 2023: RMB29.1).

O e e e e e a ed ea ca e b e

T e G ' e e e e e a ed ea ca e b e a y c de e y ea c e. D e Re Pe d, e e e f e y ea c y e a RMB0.3 (f e e ded J e 30, 2023: RMB2.9), a y de e fac a S e z e Y H a eac ed e ea e c d e a e y a d d, a d e e a e y a d d bac e be e y, e a dec ea e e a c e.

4.1.2 Gross Profit and Gross Profit Margin

D e Re Pe d, a f f e G e a c e ba a ed RMB226.2 , e e e a c ea e f 12.2% a c a ed a f e a e e d f 2023. T e f f ed a b e e e a c e ba a ed RMB210.4 , e e e a c ea e f 16.1% a c a ed a f e a e e d f 2023. T e a b e be e f a b e a d f e f a f d f e e b e e f e e d d ca ed:

	For the six months ended June 30	
	2024	2023
	(Unaudited)	(U a d ed)
ed a b e e	27.5%	24.9%
O e b e e	24.9%	41.3%
Consolidated gross profit margin	27.3%	25.9%

D e Re Pe d, c da ed f a f e G c ea ed 27.3% (f e e ded J e 30, 2023: 25.9%), f c e a f y ed a b e e c ea ed b 2.6 e ce a e f e a e e d f 2023.

4.1.3 Tax and Surcharge

Due to the impact of the new tax and surcharge policies, the tax and surcharge expenses for the six months ended June 30, 2023, were RMB2.8 million, compared with RMB6.3 million for the same period last year.

4.1.4 Selling Expenses

Due to the impact of the new tax and surcharge policies, the selling expenses for the six months ended June 30, 2023, were RMB7.8 million, compared with RMB9.2 million for the same period last year. The selling expenses for the six months ended June 30, 2023, were 1.2% of the net sales, compared with 1.1% for the same period last year.

4.1.5 Administrative Expenses

Due to the impact of the new tax and surcharge policies, the administrative expenses for the six months ended June 30, 2023, were RMB21.7 million, compared with RMB21.7 million for the same period last year. The administrative expenses for the six months ended June 30, 2023, were 1.1% of the net sales, compared with 1.1% for the same period last year.

	For the six months ended June 30	
	2024 (RMB'000) (Unaudited)	2023 (RMB'000) (Audited)
Employee benefits expense	64,383	55,922
Depreciation expense	13,955	13,474
Commission expense	4,042	14,377
Tax expense	2,199	2,071
Other	21,692	16,080
Total administrative expenses	106,271	101,924

Due to the impact of the new tax and surcharge policies, the administrative expenses for the six months ended June 30, 2023, were RMB21.7 million, compared with RMB21.7 million for the same period last year. The administrative expenses for the six months ended June 30, 2023, were 1.1% of the net sales, compared with 1.1% for the same period last year.

During the Reporting Period, the effective exchange rate of the Renminbi (RMB) against the US Dollar (USD) was 7.25 RMB per USD, compared with 7.40 RMB per USD at the end of 2023, and the average exchange rate was 7.35 RMB per USD during the Reporting Period.

4.1.8 Investment Income/Loss

The following table shows the investment income/loss for the Reporting Period and the corresponding period of the previous year.

	For the six months ended June 30,	
	2024 (RMB'000) (Unaudited)	2023 (RMB'000) (Audited)
Interest income	479	-158
Gain/loss on disposal of financial assets	1,201	-38
	1,680	-196

During the Reporting Period, the company received RMB1.7 million in interest income, compared with RMB1.4 million in the corresponding period of the previous year. The company has no disposal of financial assets during the Reporting Period.

4.1.9 Credit Impairment Losses

During the Reporting Period, the company recognized credit impairment losses of RMB5.6 million, compared with RMB3.0 million in the corresponding period of the previous year.

4.1.10 Non-Operating Income and Non-Operating Expenses

Other income, including interest income, and other income, net of income tax expense, is reported as other income, net of income tax expense, in the accompanying financial statements.

4.2 Financial Position

4.2.1 Inventory

As of June 30, 2024, the ending inventory balance was RMB51.9 million (as of December 31, 2023: RMB60.6 million), a decrease of RMB8.7 million.

4.2.2 Accounts Receivables

As of June 30, 2024, the ending accounts receivable balance was RMB448.1 million (as of December 31, 2023: RMB420.4 million), an increase of 6.6% as a result of the increase in sales revenue of RMB100.0 million.

Days Sales Outstanding, the average number of days it takes to collect receivables, was 95 days (as of December 31, 2023: 91 days).

4.2.3 Other Receivables and Prepayments

As of June 30, 2024, the ending other receivables and prepayments balance was RMB72.3 million (as of December 31, 2023: RMB79.5 million).

4.2.4 Other Non-current Financial Assets

As of June 30, 2024, the ending other non-current financial assets balance was RMB64.8 million (as of December 31, 2023: RMB65.1 million).

4.2.5 Construction in progress

As of June 30, 2024, the ending construction in progress balance was RMB234.0 million (as of December 31, 2023: RMB187.0 million). During the period, the company completed the construction of the Haidi Technology Center Phase 1.

4.2.6 Right-of-use Assets

As of June 30, 2024, the ending right-of-use assets balance was RMB170.5 million (as of December 31, 2023: RMB189.1 million), a decrease of RMB18.6 million.

4.2.7 Accounts Payables

As of June 30, 2024, the ending accounts payable balance was RMB112.5 million (as of December 31, 2023: RMB110.1 million).

4.2.8 Receipts in Advance and Contract Liabilities

As of June 30, 2024, the ending receipts in advance and contract liabilities balance was RMB26.3 million (as of December 31, 2023: RMB26.6 million).

4.2.9 Other Payables

As of June 30, 2024, the payable decreased RMB68.5 (as of December 31, 2023: RMB150.3), mainly due to the decrease of the payable for the purchase of raw materials. The payable for the purchase of raw materials decreased RMB68.5 (as of December 31, 2023: RMB150.3).

