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## 2 FINANCIAL SUMMARY

### 2.1 PRINCIPAL FINANCIAL DATA AND INDICATORS

	For the six months ended June 30,	
	2019 <i>RMB'000</i> <i>(Unaudited)</i>	2018 <i>RMB'000</i> <i>(Unaudited)</i>
Revenue	378,910	356,778
Cost of sales	52,661	59,108
Operating expenses	(7,120)	(18,256)
Operating income	45,541	40,852
Finance income	52,064	41,987
Finance expenses	(6,523)	(1,135)
Income before income tax	91,082	73,476
Income tax	(1,000)	(1,000)
Net income	90,082	72,476
As at June 30, 2019 <i>(RMB'000)</i> <i>(Unaudited)</i>		As at June 31, 2018 <i>(RMB'000)</i> <i>(Unaudited)</i>
Assets	2,010,230	1,840,724
Liabilities	751,355	635,451
Equity	1,258,875	1,205,273
Minority interest	1,158,252	1,120,995
Attributable to equity holders of the Company	100,623	78,278

3 BUSINESS REVIEW AND OUTLOOK

2019, A (NHSA) 4+7

2019, 2018 800 A 30, 2019, 20 (31, 2018: 18) 5,593 (31, 2018: 5,140).

2019, 25, 2019). A 30, 2019, 5 (31, 2018: 6) 990 (31, 2018: 1,160).

2019, 51% 65% 14, 2019).

## 4 MANAGEMENT DISCUSSION AND ANALYSIS

### 4.1 Financial Review

Revenue increased by 8.8% from RMB373.0 million in the six months ended June 30, 2018, to RMB405.9 million in the six months ended June 30, 2019. The increase was primarily due to the increase in the number of projects completed and the increase in the average contract value per project. The increase in the number of projects completed was primarily due to the increase in the number of projects completed in the second quarter of 2019. The increase in the average contract value per project was primarily due to the increase in the average contract value per project in the second quarter of 2019.

Cost of revenue increased by 8.6% from RMB378.9 million in the six months ended June 30, 2018, to RMB411.0 million in the six months ended June 30, 2019. The increase was primarily due to the increase in the number of projects completed and the increase in the average contract value per project. The increase in the number of projects completed was primarily due to the increase in the number of projects completed in the second quarter of 2019. The increase in the average contract value per project was primarily due to the increase in the average contract value per project in the second quarter of 2019.

Gross profit margin decreased from 22.3% (RMB373.0 million minus RMB378.9 million divided by RMB373.0 million) in the six months ended June 30, 2018, to 23.3% (RMB405.9 million minus RMB411.0 million divided by RMB405.9 million) in the six months ended June 30, 2019. The decrease was primarily due to the increase in the number of projects completed and the increase in the average contract value per project.

Operating expenses increased by 29.0% from RMB87.0 million in the six months ended June 30, 2018, to RMB112.1 million in the six months ended June 30, 2019. The increase was primarily due to the increase in the number of projects completed and the increase in the average contract value per project. The increase in the number of projects completed was primarily due to the increase in the number of projects completed in the second quarter of 2019. The increase in the average contract value per project was primarily due to the increase in the average contract value per project in the second quarter of 2019.

Operating income decreased by 24.0% from RMB23.5 million in the six months ended June 30, 2018, to RMB12.0 million in the six months ended June 30, 2019. The decrease was primarily due to the increase in the number of projects completed and the increase in the average contract value per project.

#### 4.1.1 Revenue and Cost of Revenue

The following table sets forth our revenue and cost of revenue for the six months ended June 30, 2019 and 2018:

	For the six months ended June 30,	
	2019	2018
	(RMB'000)	(RMB'000)
	(Unaudited)	(Unaudited)
Revenue	360,210	331,211
Cost of revenue	12,800	12,107
	<u>373,010</u>	<u>343,318</u>
Gross profit	2,064	1,123
Operating expenses	3,419	12,337
	<u>417</u>	<u>11,214</u>
<b>Total revenue</b>	<b><u>378,910</u></b>	<b><u>356,778</u></b>

2018, 6.2% (2018, 8.6%)  
 2018, 5.7% (2018, 8.8%)  
 30, 2018: 96.5% (2018, 96.6%)  
 30, 2018: 3.5% (2018, 3.4%)

