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

### 3 BUSINESS REVIEW AND OUTLOOK

In the first half of 2024, the company continued to advance its business strategy, focusing on expanding its market presence and enhancing operational efficiency. The company's revenue for the first half of 2024 was RMB829.0 million, representing a 6.6% increase compared to the same period in 2023. This growth was primarily driven by the expansion of its product lines and the successful launch of new initiatives. The company's operating profit for the first half of 2024 was RMB765.6 million, representing a 5.1% increase compared to the same period in 2023. The company's net profit for the first half of 2024 was RMB50.7 million, representing a 15.9% increase compared to the same period in 2023. The company's financial position remained strong, with a solid balance sheet and a healthy cash flow. The company's management team is confident in the company's long-term growth prospects and is committed to delivering sustainable value to its shareholders.

In the first half of 2024, the company's operating profit was RMB765.6 million, representing a 5.1% increase compared to the same period in 2023. The company's net profit was RMB50.7 million, representing a 15.9% increase compared to the same period in 2023. The company's financial position remained strong, with a solid balance sheet and a healthy cash flow. The company's management team is confident in the company's long-term growth prospects and is committed to delivering sustainable value to its shareholders.





## 4 MANAGEMENT DISCUSSION AND ANALYSIS

### 4.1 Financial Review

The Group recorded revenue of RMB829.0 million during the period, an increase of 6.6% as compared with revenue of RMB765.6 million for the corresponding period of 2023. During the period, the Group recorded cost of revenue of RMB226.2 million, an increase of 12.2% as compared with cost of revenue of RMB113.6 million for the corresponding period of 2023. The Group recorded gross profit of RMB602.8 million, an increase of 15.9% as compared with gross profit of RMB652.0 million for the corresponding period of 2023. The Group recorded operating profit of RMB116.5 million (for the corresponding period of 2023: RMB113.6 million), an increase of 2.6% as compared with operating profit of RMB113.6 million for the corresponding period of 2023.

#### 4.1.1 Revenue and Cost of Revenue

The Group uses the following methods to determine the timing of revenue recognition: (1) for the sale of goods, revenue is recognized when the goods are delivered to the customer and the customer has accepted the goods; (2) for the provision of services, revenue is recognized when the services are provided to the customer and the customer has accepted the services.

The table below sets forth a reconciliation of revenue to operating profit:

	<b>For the six months ended June 30</b>	
	<b>2024</b>	2023
	<b>(RMB'000)</b>	(RMB'000)
	<b>(Unaudited)</b>	(Audited)
Revenue from sales of goods	<b>765,636</b>	728,692
Revenue from provision of services	<b>63,023</b>	46,375
Other revenue	<b>298</b>	2,858
<b>Total revenue</b>	<b>828,957</b>	777,925

Revenue from sales of goods is determined as follows:

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The above table reflects the breakdown of the Revenue from the following categories:

	For the six months ended June 30	
	2024 (RMB'000) (Unaudited)	2023 (RMB'000) (Audited)
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 decreased by RMB784.9 million, or 5.5% compared to the same period in 2023, which was primarily due to the decrease in the revenue from operations. The decrease in revenue from operations was primarily due to the decrease in the revenue from operations. The decrease in revenue from operations was primarily due to the decrease in the revenue from operations.

The above table reflects the breakdown of the Revenue from the following categories:

	For the six months ended June 30	
	2024 (RMB'000) (Unaudited)	2023 (RMB'000) (Audited)
<b>Billing Revenue from owned hospitals</b>	<b>784,892</b>	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 decreased by RMB784.9 million, or 5.5% compared to the same period in 2023, which was primarily due to the decrease in the revenue from operations. The decrease in revenue from operations was primarily due to the decrease in the revenue from operations. The decrease in revenue from operations was primarily due to the decrease in the revenue from operations.

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

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



Cost of revenue of owned hospitals, including depreciation, amortization, and other non-cash expenses, 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 RMB5,600.2 million in 2023 to RMB5,110.2 million in 2024. The decrease was also due to the decrease in other non-cash expenses of RMB65.2 million, or 1.2%, from RMB5,590.0 million in 2023 to RMB5,034.8 million in 2024.