4.3 Liquidity and Capital Resources

The table below provides a summary of the cash and cash equivalents as of the end of the reporting period:

	For the six months ended June 30,	
	2024 (RMB'000) (Unaudited)	2023 (RMB'000) (Unaudited)
Net cash generated from operating activities	116,536	113,591
Net cash used in investing activities	-112,711	-119,122
Net cash generated from financing activities	-41,660	9,790
Net decrease/increase in cash and cash equivalents	<u>-37,934</u>	<u>4,273</u>

4.3.1 Net Cash Generated from Operating Activities

During the reporting period, the cash generated from operating activities was RMB116.5 million, mainly due to the decrease of the cash generated from the sale of raw materials, offset by the increase of the cash generated from the sale of finished products. The cash generated from the sale of raw materials was RMB5.6 million, the cash generated from the sale of finished products was RMB79.4 million, and the cash generated from the sale of other assets was RMB42.4 million.

4.3.2 Net Cash Used in Investing Activities

During the reporting period, the cash used in investing activities was RMB112.7 million, mainly due to the purchase of property, plant and equipment, and the cash used in investing activities was RMB111.0 million. The cash used in investing activities was RMB112.7 million, mainly due to the purchase of property, plant and equipment, and the cash used in investing activities was RMB111.0 million.

4.3.4 Significant Investment, Acquisition and Disposal

The Group had no significant investment, acquisition and disposal recorded in 2024.

As at the end of the reporting period, the Group did not have any significant investment, acquisition and disposal.

4.4 Indebtedness

4.4.1 Bank Borrowings

As at 31 December 2024, the balance of bank borrowings of the Group amounted to RMB923.3 million (as at 31 December 2023: RMB864.7 million), of which the balance of bank borrowings of RMB304.8 million is due to be repaid within one year and RMB363.4 million is due to be repaid after one year.

4.4.2 Contingent Liability

As at 31 December 2024, the Group had no contingent liability.

4.4.3 Asset Pledge

The Group's wholly owned subsidiaries have pledged their shares in the following companies: Weifa Qianze Luce Design Co., Ltd. (Weifa Qianze Luce Design Co., Ltd. 826751, Weifa Qianze Luce Design Co., Ltd. 826750, Zhejiang Weifa Real Estate Co., Ltd. 0010144, Zhejiang Weifa Real Estate Co., Ltd. 0010142, Zhejiang Weifa Real Estate Co., Ltd. 0081628, Weifa Group (2015) No. 1-11836, and Weifa Group (2015) No. 1-11833 China Merchants Bank.

4.4.4 Lease Liabilities

The carrying amount of the Group's lease liabilities as at December 31, 2024, is RMB22.8 million (December 31, 2023: RMB158.9 million).

4.4.5 Financial Instruments

The Group's financial instruments include cash, accounts receivable, accounts payable, bank deposits, and other financial assets and liabilities. The Group's financial instruments are measured at fair value.

4.4.6 Exposure to Fluctuation in Exchange Rates

The Group's operations are primarily conducted in the Renminbi (RMB). The Group's assets and liabilities are denominated in RMB and Hong Kong Dollars (HKD).

During the year ended December 31, 2024, the Group's operations were primarily conducted in RMB. The Group's assets and liabilities are denominated in RMB and HKD. The Group's financial instruments are measured at fair value.

4.4.7 Gearing Ratio

As at December 31, 2024, the Group's gearing ratio (total debt divided by total equity) was 52.6% (as at December 31, 2023: 53.8%).

4.4.8 Employees and Remuneration Policy

As at December 31, 2024, the Group had a total of 4,742 employees (as at December 31, 2023: 4,765 employees). The Group's remuneration policy is designed to attract and retain key personnel. The Group's remuneration policy is designed to attract and retain key personnel. The Group's remuneration policy is designed to attract and retain key personnel.

4.4.8.1E y I ce e Sc e e

I de f y b ze e e a f e a a e e a d c e ec ca
e e f y e G , e C a y d af ed e E I ce e Sc e e f
e Yea 2018 f We z Ka y H a C ., L d. (《溫州康寧醫院股
份有限公司2018年股權激勵計劃》, e **Equity Incentive Scheme**), y c
y a c de ed a d a ed a d ad ed a e a a e e a ee f e
C a y f e y ea 2017 y c a bee c e ed J e 13, 2018. I de
ee e e e e e ad ca a ce a y e e C a y a e f
e f A S a e e f e, J e 24, 2021, e a f e
a e d e e E I ce e Sc e e y a c de ed a d a ed (a
e) e ee f e B a d, a d y a e ed ca ce e ef a ce
a e e e e e a d e C a y b a e ca e e ced
ce e a e de e E I ce e Sc e e. U e e y e ec f ed,
ca a zed e ed be y a a e e a e ea a e def ed
e a ce e da ed Ma 29, 2018, e e e a y c c a da ed Ma 30,
2018, e c c a da ed Ma 14, 2021, e a ce e da ed J e 18, 2021 a d
e a ce e da ed J e 25, 2021 f e C a y.

I e ec f e E I ce e Sc e e, e a c a f e f ac a a
c ed a a f 165 e e, y 1,818,529 ce e a e a ed. T e
a c a f e ec d a e f e ac a a c ed a a f 23 e e,
y 180,516 ce e a e a ed. T e a c a (c d c e ced
e e) f e d a e f e ac a a c ed a a f 13 e e, y
540,229 ce e a e a ed. A f e da e f a ce e , a a f 8
a c a e ed, c e d a a f 79,274 ce e a e. A f e
da e f a ce e , e a c a f e c ed d J e af.5 48

T e d e a f e E y I c e e S c e e a e a f :

(1) P e

T e E y I c e e S c e e a b e e f a e d f e e f e e
c a e y e a c e c e f e C a y e a b a d e e
C a y - e c e e a d e a e c a , a a c a d a e
f e y a a a e e a e a d c e e e , f y b - z e e
e a a d c e a y e f f e c e y e a c e c e e a c e a d c e
c a e c e e e , b e e b - z e e e a f e y e e f
e G , a d e f f e c e y e a e S a e d e ' e e , e C y a y
e e a d e e f e c e e a e b e a e a e y
a e e f f e C a y - e d e e e a d e e e
e a - z a f e C a y d e e e a e y a d e a b e c e .
T e E y I c e e S c e e a b e e d e e d y e e c d f f y
a f e a d S a e d e ' e e a e c e f b e e f y
b e c b a d a c c d a c e y f e
e e a y , a d a e e a a d e a y d c e c d
e P R C C a y L a y a d e A c e f A c a .