2018, 378.9  
 2018, 373.0

	<b>For the six months ended June 30,</b>	
	<b>2019</b>	<b>2018</b>
	<b>(RMB'000)</b>	<b>(1M'000)</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Treatment and general healthcare services</b>		
Inpatient services	263,580	252,958
Outpatient services	197,304	149,417
Other services	66,276	103,541
<b>Pharmaceutical sales</b>		
Inpatient services	96,630	78,253
Outpatient services	82,629	65,087
Other services	14,001	13,166
<b>Owned hospitals</b>		
Inpatient services	360,210	331,211
Outpatient services	279,933	214,504
Other services	80,277	116,707

2018, 360.2 (2018, 29.0)  
 2018, 31.2%  
 2018; ( )  
 2018; ( )  
 2018; ( )



2018, 26.9% (2018: 26.9%);  
 6.5% (2018: 6.5%);  
 16.2% (2018: 16.2%);  
 84.1% (2018: 84.1%);  
 2018: 85.9%).

2018, 22.6% (2018: 22.6%);  
 15.7% (2018: 15.7%);  
 5.9% (2018: 5.9%);  
 15.9% (2018: 15.9%);  
 30, 2018: 14.1%),

2018, 4.2% (2018: 4.2%);  
 73.2% (2018: 73.2%);  
 30, 2018: 76.4%);  
 2018, 26.8% (2018: 26.8%);  
 23.5% (2018: 23.5%);  
 30, 2018: 23.6%);  
 16.8% (2018: 16.8%);  
 30, 2018: 14.3%);  
 79.7% (2018: 79.7%);  
 30, 2018: 80.6%).



12,800

6,073

For the six months ended June 30,	
2019	2018
(RMB'000)	(US\$'000)
(Unaudited)	(Unaudited)
12,800	12,107
6,073	6,361
<u>6,727</u>	<u>5,746</u>

12.8 2018, 3.4% 5.7% (30, 2018: 3.5%).

6.1 A 52.6% (30, 2018: 47.5%).

3.4 (30, 2018: 12.3), 3.3 0.4

0.4 2018.

#### 4.1.2 Gross Profit and Gross Profit Margin

	For the six months ended June 30,	
	2019 (Unaudited)	2018 (Audited)
Consolidated gross profit	¥92.0	¥87.0
Consolidated gross profit margin	24.3%	28.9%

	For the six months ended June 30,	
	2019 (Unaudited)	2018 (Audited)
Consolidated gross profit	¥15.8	¥2.3
Consolidated gross profit margin	24.3%	15.8%

#### 4.1.3 Tax and Surcharge

	For the six months ended June 30,	
	2019 (Unaudited)	2018 (Audited)
Tax and surcharge	¥0.8	¥3.4

#### 4.1.4 Selling Expenses

	For the six months ended June 30,	
	2019 (Unaudited)	2018 (Audited)
Selling expenses	¥4.5	¥2.6
Selling expenses as a percentage of sales	1.2%	0.7%

#### 4.1.5 Administrative Expenses

	For the six months ended June 30,	
	2019 (RMB'000) (Unaudited)	2018 (RMB'000)
Salaries and wages	33,962	26,332
Depreciation and amortization	137	6,584
Office expenses	5,709	3,932
Travel expenses	3,976	4,398
Professional fees	2,188	1,623
Other expenses	6,918	8,081
<b>Total administrative expenses</b>	<b>52,890</b>	<b>50,950</b>

Administrative expenses increased by RMB52.9 million (3.8%) in 2019, compared with RMB50.9 million in 2018, mainly due to an increase in salaries and wages of RMB6.4 million (29.0%) and other expenses of RMB6.4 million (79.0%) in 2019, partially offset by a decrease in depreciation and amortization of RMB6.4 million (97.2%) in 2019, compared with 2018. Administrative expenses as a percentage of total operating expenses decreased to 14.2% (2018: 14.8%).

#### 4.1.6 Research and Development Expenses

Research and development expenses decreased by RMB2.3 million (23.3%) in 2019, compared with RMB3.0 million in 2018, mainly due to a decrease in salaries and wages of RMB0.6 million (0.6%) (2019: 0.6%, 2018: 0.9%), partially offset by an increase in depreciation and amortization of RMB0.6 million (20.0%) in 2019, compared with 2018.