	<b>For the six months ended June 30</b>	
	<b>2024</b>	2023
	<b>(RMB'000)</b>	(RMB'000)
	<b>(Unaudited)</b>	(Unaudited)
Depreciation and amortization	<b>177,398</b>	188,867
Other non-cash expenses	<b>228,188</b>	208,780
Depreciation of property, plant and equipment	<b>14,557</b>	17,993
Depreciation of intangible assets	<b>52,308</b>	49,033
Capital expenditures	<b>33,351</b>	32,373
Termination fee	<b>8,450</b>	10,630
Other	<b>40,966</b>	39,816
<b>Cost of revenue of owned hospitals</b>	<b>555,218</b>	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 RMB5,600.2 million in 2023 to RMB5,110.2 million in 2024. The decrease was also due to the decrease in other non-cash expenses of RMB65.2 million, or 1.2%, from RMB5,590.0 million in 2023 to RMB5,034.8 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 RMB5,600.2 million in 2023 to RMB5,110.2 million in 2024. The decrease was also due to the decrease in other non-cash expenses of RMB65.2 million, or 1.2%, from RMB5,590.0 million in 2023 to RMB5,034.8 million in 2024.

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#### 4.1.2 Gross Profit and Gross Profit Margin

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

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### 4.1.3 Tax and Surcharge

Due to the impact of the new tax rate, the tax and surcharge expense for the six months ended June 30, 2023, was RMB6.3 million (2022: RMB2.8 million).

### 4.1.4 Selling Expenses

Due to the impact of the new tax rate, the selling expenses for the six months ended June 30, 2023, were RMB9.2 million (2022: RMB7.8 million). The selling expenses increased by 1.2% for the six months ended June 30, 2023, compared to 1.1% for the same period in 2022.

### 4.1.5 Administrative Expenses

Due to the impact of the new tax rate, the administrative expenses for the six months ended June 30, 2023, were RMB106.3 million (2022: RMB101.924 million). The administrative expenses increased by 4.3% for the six months ended June 30, 2023, compared to 15.1% for the same period in 2022. The administrative expenses for the six months ended June 30, 2023, were composed of the following items:

	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
<b>Total administrative expenses</b>	<b>106,271</b>	<b>101,924</b>

Due to the impact of the new tax rate, the administrative expenses for the six months ended June 30, 2023, were RMB106.3 million (2022: RMB101.924 million). The administrative expenses increased by 4.3% for the six months ended June 30, 2023, compared to 15.1% for the same period in 2022. The administrative expenses for the six months ended June 30, 2023, were composed of the following items:



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 2023, and the average exchange rate of the Renminbi (RMB) against the US Dollar (USD) during the Reporting Period.

	For the six months ended June 30,	
	2024 (RMB'000) (Unaudited)	2023 (RMB'000) (Audited)
Interest income/expense	479	-158
Gain/loss on foreign exchange	1,201	-38
	<b>1,680</b>	<b>-196</b>

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.

#### 4.1.9 Credit Impairment Losses

During the Reporting Period, credit impairment losses were RMB5.6 million (for the corresponding period of 2023: RMB3.0 million).

#### **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 inventory balance amounted to RMB51.9 million (as of December 31, 2023: RMB60.6 million), a year-to-date decrease of RMB8.7 million.

### 4.2.2 Accounts Receivables

As of June 30, 2024, the balance of accounts receivable amounted to RMB448.1 million (as of December 31, 2023: RMB420.4 million), an increase of 6.6% compared with the end of the year.

Due to the period, the accounts receivable days increased from 91 days (for the end of June 30, 2023: 91 days).

### 4.2.3 Other Receivables and Prepayments

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

### 4.2.5 Construction in progress

As of June 30, 2024, the balance of construction in progress was RMB234.0 million (as of December 31, 2023: RMB187.0 million). Due to the period, the construction in progress decreased by RMB47 million, which was mainly due to the completion of the construction of the Haidi project.

### 4.2.6 Right-of-use Assets

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

### 4.2.7 Accounts Payables

As of June 30, 2024, accounts payable amounted to 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 advance received and contract liabilities decreased to 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 reflects the financial position and cash flow of the Company for the period ended June 30, 2024, compared with the corresponding period of 2023.

	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, compared with RMB79.4 million in the corresponding period of 2023. The cash generated from the sale of finished products was RMB42.4 million, compared with RMB45.0 million in the corresponding period of 2023.

#### 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 decrease of the cash generated from the sale of property, plant and equipment. The cash used in investing activities was RMB112.7 million, compared with RMB111.0 million in the corresponding period of 2023. The cash generated from the sale of property, plant and equipment was RMB111.0 million, compared with RMB111.0 million in the corresponding period of 2023.