(2) S c e f e P a c a

(a) S c e f e P a c a

A P a c a a b e e y e d e G a d a e e d a b
c a c e y e c a c y e G d e a a a
e d f e E y I c e e S c e e .

P a c a a c d e e D e c , S e , e
a a e e f e G (c d e e e a a a e) , c e
e c c a (b e) e e , a d e e y , e
f e B a d , a b e c e - z e d , a d e B a d a d e e e e
P a c a a d e a f e y b e a e d y 36
c d e a a d a a f y e E y I c e e S c e e a a
e e a e e .

(b) L f e P a c a d e e E y I c e e S c e e

T e e c f c a d b c b e d c a a c b f e P a c a
a b e e e c e d a d a e e d y e B a d .

(b) L c ed- e d f e E y I ce e Sc e e

T e c ed- e d f e I ce e S a e a ed e Pa c a
48 , ca c a ed f e da e e Pa c a a e a ed e
I ce e S a e .

(c) U c e da a e e f e E y I ce e Sc e e

I ce e S a e de e f a a be c ed e a f e
48 (J e 28, 2022) f e da e f e f a (J e 29,
2018); I ce e S a e de e e e ed a a be c ed
c c e y e de e f a e e c c a ce
a e e ce a e e e a e d e a a be a de de e
E y I ce e Sc e e .

(5) G a ced e f e E y I ce e Sc e e

() T e e e a a e f e Pa e a d e Pa c a a
e Pa e a e e e a e e a d b a f b
a e .

() T e C a y e e De a d N e e Pa c a e
G a Da e .

() T e Pa c a e De a d N e a d e e f e
a e C a y .

() W e e d e c f e d b e C a y , e Pa c a a y
e f d ed b c be f I ce e S a e (ca c a ed ba ed
e a ce) e acc de a ed b e C a y acc d
e e e e f e C a y .

() T e C a y e a e a a a e e e e f e E y
I ce e Sc e e acc d e e e f a e e a y d
b c b e Pa c a , e a e f Pa c a ,
be f S a e a ed, a da e, a f a e a d e
e e a be f Pa e a e e e , e c .

(6) Ga P ce f e E y I ce e S ae a dba f de e a

(a) T e G a P ce f e E y I ce e S ae : e G a P ce f e I ce e S ae de e f y a a be RMB10.47 e S ae; e G a P ce f e I ce e S ae de e e e ed a a be RMB10.47 e S ae.

(b) Ba f de e a e G a P ce f e E y I ce e S ae

Ba ed e f da e a e f e de e e f e C a y a d a f e ad e e e f S ae de , e G a P ce f RMB10.47 f E y I ce e S ae de e I ce e S ce e a be de e ed acc da ce e c e f ce e e a a d effec e e (重點激勵、有效激勵) a d c e e e efe e ce e f fac :

() a a e da e f e a a f e E y I ce e S ae b e B ad (.e. Ma 29, 2018), e ad ce f e C a y H S ae a a e y HK\$40.00 e S ae (e a e a a e y RMB32.50 e S ae); a d

() e be f E y I ce e S ae a ed e a d e ce e effec .

(c) G a P ce f e E y I ce e S ae a ad c e

T e G a P ce f e I ce e S ae de e E y I ce e S ce e e e e a a e y 32.22% f e a f e e y ed ad ce f e C a y H S ae , a RMB10.47 e S ae.

For the period ended June 30, 2024, the following table sets forth:

Name/Category of Grantee	Date of Grant	Vesting Date (Unlocking Date)	Grant Price (RMB/Share)	Balance of Incentive Shares Granted but not Vested as at January 1, 2024	Balance of Incentive Shares Granted and Vested as at January 1, 2024	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 June 30, 2024
<i>Direct</i>										
M. WANG Layue	June 18, 2021	June 28, 2022	10.47		248,328					
<i>Senior</i>										
M. XIE Tefa	June 18, 2021	June 28, 2022	10.47		4,776					
<i>Other</i>										
M. XU Y (M. WANG H)	June 18, 2021	June 28, 2022	10.47		28,653					
M. WANG H (M. WANG Layue)	June 18, 2021	June 28, 2022	10.47		95,511					
M. WANG B (M. WANG Layue)	June 18, 2021	June 28, 2022	10.47		4,776					
M. WANG B (M. WANG Layue)	June 18, 2021	June 28, 2022	10.47		4,776					
M. XU Q (M. XU Y)	June 18, 2021	June 28, 2022	10.47		4,776					
M. GUAN We (M. GUAN We)	June 18, 2021	June 28, 2022	10.47		19,102					
M. SUN Fa (M. SUN Fa)	June 18, 2021	June 28, 2022	10.47		14,327					
M. SUN H (M. WANG Layue)	June 18, 2021	June 28, 2022	10.47		30,563					
M. ZHANG L (M. GUAN We)	June 18, 2021	June 28, 2022	10.47		4,776					
Senior Executive (a)	April 20, 2018	June 28, 2022	10.47		133,715					
	April 16, 2021	June 28, 2022	10.47		47,755					
Executive (a)	April 20, 2018	June 28, 2022	10.47		1,605,540					
	April 26, 2019	June 28, 2022	10.47		180,516					
	April 16, 2021	June 28, 2022	10.47		36,886					
Total				-	2,460,000	-	-	-	-	-

As of the end of the reporting period, the following table sets forth the status of the incentive shares:

4.4.8.2 HS ae AV ad ad T Sc e e

T a ac, ae ad ea e e e y ed ad e e e ced c e bac b e
e be f e ec ca ad a a e e c e f e
c e a ad de e e f e C a y e f y e, acc da ce
e e e e f e C a y La f e Pe e' Re b c f C a
ad e e e a a , ad a e e a , e a y d c e ad
e A ce f A ca , e C a y a f a ed e HS ae AV ad ad
T Sc e e, c a c de ed ad a ed b e 2023 f e a d a
a e de ' e e a ee f e C a y c y e ed Se e be 27, 2023.
U e ec e e e e e, e ed ee afe a a e e a e
ea a e def ed e c c a f e C a y da ed Se e be 8,
2023 a d ea ce e f e C a y da ed Se e be 27, 2023, A 12,
2024, A 23, 2024 a d J e 18, 2024.