#### 4.1.7 Finance Expenses – Net

	For the six months ended June 30,	
	2019	2018
	(RMB' 000)	(US\$' 000)
	(Unaudited)	(Unaudited)
Interest expense	1,925	1,963
Depreciation	(759)	(355)
Amortization	(3,520)	(4,135)
Provision for doubtful accounts	(5,706)	
Provision for bad debts	(1,841)	(2,750)
Other	(298)	(253)
<b>Finance expenses – Net</b>	<b>(10,199)</b>	<b>(5,530)</b>

2019年6月30日止六个月的未审计数据与2018年6月30日止六个月的未审计数据相比，净财务费用为人民币10,199千元，较2018年同期的人民币5,530千元增加人民币4,669千元。增加的主要原因是：

- 利息支出增加1,925千元，较2018年同期的1,963千元减少38千元。
- 折旧费用减少759千元，较2018年同期的355千元减少1,114千元。
- 摊销费用减少3,520千元，较2018年同期的4,135千元减少615千元。
- 坏账准备增加5,706千元，较2018年同期的2,750千元增加2,956千元。
- 其他费用减少298千元，较2018年同期的253千元减少551千元。

#### 4.1.8 Investment Income/(Losses)

2019年6月30日止六个月的未审计数据与2018年6月30日止六个月的未审计数据相比，投资收入/(损失)为人民币695千元，较2018年同期的人民币3,781千元减少人民币3,086千元。

#### 4.1.9 Assets Impairment Losses and Credit Impairment Losses

Assets impairment losses and credit impairment losses for the six months ended June 30, 2018: RMB10.7 million (2017: RMB6.9 million), or 2.9% of the carrying amount of assets and credit impairment losses (2017: 1.7%). Assets impairment losses for the six months ended June 30, 2019: RMB29.7 million (2018: RMB25.2 million), or 8.0% of the carrying amount of assets (2018: 7.8%).

#### 4.1.10 Non-Operating Income (Expenses) and Other Gains

	For the six months ended June 30,	
	2019 (RMB'000) (Unaudited)	2018 (RMB'000) (Unaudited)
Income from disposal of non-current assets	25,666	
Income from disposal of subsidiaries	50	962
Income from disposal of associates	723	235
<b>Non-operating income</b>	<b>26,439</b>	<b>1,197</b>
Income from disposal of non-current assets	(13,240)	
Income from disposal of subsidiaries	(990)	(1,370)
Income from disposal of associates	(241)	(721)
<b>Non-operating expenses</b>	<b>(14,471)</b>	<b>(2,091)</b>
<b>Other gains</b>	<b>6,567</b>	<b>4,254</b>

Assets impairment losses for the six months ended June 30, 2019: RMB26.4 million (2018: RMB14.5 million), or 8.0% of the carrying amount of assets (2018: 7.8%). Assets impairment losses for the six months ended June 30, 2018: RMB13.2 million (2017: RMB6.6 million), or 2.9% of the carrying amount of assets (2017: 1.7%). Assets impairment losses for the six months ended June 30, 2017: RMB3.9 million (2016: RMB3.9 million), or 1.7% of the carrying amount of assets (2016: 1.7%).

#### 4.1.11 Income Tax Expense

For the six months ended June 30, 2019:	RMB18.3 million	61.0%
For the six months ended June 30, 2018:	RMB7.1 million	10.9%
For the six months ended June 30, 2018:	RMB13.5 million	30.9%

#### 4.1.12 Total Comprehensive Income

	For the six months ended June 30,	
	2019 (RMB'000) (Unaudited)	2018 (RMB'000) (Unaudited)
Operating income	(990)	(1,370)
Operating expenses	50	962
Operating profit	(759)	(355)
Other income	13,338	
Other expenses	(4,822)	
Other comprehensive income	(336)	2,709
<b>Total comprehensive income</b>	<b>26,203</b>	
<b>Total impact of non-recurring items (before income tax)</b>	<b>32,684</b>	<b>1,946</b>
<b>Total impact of non-recurring items (after income tax)</b>	<b>30,980</b>	<b>(415)</b>

For the six months ended June 30, 2019:	RMB21.1 million	50.3%
For the six months ended June 30, 2018:	RMB10.6 million	10.9%