#### 4.4.4 Lease Liabilities

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

#### 4.4.5 Financial Instruments

The carrying amount of financial assets and liabilities as at December 31, 2024, is RMB158.9 million (December 31, 2023: RMB158.9 million).

#### 4.4.6 Exposure to Fluctuation in Exchange Rates

The Group has exposure to exchange rate fluctuations primarily in Hong Kong dollars (HKD) and RMB. The Group's exposure to exchange rate fluctuations is not material.

Details of the Group's exposure to exchange rate fluctuations as at December 31, 2024, are set out in Note 15 to the financial statements. The Group's exposure to exchange rate fluctuations is not material.

#### 4.4.7 Gearing Ratio

As at December 31, 2024, the Group's gearing ratio (as a percentage of total assets) is 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). Details of the Group's remuneration policy are set out in Note 15 to the financial statements. The Group's remuneration policy is designed to attract, retain and motivate employees to contribute to the long-term success of the Group. The Group's remuneration policy is based on the performance of the Group and the individual employees.

4.4.8.1E y I ce e Sc e e

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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 a e a d b a f d e e a

(a) T e G a P ce f e E y I ce e S a e : e G a P ce f e I ce e S a e d e e f y a a b e R M B 1 0 . 4 7 e S a e ; e G a P ce f e I ce e S a e d e e e e d a a b e R M B 1 0 . 4 7 e S a e .

(b) B a f d e e a e G a P ce f e E y I ce e S a e

B a e d e f d a e a e f e d e e e f e C a a d a f e a d e e e f S a e d e , e G a P ce f R M B 1 0 . 4 7 f E y I ce e S a e d e e I ce e S c e e a b e e d e d a c c d a c e e c e f c e e e a a d e f f e c e e ( 重 點 激 勵 、 有 效 激 勵 ) a d c e e e e f e c e e f f a c :

( ) a a e d a e f e a a f e E y I ce e S a e b e B a d ( . e . M a y 2 9 , 2 0 1 8 ) , e a d c e f e C a H S a e a a e y H K \$ 4 0 . 0 0 e S a e ( e a e a a e y R M B 3 2 . 5 0 e S a e ) ; a d

( ) e b e f E y I ce e S a e a e d e a d e c e e e f f e c .

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

T e G a P ce f e I ce e S a e d e e E y I ce e S c e e e e e a a e y 3 2 . 2 2 % f e a f e e y e d a d c e f e C a H S a e , a R M B 1 0 . 4 7 e S a e .

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 Lanyue	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 (Chief M. WANG Hui)	June 18, 2021	June 28, 2022	10.47		28,653					
M. WANG Hui (Chief M. WANG Lanyue)	June 18, 2021	June 28, 2022	10.47		95,511					
M. WANG Biao (Receivable M. WANG Lanyue)	June 18, 2021	June 28, 2022	10.47		4,776					
M. XU Qian (Receivable M. XU Y)	June 18, 2021	June 28, 2022	10.47		4,776					
M. GUAN Weibei (Receivable M. GUAN Wei)	June 18, 2021	June 28, 2022	10.47		19,102					
M. SUN Fa (Receivable M. WANG Lanyue)	June 18, 2021	June 28, 2022	10.47		14,327					
M. SUN Hui (Receivable M. WANG Lanyue)	June 18, 2021	June 28, 2022	10.47		30,563					
M. ZHANG Lian (Receivable M. GUAN Wei)	June 18, 2021	June 28, 2022	10.47		4,776					
Secretary (a)	Aug 20, 2018	June 28, 2022	10.47		133,715					
	Aug 16, 2021	June 28, 2022	10.47		47,755					
Director (a)	Aug 20, 2018	June 28, 2022	10.47		1,605,540					
	Aug 26, 2019	June 28, 2022	10.47		180,516					
	Aug 16, 2021	June 28, 2022	10.47		36,886					
<b>Total</b>				<b>-</b>	<b>2,460,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

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 ef 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 ad ea ce e f e C a y da ed Se e be 27, 2023, A 12,  
2024, A 23, 2024 ad 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  
ad 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 , ad 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 y 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 ad ea ce e f e C a y da ed  
Se e be 27, 2023, A 12, 2024, A 23, 2024 ad 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 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 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 ee 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 ee 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 ee 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 ee de ce e ed e ce f e a a ee 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 ee 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 ee 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 ee 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 ee e, c a e eed  
 a a a ee 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 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 accounting policies are consistent with the accounting policies of the Group for the year ended 2016. 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.