P a e HS ae AV ad ad T Sc e e, a T Deed be e e ed
be ee e C a y ad e T ee. P a e T Deed, e T
be c ed e y ce e HS ae AV ad ad T Sc e e e b e
T ee a a e ad a f e Sc e e ad a , bec e
e e a f e T Deed ad e c f e C a y
ac e HS ae - a e a ac ad c S ae a be ac ed
b e T e f d a fe ed b e C a y ad a be e a ed
a d d ed f b e T ee a e C a y c . Sc HS ae
de e Sc e e a e ceed 5% (be 3,730,015 ae) f e a ae
ca a f e C a y f e da e c e a da e f e Sc e e
a ed a e da e c e a a f da e ba ed.
T e AV ad a ed e Se ec ed Pa c a a be ed b e T ee
f e be ef f e Se ec ed Pa c a , a d e T ee a , f e
e f e f e AV ad ad e c f e B ad ad/ e
De e a ee, e ea e f e T e AV ad S ae e Se ec ed Pa c a
e e be f AV ad S ae e ed - a e a ac a
e e a a e ce ad a e Se ec ed Pa c a e ceed a
f c a e acc da ce e a d e e a de e T
Deed.

I e ec f e HS ae AV ad ad T Sc e e, e Se ec ed Pa c a
(c d c e ced e) f e f ac a a c ed a a f 36
e , 364,100 AV ad S ae a ed. T e Se ec ed Pa c a (c d
c e ced e) f e ec d a e f e ac a a c ed a a f 36
e , 616,000 AV ad S ae a ed. T e Se ec ed Pa c a (c d
c e ced e) f e d a e f e ac a a c ed a a f 52
e , 335,000 AV ad S ae a ed. A f e da e f a ce e ,
a a f 7 a c a e ed, c e d a a f 75,000 AV ad S ae .
A f e da e f a ce e , e Se ec ed Pa c a f e ac a a
de e HS ae AV ad ad T Sc e e c ed 101 e , a da a f
1,240,100 AV ad S ae a e bee a ed. T e AV ad S ae a ed acc ed
f 1.66% f e a ed a e ca a f e C a y a f e da e f
a ce e . F de a f e a a , ea e efe e c c a f e
C a y da ed Se e be 8, 2023 a d ea ce e f e C a y da ed
Se e be 27, 2023, A 12, 2024, A 23, 2024 a d J e 18, 2024.

5 PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, the Company has not purchased any of its common stock, and it has not redeemed any of its common stock (including any repurchases).

As of June 30, 2024, the Company had not repurchased any of its common stock.

6 EVENTS AFTER THE REPORTING PERIOD

I acc da ce e E e e I c e Ta La f e Pe e' Re b c f C a (中
 華人民共和國企業所得稅法) a d e e a e a c ca e effec
 Ja a 1, 2008, e C a e ed d a d e e e c e a a e
 a e f 10% be a f f e - e de e e e S a e de e a e a ea
 e e e f e be f H S a e d b e ca d de d. A H S a e
 e eed de e a e fa d da S a e de, c d HKSCC N ee
 L ed, e ee, a e ee, e a -za, a be dee ed
 a S a e ed b - e de e e e S a e de. T e e f e, e e e c e a a
 be ed f d de d a b e c S a e de. I f de f H S a e e d
 c a e S a e de a, e a e e e a b e e e a ced e e e a e
 ee. T e C a c y c e a e e e f e e e a
 e e a a d d a d e e e c e a be a f f e e e a
 S a e de ba ed e e e f e be f H S a e a f e Rec d Da e.

I f e d d a de f H S a e a e H K Maca e de e de f e
 c e c a d a a eed a a e f 10% f e ca d de d ad e e
 PRC de e e e a a a e e e, e C a d d a d a
 c e a be a f f e e e a S a e de a a e f 10%. S d e d d a
 de f H S a e be e de f e c e c a d a a eed a a e f e a
 10% e PRC de e e e a a a e e e, e C a a d a d a
 d d a c e a be a f f e e e a S a e de a a e f 10%. I ca e,
 f e e e a d d a de f H S a e e ca e e a a ed de
 e a ca f 10% a a e, e C a ca a f be a f f e de
 acc d e e e a a eed e f e e a a e e. T e e e a S a e de a
 b e e de ce e ed e ce f e a a e e e C e a e H K
 I e Se ce L ed. T e C a a e a e f d a f e e a a
 f e c e e a a. S d e d d a de f H S a e be e de f
 e c e c a d a a eed a a e f e 10% b e a 20% e PRC
 de e a a e e e, e C a a d a d a e d d a c e a
 be a f f e de a e a eed ac a a e acc da ce e e e a a a e e e.
 I e ca e a e d d a de f H S a e a e e de f e c e c a d
 a a eed a a e f 20% e PRC de e a a e e e, c a e eed
 a a a e e e PRC, e e, e C a a d a d a e
 d d a c e a be a f f e de a a e f 20%.

9 COMPLIANCE WITH CG CODE

D e Re Pe d a d e da e f a ce e, e C a a
 c ed a c de e CG C de.

10 ACCOUNTING STANDARDS

T e C a a bee a e C a Acc S a da d f B e E e e
 ce e f a c a e a f 2017, a d a c ed e d c e e e e e ed
 e C a e O d a ce e C a f e 622 f f e a f H K) e e

11 FINANCIAL REPORT

11.1 Accounting Policies

11.1.1 Accounting Policies

The financial statements are prepared according to the Accounting Standards for Business Enterprises (《企業會計準則 - 基本準則》) and the accounting standards issued by the Ministry of Finance (《企業會計準則第 32 號 - 中期財務報告》) of the PRC (the Ministry of Finance) in February 15, 2006.

The financial statements are prepared according to the Accounting Standards for Business Enterprises (《企業會計準則第 32 號 - 中期財務報告》) issued by the Ministry of Finance.

The Group's accounting policies are consistent with the accounting policies of the Company for the year ended 2023. The financial statements are prepared according to the Accounting Standards for Business Enterprises (《企業會計準則第 32 號 - 中期財務報告》) issued by the Ministry of Finance.

The financial statements are prepared according to the accounting policies of the Company.

The Company's financial statements are prepared according to the Accounting Standards for Business Enterprises (《企業會計準則第 32 號 - 中期財務報告》) issued by the Ministry of Finance.

11.2 Interim Financial Statement

The Interim Financial Statement is prepared according to the Accounting Standards for Business Enterprises (《企業會計準則第 32 號 - 中期財務報告》) issued by the Ministry of Finance.