#### 4.2.4 Investment Properties

As of December 31, 2019, investment properties are valued at \$138.2 million (December 31, 2018: \$128.6 million), consisting of:

Investment properties in the United States (3 & 4) (2, 11)

As of December 31, 2019, investment properties are valued at \$138.2 million (December 31, 2018: \$128.6 million), consisting of:

- Investment properties in the United States (2012) 3-290602,
- Investment properties in the United States (2012) 3-290604,
- Investment properties in the United States (2012) 3-290616,
- Investment properties in the United States (2012) 3-290617,
- Investment properties in the United States (2017) 0136790,
- Investment properties in the United States (2017) 0136791,
- Investment properties in the United States (2017) 0136792,
- Investment properties in the United States (2017) 0136793

Investment properties in the United States 75%

Investment properties in the United States (A-1) (1) 3,722.29

Investment properties in the United States (A-1) (1) 11,137.06

Investment properties in the United States

Investment properties in the United States (29, 2043)

Investment properties in the United States (2, 11)

As of December 31, 2019, investment properties are valued at \$138.2 million (December 31, 2018: \$128.6 million), consisting of:

Investment properties in the United States (2012) 3-289403

Investment properties in the United States 75%

Investment properties in the United States (A-1) (1) 6,602.26

11,850.34

29, 2043,

**4.2.5 Other Non-current Financial Assets**

At 30, 2019, 51.0  
 31, 2018: 51.0

**4.2.6 Right-of-use Assets**

At 30, 2019, 262.9  
 31, 2018: 0

**4.2.7 Accounts Payables**

At 30, 2019, 53.3  
 31, 2018: 73.6

**4.2.8 Contract Liability**

At 30, 2019, 9.1  
 31, 2018: 2.2

**4.2.9 Other Payables**

At 30, 2019, 119.0  
 31, 2018: 129.8

**4.3 Liquidity and Capital Resources**

	<b>For the six months ended June 30,</b>	
	<b>2019</b>	<b>2018</b>
	<b>(RMB'000)</b>	<b>(1M'000)</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>4,157</b>	25,390
	<b>(75,880)</b>	(132,285)
	<b>(25,941)</b>	25,735
	<b>(98,423)</b>	(81,439)

### 4.3.1 Net Cash Generated from Operating Activities

As at 31, 2019:	₹45.5
As at 31, 2018:	₹4.2
Change during the period	₹39.2
As at 30, 2019:	₹72.2
As at 30, 2018:	₹20.8

### 4.3.2 Net Cash Used in Investing Activities

As at 31, 2019:	₹75.9
As at 31, 2018:	₹63.0
Change during the period	₹13.0
As at 30, 2019:	₹13.0
As at 30, 2018:	₹0.0

### 4.3.3 Net Cash Used in Financing Activities

As at 31, 2019:	₹47.4
As at 31, 2018:	₹25.9
Change during the period	₹24.0
As at 30, 2019:	₹24.0
As at 30, 2018:	₹0.0

### 4.3.4 Significant Investment, Acquisition and Disposal

There were no significant investments, acquisitions and disposals during the period ended 30, 2019.

## 4.4 Indebtedness

### 4.4.1 Bank Borrowings

As at 30, 2019:	₹249.0
As at 31, 2018:	₹225.0
Change during the period	₹146.0
As at 30, 2019:	₹170.0
As at 30, 2018:	₹0.0

### 4.4.2 Contingent Liabilities

As at 30, 2019, there are no contingent liabilities.

### 4.4.3 Asset Pledge

As at 30, 2019, there are no assets pledged.

#### 4.4.4 Lease Liabilities

As at 30, 2019, the Company's lease liabilities are ₹191.3 million.

#### 4.4.5 Financial Instruments

The Company's financial instruments include cash and bank balances, trade receivables, trade payables, other receivables, other payables, and loans and borrowings.

#### 4.4.6 Exposure to Fluctuation in Exchange Rates

The Company's operations are primarily in India. However, the Company has certain foreign currency denominated assets and liabilities.

As at 30, 2019, the Company's foreign currency denominated assets are ₹1.2 million and liabilities are ₹0.8 million.

#### 4.4.7 Gearing Ratio

As at 30, 2019, the Company's gearing ratio is 37.4% (as at 31, 2018: 34.5%).