### 11.2 Interim Financial Statement

The Interim Financial Statement for the Group 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)
<b>I. Total revenue</b>	<b>828,957,554</b>	777,925,164
Included:		
Revenue	828,957,554	777,925,164
Interest income	-	-
Provision of services	-	-
Finance charges	-	-
	<b>828,957,554</b>	777,925,164

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

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

Items	For the six months ended June 30,	
	2024 <i>(Unaudited)</i>	2023 <i>(U a d ed)</i>
(II) O e c e e e c e a ca be eca fed f a d		
1. O e c e e e c e a ca be eca fed f de ee y e d	-	
2. C a e fa a e f e deb e e	-	
3. A f f a c a a e eca fed e c ee e c e	-	
4. C ed a e f e deb e e	-	
5. Re e e f ca f ed e	-	
6. E c a ed f f e ce a a f f a c a a e e f e c e ce	-	
7. O e	-	
O e c e e e c e a b ab e -c ee , e f a	-	
<b>VII. Total comprehensive income</b>	<b>44,996,433</b>	48,729,232
A b ab e a e de f e a e c a y	<b>50,723,744</b>	43,750,057
A b ab e -c ee	<b>-5,727,311</b>	4,979,175
<b>VIII. Earnings per share:</b>		
(I) Ba c (RMB e a e)	<b>0.68</b>	0.59
(II) D ed (RMB e a e)	<b>0.68</b>	0.59

### 11.2.2 Interim Consolidated Balance Sheets

(As at 30 June 2024 and 31 December 2023)

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

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

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

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



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

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

I. B a a e e d f e  
e y

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													
	Other equity instruments					Equity attributable to owners of the parent company					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	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 e	P e f e d	P e e a	O e	C 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 d	P e e a	O e	C 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		e e e	c		e e e	e e e	e e e		e a		e e e	e y
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) O e c b a d															
c a d e c e a e															
I. C															
c b e d															
Y e															
2. C a a e d															
b d e f e															
e y e															
3. A f															
a b a e d															
q e															
e c -e d															
Y e ' e y															
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 :	<b>June 30, 2024 (Unaudited)</b>	Dece be 31, 2023 (A d ed)
W 1 y ea	<b>443,637,523</b>	425,833,221
1 2 y ea	<b>42,631,127</b>	6,696,710
2 3 y ea	<b>4,507,504</b>	4,480,033
Ab e 3 y ea	<b>10,140,966</b>	7,780,010
S b a y	<b>500,917,120</b>	444,789,973
Le : P f bad deb	<b>52,814,699</b>	24,348,904
<b>Total</b>	<b><u>448,102,421</u></b>	<b><u>420,441,070</u></b>

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
<b>Total</b>	<b><u>500,917,120</u></b>	<b><u>100.0</u></b>	<b><u>52,814,700</u></b>	<b><u>10.5</u></b>	<b><u>448,102,420</u></b>

	Balance		December 31, 2023 (Audited)		Balance
	A	P	(%)	A	
Acc receivable					
deb	19,507,031		4.4	12,854,582	65.9
I c d :					
A d e f a e	19,507,031		4.4	12,854,582	65.9
Acc receivable					
deb	425,282,942		95.6	11,494,321	2.7
I c d :					
O e d e d a y	425,282,942		95.6	11,494,321	2.7
<b>Total</b>	<b>444,789,973</b>		<b>100.0</b>	<b>24,348,903</b>	<b>5.5</b>

### 11.3.2 Accounts payable

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
W e y e a	109,289,542	107,790,035
O e y e a	2,464,602	1,815,169
T y e a e e y e a	449,920	85,740
A b e e e y e a	340,874	369,064
<b>Total</b>	<b>112,544,938</b>	<b>110,060,008</b>

### 11.3.3 Revenue and cost of sales

Accountable for

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

Breakdown of:

	For the six months ended June 30, 2024 (Unaudited)		2023 (Unaudited)	
	Revenue	Cost	Revenue	Cost
Revenue attributable to:				
Included: Passenger	765,636,198		728,692,633	
Tea and e-commerce	167,185,935		156,978,407	
Revenue	598,450,263		571,714,226	
Included: Warehouse	63,321,356		49,232,530	
Passenger	41,715,643		28,881,807	
Maintenance	1,485,148		1,485,149	
Rental	297,620		2,857,972	
Other	19,822,944		16,007,602	
<b>Total</b>	<b>828,957,534</b>		<b>777,925,163</b>	