11.2.1 Interim Consolidated Income Statement

(All amounts in RMB unless otherwise specified)

Items	For the six months ended June 30,	
	2024 (Unaudited)	2023 (Unaudited)
I. Total revenue	828,957,554	777,925,164
Included:		
Revenue	828,957,554	777,925,164
Interest income	-	-
Other income	-	-
Finance charges	-	-
	828,957,554	777,925,164

Items	For the six months ended June 30,	
	2024 <i>(Unaudited)</i>	2023 <i>(U a d ed)</i>
II. Total cost of sales	766,642,938	724,044,724
I c d :C f a e	602,800,461	576,390,596
I e e e e e	-	-
F e e a d c e e e	-	-
S e d e	-	-
N e c a e e e	-	-
N e f a c e c a c e e e	-	-
I a c e y d d e d a d	-	-
R e a c c y	-	-
T a e a d c a e	6,268,299	2,783,861
S e a d d b e e e	9,249,266	7,828,610
G e e a a d a d a e e e e	106,271,384	101,924,027
R e e a c a d d e e e e e e	17,588,076	14,957,996
F a c a e e e	24,465,451	20,159,634
I c d :I e e e e e	23,323,467	19,182,137
I e e c e	2,686,209	2,704,831
Add: O e c e	5,588,263	5,822,495
I e e c e (e e e e e d		
▼ -)	1,680,200	-195,726
I c d :I e e c e f a c a e		
a d e e	478,828	-157,522
D e e c c e f f a c a a e		
e a e d a e a z e d c	-	-
F e e c a e a (e e e e e d		
▼ -)	-	-
G a f e e e e d e (e		
e e e e d ▼ -)	-	-
G a f c a e f a a e (e		
e e e e d ▼ -)	-98,523	
C e d a e e (e e e e e d		
▼ -)	-5,584,264	-3,009,927
A e a e e (e e e e e d		
▼ -)	-	-
G a f d a f a e (e		
e e e e d ▼ -)	-74,985	

Items	For the six months ended June 30,	
	2024 (Unaudited)	2023 (Unaudited)
III. Operating profit (losses represented with “-” signs)	63,825,306	56,497,282
Add: Net income	503,490	5,924,961
Less: Net income	2,816,220	2,215,131
IV. Total profit (total losses represented with “-” signs)	61,512,576	60,207,112
Less: Income	16,516,143	11,477,880
V. Net profit (net losses represented with “-” signs)	44,996,433	48,729,232
(I) Cash		
1. Net income	44,996,433	48,729,232
2. Net income	-	-
(II) Cash		
1. Net income	50,723,744	43,750,057
2. Profit	-5,727,311	4,979,175
VI. Other comprehensive income, net of tax		
(I) Other comprehensive income		
1. Cash	-	-
2. Other comprehensive income	-	-
3. Cash	-	-
4. Cash	-	-

Items	For the six months ended June 30,	
	2024 (Unaudited)	2023 (Unaudited)
(II) Other comprehensive income		
1. Other comprehensive income	-	-
2. Cash flow hedge	-	-
3. Available-for-sale financial assets	-	-
4. Cash flow hedge	-	-
5. Remeasurement of defined pension plans	-	-
6. Exchange rate differences	-	-
7. Other	-	-
Other comprehensive income	-	-
VII. Total comprehensive income	44,996,433	48,729,232
Attributable to equity holders of the parent	50,723,744	43,750,057
Attributable to non-controlling interests	-5,727,311	4,979,175
VIII. Earnings per share:		
(I) Basic (RMB per share)	0.68	0.59
(II) Diluted (RMB per share)	0.68	0.59

11.2.2 Interim Consolidated Balance Sheets

(As at 30 June 2024 and 31 December 2023)

ASSETS	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Current assets:		
Cash and bank balances	373,302,433	418,861,721
Selling expenses	-	-
Prepaid expenses and other receivables	-	-
Financial assets at fair value through profit or loss	7,599,178	7,350,299
Derivative financial assets	-	-
Net trade receivables	763,850	-
Accounts receivable	448,102,421	420,441,070
Receivable from related parties	-	-
Advances to suppliers	2,366,952	9,830,553
Prepaid expenses	-	-
Receivable from related parties	-	-
Prepaid expenses	-	-
Other receivables	69,943,028	69,705,729
Financial assets at fair value through profit or loss	-	-
Interest receivable	51,889,641	60,600,180
Contract assets	-	-
Accounts receivable	-	-
Net contract assets	-	-
Other receivables	3,053,788	858,020
Total current assets	957,021,290	987,647,572

ASSETS	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Non-current assets:		
G a e d a a d a d a c e	-	
D e b e e	-	
O e d e b e e	-	
L - e a c c e c e a b e	14,000,000	14,000,000
L - e e y e e	141,550,815	139,071,987
I e e y e e y e	-	
O e - c e f a c a a e	64,751,653	65,099,055
I e e e e	-	
F e d a e	782,127,103	794,856,343
C c e	234,034,297	186,980,241
P d c e b c a a e	-	
O a d a a e	-	
R - f - e a e	170,465,126	189,054,507
I a b e a e	307,875,476	320,321,705
D e e e e e d e	-	
G d	119,909,089	119,909,089
L - e e a d e e e	156,750,581	175,910,626
D e f e d a a e	44,940,519	45,146,271
O e - c e a e	14,925,823	9,689,211
	<hr/>	<hr/>
Total non-current assets	2,051,330,482	2,060,039,035
	<hr/> <hr/>	<hr/> <hr/>
TOTAL ASSETS	3,008,351,772	3,047,686,607
	<hr/> <hr/>	<hr/> <hr/>

LIABILITIES AND SHAREHOLDERS' EQUITY	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Current liabilities:		
Accounts payable	111,000,000	127,001,700
Bank overdrafts	-	
Accounts receivable	-	
Accounts payable	12,400,000	12,400,000
Accounts payable	-	
Accounts payable	-	1,545,021
Accounts payable	112,544,938	110,060,008
Accounts receivable	26,157,512	26,563,603
Accounts payable	92,925	
Accounts payable	-	
Accounts payable	-	
Accounts payable	-	
Accounts payable	-	
Accounts payable	-	
Accounts payable	67,014,464	84,324,006
Accounts payable	30,855,446	38,553,746
Accounts payable	68,487,137	150,270,575
Accounts payable	-	
Accounts payable	-	
Accounts payable	-	
Accounts payable	108,286,381	250,411,757
Accounts payable	569,425	
Total current liabilities	537,408,228	801,130,416