#### 4.4.8 Employees and Remuneration Policy

As at 30, 2019, the Company has 2,746 employees (as at 31, 2018: 2,581 employees). The Company's remuneration policy is based on performance and market conditions. The average remuneration per employee is ₹128.1 million (as at 30, 2018: ₹96.5 million).

### 5 PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

The Company has not purchased, sold or redeemed any listed securities during the period.

## 6 SUBSEQUENT EVENTS

On March 30, 2019, the Company has not identified any subsequent events that require adjustment to the financial statements.

## 7 REVIEW OF INTERIM RESULTS

The Company's interim results for the period ended March 30, 2019, are unaudited. The Company's audited financial statements for the period ended March 30, 2019, are included in the annual financial statements for the period ended March 30, 2019.

The Company's interim results for the period ended March 30, 2019, are unaudited. The Company's audited financial statements for the period ended March 30, 2019, are included in the annual financial statements for the period ended March 30, 2019.

## 8 INTERIM DIVIDEND

The Company has not declared any interim dividends for the period ended March 30, 2019 (compared to the period ended March 30, 2018: Nil).

## 9 COMPLIANCE WITH CG CODE

The Company is in compliance with the provisions of the Companies Act, 2013 and the Companies (Accounts) Regulations, 2014.

## 10 ACCOUNTING STANDARDS

The Company has adopted the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and the Companies (Accounts) Regulations, 2014, with effect from April 1, 2017. The Company has also adopted the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and the Companies (Accounts) Regulations, 2014, with effect from April 1, 2017.

## 11 FINANCIAL REPORT

### 11.1 Accounting Policies

#### 11.1.1 Accounting Policies

The Company has adopted the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and the Companies (Accounts) Regulations, 2014, with effect from April 1, 2017.

The Company has adopted the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and the Companies (Accounts) Regulations, 2014, with effect from April 1, 2017.

The Company has adopted the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and the Companies (Accounts) Regulations, 2014, with effect from April 1, 2017.



## 11.2 Consolidated Interim Financial Information

### 11.2.1 Interim Consolidated Statement of Comprehensive Income

	For the six months ended	
	2019	2018
	RMB	US\$
	(Unaudited)	(Unaudited)
<b>1. Revenue</b>	<b>378,910,291</b>	356,778,081
Cost of sales	(286,882,183)	(227,375,436)
Depreciation and amortization	(831,972)	(3,375,006)
Impairment loss on financial assets	(4,476,806)	(2,570,269)
Impairment loss on non-current assets	(52,890,346)	(50,950,061)
Impairment loss on equity investments	(2,304,024)	–
Impairment loss on available-for-sale financial assets	(10,198,874)	(5,530,111)
Other non-current assets impairment	6,567,461	4,253,548
Other non-current assets impairment	23,549,073	(4,318,848)
Other non-current assets impairment	(2,525,317)	(4,318,848)
Other non-current assets impairment	(10,730,916)	(5,742,669)
Other non-current assets impairment	–	(1,160,929)
Other non-current assets impairment	(18,587)	(6,378)
<b>2. Operating profit</b>	<b>40,693,117</b>	60,001,922
Other non-current assets impairment	26,438,682	1,197,342
Other non-current assets impairment	(14,470,650)	(2,091,319)
<b>3. Total profit</b>	<b>52,661,149</b>	59,107,945
Other non-current assets impairment	(7,119,918)	(18,256,405)

	For the six months ended	
	June 30,	
	2019	2018
	RMB	US\$
	(Unaudited)	(Unaudited)
<b>4. Net profit</b>	<b>45,541,231</b>	<b>40,851,540</b>
Net profit attributable to equity holders of the parent	45,541,231	40,851,540
Net profit attributable to non-controlling interests	-	-
<b>5. Total comprehensive income</b>	<b>45,541,231</b>	<b>40,851,540</b>
Total comprehensive income attributable to equity holders of the parent	52,064,124	41,986,854
Total comprehensive income attributable to non-controlling interests	(6,522,893)	(1,135,314)
<b>6. Earnings per share</b>		
Earnings per share attributable to equity holders of the parent	0.71	0.57
Earnings per share attributable to non-controlling interests	0.70	0.57