### 11.3.4 Earning per Share

#### Balances and Shares

	<b>For the six months ended June 30,</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	<i>(Unaudited)</i>
Carrying amount of ordinary shares	<b>50,723,744</b>	43,750,057
Weighted average number of ordinary shares	<b>74,600,300</b>	74,600,300
Balance per share	<b>0.68</b>	0.59
Income attributable to ordinary shareholders	<b>0.68</b>	0.59
Income attributable to ordinary shareholders	-	-

#### Dividends and Shares

Dividends and shares are calculated by the carrying amount of ordinary shares (deducted by the carrying amount of treasury shares) (deducted):

	<b>For the six months ended June 30,</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	<i>(Unaudited)</i>
Carrying amount of ordinary shares	<b>50,723,744</b>	43,750,057
Weighted average number of ordinary shares	<b>74,600,300</b>	74,600,300
Dividend per share	<b>0.68</b>	0.59
Income attributable to ordinary shareholders	<b>0.68</b>	0.59
Income attributable to ordinary shareholders	-	-

### 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
<b>Total</b>	<b>16,516,143</b>	<b>11,477,880</b>
Table 11.3.6		
	For the six months ended June 30,	
	2024 (Unaudited)	2023 (Audited)
Tax expense	61,512,577	60,207,112
Income tax expense	12,647,014	16,067,002
Income tax expense - State	474,180	212,272
Additional income tax expense	-769,493	-1,472,686
Income tax expense - Federal	-	-768,780
Income tax expense - Federal, state and local	817,638	645,142
Income tax expense - Federal, state and local - Deferred	-4,610,218	-1,107,566
Income tax expense - Federal, state and local - Deferred - State		
Income tax expense - Federal, state and local - Deferred - State - Federal	9,615,740	-241,776
Additional income tax expense - Federal	-3,065,849	-611,076
Income tax expense - Federal - State	1,560,541	
Other	-153,410	-1,244,652
Income tax expense	16,516,143	11,477,880

### 11.3.6 Dividends

On August 28, 2024, the Board of Directors has adopted a resolution to pay a cash dividend of RMB1.50 (one RMB and 50 cents) per share of the Company's ordinary shares for the year ended December 31, 2023. The total amount of the dividend is RMB74,600,300. The dividend will be paid on September 10, 2024, to the shareholders of record as of August 28, 2024. The dividend is subject to the approval of the 2023 Annual General Meeting of the Company.

On March 28, 2024, the Board of Directors has adopted a resolution to pay a cash dividend of RMB22,380,090 (two RMB and 380,090 cents) per share of the Company's ordinary shares for the year ended December 31, 2023. The total amount of the dividend is RMB74,600,300. The dividend will be paid on May 30, 2024, to the shareholders of record as of March 28, 2024.

On July 31, 2023, the Board of Directors has adopted a resolution to pay a cash dividend of RMB7,460,030 (seven RMB and 460,030 cents) per share of the Company's ordinary shares for the year ended December 31, 2023. The total amount of the dividend is RMB74,600,300. The dividend will be paid on September 27, 2023, to the shareholders of record as of July 31, 2023.

## 12 FURTHER INFORMATION IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2023

Reference is made to the financial statements of the Company for the year ended December 31, 2023 (the "2023 Annual Report"). Unless otherwise specified, all amounts are in RMB.

In addition, the following information is provided for the year ended December 31, 2023. The Company's ordinary shares are listed on the Shanghai Stock Exchange. The Company's ordinary shares are traded on the Shanghai Stock Exchange under the code 600883. The Company's ordinary shares are listed on the Hong Kong Stock Exchange under the code 17.07(2).

As at December 31, 2023, the Company has a total of 49,733,533 ordinary shares in issue. The Company's ordinary shares are listed on the Shanghai Stock Exchange under the code 600883. The Company's ordinary shares are listed on the Hong Kong Stock Exchange under the code 17.07(2). The Company's ordinary shares are traded on the Shanghai Stock Exchange under the code 600883.



### 13 DEFINITIONS

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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 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 A 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 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 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 J e 22, 2018, e f e C a y d ec y ed b d a e
P 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 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 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

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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

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B de f e B a d  
**Wenzhou Kangning Hospital Co., Ltd.**  
**GUAN Weili**  
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Z e a , e PRC  
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A f e da e f a ce e , e C a y' e ec e D ec a e M . GUAN We ,  
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 M . JIN L a d M . CHAN Sa Ke H .