LIABILITIES AND SHAREHOLDERS' EQUITY	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Non-current liabilities:		
Prepaid expenses	-	
Lease liability	768,224,670	557,719,215
Deferred tax liability	-	
Income taxes payable	-	
Accounts payable	-	
Lease liability	158,912,952	163,239,533
Lease liability	64,227,914	61,351,341
Lease liability	-	
Provision for doubtful accounts	-	
Deferred income	8,582,203	8,734,099
Deferred tax liability	44,533,950	47,306,056
Other current liabilities	-	
Total non-current liabilities	<u>1,044,481,689</u>	<u>838,350,244</u>
Total liabilities	<u>1,581,889,916</u>	<u>1,639,480,660</u>
Shareholders' equity:		
Share capital	74,600,300	74,600,300
Other equity	-	
Income taxes payable	-	
Accounts payable	-	
Capital	840,753,481	852,695,602
Lease liability	3,146,833	12,587,012
Other equity	-	
Securities	-	
Shareholders' equity	38,399,577	38,399,577
Provision for doubtful accounts	-	
Retained earnings	340,299,883	311,956,229
Total equity	1,290,906,409	1,265,064,696
Non-current equity	135,555,448	143,141,251
Total shareholders' equity	<u>1,426,461,856</u>	<u>1,408,205,947</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>3,008,351,772</u>	<u>3,047,686,607</u>

Items	For the six months ended June 30,	
	2024 (Unaudited)	2023 (Unaudited)
II. Cash flows from investing activities		
Ca ece ed f d a f e e	-	8,249,458
Ca ece ed f e e e	-	
Ne ca ece ed f d a f f e d a e , a b e a e a d e - e a e	644,865	26,383
Ne ca ece ed f d a f b d a e a d e b e	432,733	
Ca ece ed e a e e ac e	-	
S b- a f ca f f e ac e	1,077,599	8,275,841
Ca ad ac e f e d a e , a b e a e a d e - e a e	111,001,023	107,843,620
Ca ad ac e e e	2,000,000	3,866,900
Ne c e a e e d e d a	-	
Ne ca ad ac e b d a e a d e b e	-	15,187,013
Ca ad e a e e ac e	787,500	500,060
Sub-total of cash outflows of investing activities	113,788,523	127,397,593
Net cash flows from investing activities	-112,710,924	-119,121,752
III. Cash flows from financing activities		
Ca ece ed f ca a c b	5,210,500	2,845,000
I c d : Ca ece ed f ca a c b -c a e d e f b d a e	5,210,500	2,845,000
Ca ece ed f b	362,766,250	251,050,000
Ca ece ed e a e f a c ac e	22,800,000	
S b- a f ca f f f a c ac e	390,776,750	253,895,000
Ca e a e f b	304,772,127	109,630,000
Ca a e f d b f d d e d , f e e e e e	43,748,490	21,324,300
I c d : Ca a e f d b f d d e d a d f b b d a e c a e d e	1,145,517	
Ca ad e a e f a c ac e	83,915,998	113,150,442
Sub-total of cash outflows of financing activities	432,436,615	244,104,742
Net cash flows from financing activities	-41,659,865	9,790,258

Items	For the six months ended June 30,	
	2024 <i>(Unaudited)</i>	2023 <i>(U a d e d)</i>
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-99,245	13,070
V. Net increase in cash and cash equivalents	-37,934,050	4,272,914
Add: Cash and cash equivalents at the beginning of the period	404,723,339	258,595,991
VI. Cash and cash equivalents at the end of the period	366,789,289	262,868,905

11.2.4 Consolidated Statement of Changes in Shareholders' Equity

(A a RMB Y a e e a e d)

Items	Other equity instruments		Amount for the current period				Subtotal	Non-controlling interests	Total owners' equity									
	Share capital	Preferred shares	Perpetual bonds	Others	Capital reserve	Equity attributable to owners of the parent company				Less:	Treasury stock	comprehensive income	Special reserve	Surplus reserve	Provision for general risk	Retained earnings		
I. B a a e e d f e																		
e																		

I. B a a e e d f e
e

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

Items	Other equity instruments				Less:					Subtotal	Non-controlling interests	Total owners' equity	
	Share capital	Preferred shares	Perpetual bonds	Others	Capital reserve	Treasury stock	Other comprehensive income	Special reserve	Surplus reserve				Provision for general risk
(III) D b f f	-	-	-	-	-	-	-	-	-	-	-22,380,090	-2,891,517	-25,271,607
1. W d ð a f e e e													
2. W d ð a f f e e a													
3. P f d b e d e e a													
4. O e a e d e													
(IV) I e a c a f e e e													
1. C e f c a a e e e													
2. C e f e e e													
3. S e e e (a e c a a)													
4. C a f e d e f c a e e													
def ed be ef a f e a e d e a													
											-22,380,090	-2,891,517	-25,271,607

Items	Amount for the current period													
	Equity attributable to owners of the parent company													
	Other equity instruments		Less:		Equity attributable to owners of the parent company						Total owners' equity			
	Share capital	Preferred shares	Perpetual bonds	Others	Capital reserve	Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Provision for general risk		Retained earnings	Subtotal	Non-controlling interests
(V) S e c a e e e	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. W d ä a f e e d	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. U a e f e e d	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(VI) O e	-	-	-	-	-3,375,411	-	-	-	-	-	-	-3,375,411	-	-3,375,411
IV. B a a c e a e e d f e e d	74,600,300	-	-	-	840,753,481	3,146,833	-	-	38,399,577	-	340,299,883	1,290,906,409	135,555,448	1,426,461,856