## 11.2.2 Interim Consolidated Statement of Financial Position

ASSETS	June 30, 2019 RMB (Unaudited)	June 30, 2018 RMB (Audited)
<b>Current assets</b>		
Accounts receivable	88,643,935	187,076,694
Accounts payable	343,085,203	299,750,063
Prepaid expenses	63,601,330	58,051,581
Other receivables	6,773,294	16,683,839
Other payables	23,496,443	20,813,747
Other non-current assets	12,688,704	12,688,704
<b>Total current assets</b>	<b>538,288,909</b>	<b>595,064,628</b>
<b>Non-current assets</b>		
Investments	50,974,323	50,974,323
Property, plant and equipment	84,166,020	100,321,983
Intangible assets	138,214,682	128,568,963
Other non-current assets	429,798,060	444,322,834
Long-term payables	128,365,125	131,187,406
Long-term receivables	262,857,848	—
Long-term investments	119,723,596	185,257,977
Long-term receivables	47,503,344	19,296,005
Long-term investments	159,645,805	144,386,669
Long-term receivables	47,483,569	33,825,347
Long-term investments	3,209,169	7,517,900
<b>Total non-current assets</b>	<b>1,471,941,541</b>	<b>1,245,659,407</b>
<b>TOTAL ASSETS</b>	<b>2,010,230,450</b>	<b>1,840,724,035</b>

<b>LIABILITIES AND OWNERS' EQUITY</b>	<b>June 30, 2019 RMB (Unaudited)</b>	<b>June 30, 2018 RMB (Audited)</b>
<b>Current liabilities</b>		
Accounts payable	170,000,000	145,000,000
Accounts receivable	53,319,851	73,644,717
Prepaid expenses	9,139,823	2,244,706
Other payables	19,877,674	28,270,410
Contract liabilities	36,365,584	41,119,676
Other current liabilities	118,956,827	129,807,988
	<u>84,786,940</u>	<u>63,757,304</u>
<b>Total current liabilities</b>	<u>492,446,699</u>	<u>483,844,801</u>
<b>Non-current liabilities</b>		
Long-term debt	40,000,000	40,000,000
Deferred tax liabilities	191,292,498	—
Other non-current liabilities	—	86,645,200
	10,101,163	10,253,059
	<u>17,514,645</u>	<u>14,707,619</u>
<b>Total non-current liabilities</b>	<u>258,908,306</u>	<u>151,605,878</u>
<b>Total liabilities</b>	<u>751,355,005</u>	<u>635,450,679</u>
<b>Owners' equity</b>		
Capital	75,500,000	75,500,000
Reserves	825,220,846	827,379,886
Minority interest	(21,780,000)	(21,910,000)
Other owners' equity	29,981,034	29,981,034
	<u>249,330,816</u>	<u>210,044,608</u>
<b>Total equity attributable to owners of the parent company</b>	<u>1,158,252,696</u>	<u>1,120,995,528</u>
Other equity	100,622,749	84,277,828
<b>Total owners' equity</b>	<u>1,258,875,445</u>	<u>1,205,273,356</u>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<u><u>2,010,230,450</u></u>	<u><u>1,840,724,035</u></u>

### 11.2.3 Interim Consolidated Statements of Cash Flow

	For the six months ended June 30,	
	2019 RMB (Unaudited)	2018 RMB (Unaudited)
<b>1. Cash flows from operating activities</b>		
Income from operations	337,771,543	305,515,384
Interest income	7,188,089	31,297,616
<b>Sub-total of cash inflows</b>	<b>344,959,632</b>	<b>336,813,000</b>
Payments for operating expenses	(153,687,796)	(116,359,237)
Payments for interest	(137,201,128)	(103,723,092)
Payments for taxes	(20,832,826)	(24,181,735)
Payments for other operating activities	(29,080,692)	(67,158,842)
<b>Sub-total of cash outflows</b>	<b>(340,802,442)</b>	<b>(311,422,906)</b>
<b>Net cash flows generated from operating activities</b>	<b>4,157,190</b>	<b>25,390,094</b>
<b>2. Cash flows generated from investing activities</b>		
Proceeds from disposal of property, plant and equipment	447,095	
Proceeds from disposal of financial assets	1,833,758	
Proceeds from disposal of other long-term assets	2,555,426	230,042,378
<b>Sub-total of cash inflows</b>	<b>4,836,279</b>	<b>230,042,378</b>
Payments for acquisition of property, plant and equipment	(63,099,075)	(83,978,177)
Payments for acquisition of financial assets	(13,020,000)	(16,790,000)
Payments for acquisition of other long-term assets	(1,246,349)	
Payments for other investing activities	(3,351,048)	(261,559,650)
<b>Sub-total of cash outflows</b>	<b>(80,716,472)</b>	<b>(362,327,827)</b>
<b>Net cash flows generated from investing activities</b>	<b>(75,880,193)</b>	<b>(132,285,449)</b>