	O e e	P e f e e d	P e e a	O e	C a a	E y a b a b e	A f e e e d	T e a	S e c a	S e e e	P f e e a	R e a e d	S b a	N -	T a
I e	S a e	P e f e e d	P e e a	O e	C a a	T e a	O e	S e c a	S e e e	S e e e	f e e a	R e a e d	S b a	c	Y e e
	ca a	ae	b d		eee	c	eee	eee	eee	eee	eee	ea	eee	eee	eee
I. B a a c e a a e e d f e	74,600,300				855,078,533						38,399,577	233,506,534	1,201,584,944	124,317,674	1,325,902,618
e															
P : C a e acc															
C e c f a c c															
e															
B e c b a d e															
c															
O e															
II. B a a c e a a e b e f	74,600,300				855,078,533						38,399,577	233,506,534	1,201,584,944	124,317,674	1,325,902,618
e c e															
III. I c e a e d e c e a e															
c e e d (f															
d e c e a e)															
(I) T a c e e e															
c e															
(II) C e c b a d															
c a a d e c e a e															
I. C															
c b e d															
Y e															
2. C a a e e d															
b d e f e															
e y e															
3. A f															
a e b a e d															
q e															
e c -e d															
Y e ' e															
4. O e															
(III) D b f f															
I. W d a f															
e e e															
2. W d a f															
f															
e e a															

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

11.3.1 Accounts receivable

T e a a a y f acc ece ab e ba ed e b da e a f V :	June 30, 2024 (Unaudited)	Dece be 31, 2023 (A d ed)
W 1 y ea	443,637,523	425,833,221
1 2 y ea	42,631,127	6,696,710
2 3 y ea	4,507,504	4,480,033
Ab e 3 y ea	10,140,966	7,780,010
S b a y	500,917,120	444,789,973
Le : P f bad deb	52,814,699	24,348,904
Total	<u>448,102,421</u>	<u>420,441,070</u>

Acc ece ab e V b c a f ca f bad deb	June 30, 2024 (Unaudited)				
	Balance of carrying amount Proportion Amount (%)	Provision for bad debts Percent of Amount provision (%)		Book value	
Acc ece ab e V f bad deb e d d a ba	28,701,127	5.7	24,270,289	84.6	4,430,838
I c d : A d e f a e	28,701,127	5.7	24,270,289	84.6	4,430,838
Acc ece ab e V f bad deb e ba	472,215,993	94.3	28,544,411	6.0	443,671,582
I c d : O e d e d a y	472,215,993	94.3	28,544,411	6.0	443,671,582
Total	<u>500,917,120</u>	<u>100.0</u>	<u>52,814,700</u>	<u>10.5</u>	<u>448,102,420</u>

	Balance		December 31, 2023 (Audited)		Balance
	A	P	(%)	A	
Accounts receivable	19,507,031		4.4	12,854,582	65.9
Included:					
Trade receivable	19,507,031		4.4	12,854,582	65.9
Accounts payable	425,282,942		95.6	11,494,321	2.7
Included:					
Other payables	425,282,942		95.6	11,494,321	2.7
Total	444,789,973		100.0	24,348,903	5.5

11.3.2 Accounts payable

	December 31, 2023 (Audited)		June 30, 2024 (Unaudited)	
	2023	(Audited)	2024	(Unaudited)
Warranty	107,790,035		109,289,542	
Other	1,815,169		2,464,602	
Trade payables	85,740		449,920	
Accounts payable	369,064		340,874	
Total	110,060,008		112,544,938	

11.3.3 Revenue and cost of sales

Account fee ead c fae

	For the six months ended June 30, 2024 (Unaudited)		2023 (Unaudited)	
	Revenue	Cost	Revenue	Cost
Ma b e e	765,636,198	555,217,793	728,692,633	547,491,901
O e b e e	63,321,356	47,582,668	49,232,530	28,898,695
T a	<u>828,957,554</u>	<u>602,800,461</u>	<u>779,925,163</u>	<u>576,390,596</u>

Bead fee e:

	For the six months ended June 30, 2024 (Unaudited)		2023 (Unaudited)	
	Revenue	Cost	Revenue	Cost
Re e ef a b e e	765,636,198		728,692,633	
I c d : P a ace ca a e	167,185,935		156,978,407	
T ea e a d e e a ea ca e e ce	598,450,263		571,714,226	
Re e ef e b e e	63,321,356		49,232,530	
I c d : W e a e a d e a e e e f		41,715,643		28,881,807
a ace ca a d e e		1,485,148		1,485,149
Ma a e e e ce		297,620		2,857,972
Re a c e		19,822,944		16,007,602
O e				
Total	<u>828,957,534</u>	<u>777,925,163</u>		

11.3.4 Earning per Share

Balances and Shares

	For the six months ended June 30,	
	2024	2023
	(Unaudited)	<i>(Unaudited)</i>
Carrying amount of basic shares	50,723,744	43,750,057
Weighted average number of shares	74,600,300	74,600,300
Basic earnings per share	0.68	0.59
Adjusted: Basic earnings per share	0.68	0.59
Adjusted: Basic earnings per share	-	-

Dividends and Shares

Dividends and shares	Carrying amount of basic shares	Weighted average number of shares	Dividends and shares	Basic earnings per share	Adjusted: Dividends and shares	Adjusted: Dividends and shares
	(d)	(d)	(d)			

	For the six months ended June 30,	
	2024	2023
	(Unaudited)	<i>(Unaudited)</i>
Carrying amount of basic shares	50,723,744	43,750,057
Weighted average number of shares	74,600,300	74,600,300
Dividends and shares	0.68	0.59
Adjusted: Dividends and shares	0.68	0.59
Adjusted: Dividends and shares	-	-

11.3.5 Income tax expenses

Table 11.3.5

	For the six months ended June 30,	
	2024 (Unaudited)	2023 (Audited)
Current income tax expense	19,082,552	23,358,207
Deferred income tax expense	-2,566,409	-11,880,327
Total	16,516,143	11,477,880
Reconciliation of income tax expense to the tax on book income		
	For the six months ended June 30,	
	2024 (Unaudited)	2023 (Audited)
Tax on book income	61,512,577	60,207,112
Income tax expense on equity-awarded stock	12,647,014	16,067,002
Income tax expense on stock-based compensation	474,180	212,272
Adjustment for state income tax	-769,493	-1,472,686
Income tax expense on restricted stock	-	-768,780
Income tax expense on restricted stock, net of deferred tax	817,638	645,142
Income tax expense on restricted stock, net of deferred tax	-4,610,218	-1,107,566
Income tax expense on restricted stock, net of deferred tax		
Income tax expense on restricted stock, net of deferred tax	9,615,740	-241,776
Adjustment for state income tax	-3,065,849	-611,076
Income tax expense on restricted stock, net of deferred tax	1,560,541	
Other	-153,410	-1,244,652
Income tax expense	16,516,143	11,477,880