	For the six months ended June 30,	
	2019	2018
	RMB	/ ¥
	(Unaudited)	(Unaudited)
<b>3. Cash flows from financing activities</b>		
Issuance of bank loans	4,245,000	4,430,000
Proceeds from the issuance of bank deposits	4,245,000	4,430,000
Proceeds from the issuance of bank deposits	170,000,000	170,000,000
<b>Sub-total of cash inflows</b>	<b>174,245,000</b>	<b>174,430,000</b>
Payment of bank deposits	(146,000,000)	(139,791,600)
Payment of bank deposits	(6,647,896)	(5,934,843)
Payment of bank deposits	(47,538,263)	(2,968,171)
<b>Sub-total of cash outflows</b>	<b>(200,186,159)</b>	<b>(148,694,614)</b>
<b>Net cash flows generated from financing activities</b>	<b>(25,941,159)</b>	<b>25,735,386</b>
<b>4. Effect of changes in foreign exchange rate</b>	<b>(758,597)</b>	<b>(279,073)</b>
<b>5. Net decrease in cash and cash equivalents</b>	<b>(98,422,759)</b>	<b>(81,439,042)</b>
A. Cash and cash equivalents at beginning of the period	187,066,694	237,538,659
<b>6. Cash and cash equivalents at end of the period</b>	<b>88,643,935</b>	<b>156,099,617</b>

## 11.2.4 Interim Consolidated Statement of Changes In Equity

	Equity attributable to owners of the parent company						Total owners' equity
	Share capital	Capital surplus	Less: treasury stock	Surplus reserve	Retained earnings	Non-controlling interests	
Balance at January 1, 2019	75,500,000	827,379,886	(21,910,000)	29,981,034	210,044,608	84,277,828	1,205,273,356
Profit for the period	-	-	-	-	52,064,124	(6,522,893)	45,541,231
Dividend paid to shareholders	-	-	-	-	-	4,245,000	4,245,000
Share-based compensation	-	2,688,937	-	-	-	-	2,688,937
Share repurchase	-	(12,255)	-	-	(1,452,916)	245,168	(1,220,003)
Share-based payment	-	(130,000)	130,000	-	-	(2,040,163)	(2,040,163)
Share-based payment	-	(4,705,722)	-	-	-	-	(4,705,722)
Share-based payment	-	-	-	-	-	20,417,809	20,417,809
Share-based payment	-	-	-	-	(11,325,000)	-	(11,325,000)
Balance at June 30, 2019	<u>75,500,000</u>	<u>825,220,846</u>	<u>(21,780,000)</u>	<u>29,981,034</u>	<u>249,330,816</u>	<u>100,622,749</u>	<u>1,258,875,445</u>

	Equity attributable to owners of the parent company					Total owners' equity
	Share capital	Capital surplus	Surplus reserve	Retained earnings	Non-controlling interests	
Balance at December 31, 2017	73,040,000	808,244,186	23,710,012	146,840,254	58,662,363	1,110,496,815
Profit for the period	-	-	-	(164,301)	-	(164,301)
Balance at January 1, 2018	73,040,000	808,244,186	23,710,012	146,675,953	58,662,363	1,110,332,514
Profit for the period	-	-	-	41,986,854	(1,135,314)	40,851,540
Dividend paid to shareholders	-	-	-	-	4,730,000	4,730,000
Share-based compensation	-	206,400	-	-	-	206,400
Share-based payment	-	910,596	-	-	-	910,596
Share-based payment	-	-	-	(10,956,000)	-	(10,956,000)
Balance at June 30, 2018	<u>73,040,000</u>	<u>809,361,182</u>	<u>23,710,012</u>	<u>177,706,807</u>	<u>62,257,049</u>	<u>1,146,075,050</u>