13 DEFINITIONS

A d C ee

e a d c ee f e B a d

Be Y H

7 \times 10⁻²¹ 0.053 Td() 73 38025 3 07469 -0.053 Td(Be

Y H d .,

D Le H a	D Le H a C ., L d. (洞口樂寧醫院有限公司), a c a y e ab ed e PRC ed ab y J e 5, 2018, e f e C a y d ec y y ed b d a e
EGM	e e a d a y e e a ee f e C a y be c e ed a d e d d e e
Ge a c H a	We z Y Ge a c H a C ., L d. (溫州怡寧老年醫院有限公司), a c a y e ab ed e PRC ed ab y N e be 2, 2015, e f e y y ed b d a e d ec y e d b y e C a y y e c a b e de ed ca e ce f e e a c, c d e a c y c a c a d y c ca ea e
G y e	e C a y a d b d a e
G a a Y H a	G a a Y H a C ., L d. (冠縣怡寧醫院有限公司), a c a y e ab ed PRC ed ab y Ma c 1, 2017, e f e C a y d ec y y y ed b d a e
H S a e ()	e ea ed f e e ed d a y S a e () e d a y a e ca a f e C a y y a a a e f RMB1.00 eac , ed e Ma B a d f T e S c E c a e f H K L ed
Heze Y H a	Heze Y P c a c H a C ., L d. (荷澤怡寧精神病醫院有限公司), a c a y e ab ed e PRC ed ab y A 6, 2017, e f e C a y d ec y y y ed b d a e
HK\$ HKD	e a f c e y f H K
H K	e H K S ec a Ad a e Re f e PRC
H K L R e	e R e G e e L f Sec e T e S c E c a e f H K L ed a a e ded, e e ed e y e d f e d f e e
H a a Ka H a	H a a Ka H a C ., L d. (淮南康寧醫院有限公司), a c a y e ab ed e PRC ed ab y Se e be 22, 2017, e f e C a y d ec y y y ed b d a e

J y S H a	J S H a C ., L d. (縉雲舒寧醫院有限公司), a c a e ab ed e PRC ed ab Feb a y 15, 2019, e f e C a y d ec y ed b d a e
L a Ka H a	L a Ka H a C ., L d. (龍泉康寧醫院有限公司), a c a e ab ed e PRC ed ab Feb a y 6, 2023, e f e C a y d ec y ed b d a e
L d Ka H a	L d C Ka e Ka H a C ., L d. (婁底市康樂康寧醫院有限責任公司), a c a e ab ed e PRC ed ab A y 28, 2017, e f e C a y d ec y ed b d a e
L c e Y H a	W e z L c e Y H a C ., L d. (溫州鹿城怡寧醫院有限公司), a c a e ab ed e PRC ed ab A y 2, 2020, e f e C a y d ec y ed b d a e
L a C H a	L a C H a C ., L d. (臨海慈寧醫院有限公司), a c a e ab ed e PRC ed ab Dece be 11, 2020, e f e C a y d ec y ed b d a e
Na Y H a	Na Y H a C ., L d. (南京怡寧醫院有限公司), a c a e ab ed e PRC ed ab J e 22, 2018, e f e C a y d ec y ed b d a e
P y a C a e Y H a	P a C a e Y H a C ., L d. (平陽長庚怡寧醫院有限公司), a c a e ab ed e PRC ed ab Ja a y 14, 2021, e f e C a y d ec y ed b d a e
P y a Ka H a	P a Ka H a C ., L d (平陽康寧醫院有限公司), a c a e ab ed e PRC ed ab N e be 2, 2015, e f e C a y d ec y ed b d a e
P a Y H a	P a Y H a fe H a C ., L d. (浦江怡寧黃鋒醫院有限公司), a c a e ab ed e PRC

Paid Interim Dividend (a - c e) e 10 S a e f e e ded J e 30, 2024 bec e a a b e S a e de a e EGM a de c bed de e ec eaded INTERIM DIVIDEND f a ce e

Q 州 Y H a Q 州 Y H a C ., L d. (衢州怡寧醫院有限公司), a c a e ab ed e PRC ed ab y- N e be 20, 2015, e f e C a y' d ec y- y y ed b d a e 司

Q a Ka H a Q a Ka H a C ., L d. (青田康寧醫院有限公司), a c a e ab ed e PRC ed ab y- A 1, 2011, e f e C a y' y y ed b d a e

RMB e f c e y f e PRC

S a e () S a e () e a e c a a f e C a y, y a a a e f RMB1.00 eac , c d e D e c S a e () a d e H S a e ()

S a e de () de () f e S a e ()

S e 圳 e Y H a S e 圳 e Y H a (深圳怡寧醫院, e y- y a S e 圳 e Y H a C ., L d. (司

Y P c I e e H a
 I e e H a

Y P c I e e H a (We z) C .,
 L d. (怡寧心理互聯網醫院(溫州)有限公司), a c a
 e ab ed e PRC ed ab Ma c
 10, 2020, e f e C a y' d ec y y ed
 b d a e

Y a Ka H a
 Y a Ka H a C ., L d. (永嘉康寧醫院有限公
 司), a c a e ab ed e PRC ed ab
 Dece be 12, 2012, e f e C a y' y y ed
 b d a e

Y e Ka H a
 Y e Ka H a C ., L d. (樂清康寧醫院有限公
 司), a c a e ab ed e PRC ed ab
 Se e be 3, 2013, e f e C a y' y y ed
 b d a e

Y e Y H a
 Y e Y I e a ed T ad a C e e a d We e
 Med c e H a C ., L d. (樂清怡寧中西醫結合醫院有
 限公司), a c a e ab ed e PRC ed
 ab A 4, 2006, e f e C a y' d ec
 y y ed b d a e, e y a Y e
 Ba -e C e e & We e Med c e H a L ed (樂
 清邦爾中西醫結合醫院有限公司)

% e ce a e a

B de f e B a d
Wenzhou Kangning Hospital Co., Ltd.
GUAN Weili
 C a a

Z e a , e PRC
 A 28, 2024

A f e da e f a ce e , e C a y' e ec e D ec a e M . GUAN We ,
 M . WANG L a y e a d M . WANG J a ; e -e ec e D ec a e M . QIN Ha a d
 M . LI C a a ; a d e de e de -e ec e D ec a e M . ZHONG We a ,
 M . JIN L a d M . CHAN Sa Ke H .