### 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

	June 30, 2019 RMB (Unaudited)	June 30, 2018 RMB (Audited)
Accounts receivable	6,750,000	6,749,917
Accounts receivable - related parties	366,111,251	318,519,503
Accounts receivable - non-related parties	372,861,251	325,269,420
Less: Allowance for doubtful accounts	(29,776,048)	(25,519,357)
	<u>343,085,203</u>	<u>299,750,063</u>
<p>As of June 30, 2019, the carrying amount of accounts receivable is RMB343,085,203 (2018: RMB299,750,063). The carrying amount of accounts receivable is classified as follows:</p>		
	June 30, 2019 RMB (Unaudited)	June 30, 2018 RMB (Audited)
1-year or less	286,466,031	261,000,854
1 - 2 years	73,454,874	51,396,190
2 - 3 years	10,456,002	12,862,881
3 years or more	2,484,344	9,495
	<u>372,861,251</u>	<u>325,269,420</u>
Accounts receivable - related parties	366,111,251	318,519,503
Accounts receivable - non-related parties	372,861,251	325,269,420

### 11.3.2 Accounts payable

	30, 2019	31, 2018
	<b>June 30, 2019 RMB (Unaudited)</b>	<b>June 30, 2018 RMB (Audited)</b>
Accounts payable	47,578,421	43,099,493
Prepaid expenses	4,026,068	3,971,590
Accounts receivable	1,370,483	836,832
Other receivables	102,513	25,470,222
Other payables	50,497	50,357
Other	191,869	216,223
	<b><u>53,319,851</u></b>	<b><u>73,644,717</u></b>

### 11.3.3 Revenue and cost of revenue

	For the six months ended June 30,	
	2019	2018
	<b>RMB (Unaudited)</b>	<b>RMB (Audited)</b>
Revenue	373,009,541	343,318,252
Cost of revenue	5,900,750	13,459,829
	<b><u>378,910,291</u></b>	<b><u>356,778,081</u></b>
Revenue	286,006,377	220,865,063
Cost of revenue	875,806	6,510,373
	<b><u>286,882,183</u></b>	<b><u>227,375,436</u></b>

## Revenue and cost of sales from main operations

		For the six months ended	
		June 30, 2019	
		RMB	RMB
		(Unaudited)	(Unaudited)
		Revenue	Cost of
		from main	revenue
		operations	from main
		operations	operations
Revenue	96,629,883	82,628,810	
Cost of sales	263,579,519	197,304,478	
Net revenue	12,800,139	6,073,089	
	<u>373,009,541</u>	<u>286,006,377</u>	
For the six months ended			
June 30, 2018			
		RMB	RMB
		(Unaudited)	(Unaudited)
		Revenue	Cost of
		from main	revenue
		operations	from main
		operations	operations
Revenue	78,253,106	65,087,164	
Cost of sales	252,958,034	149,416,996	
Net revenue	12,107,112	6,360,903	
	<u>343,318,252</u>	<u>220,865,063</u>	

### 11.3.4 Earnings per share

(+) 归属于母公司普通股股东的净利润

	For the six months ended June 30,	
	2019 RMB (Unaudited)	2018 / ¥ (Unaudited)
归属于母公司普通股股东的净利润	52,064,124	41,986,854
归属于母公司普通股股东的净利润	73,040,000	73,040,000
归属于母公司普通股股东的净利润	<u>0.71</u>	<u>0.57</u>

(-) 归属于母公司其他权益工具持有者的净利润

归属于母公司其他权益工具持有者的净利润	30, 2019,	¥52,064,124,
归属于母公司其他权益工具持有者的净利润	30,	¥73,915,743
归属于母公司其他权益工具持有者的净利润	¥0.70,	30,
归属于母公司其他权益工具持有者的净利润	2018,	A

### 11.3.5 Income tax expenses

所得税费用

	For the six months ended June 30,	
	2019 RMB (Unaudited)	2018 / ¥ (Unaudited)
所得税费用	14,824,769	20,483,722
所得税费用	(7,704,851)	(2,227,317)
所得税费用	<u>7,119,918</u>	<u>18,256,405</u>

	<b>For the six months ended</b>	
	<b>June 30,</b>	
	<b>2019</b>	<b>2018</b>
	<b>RMB</b>	<b>¥</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>52,661,149</b>	<b>59,107,945</b>
25%	<b>13,165,287</b>	14,776,986
	<b>1,158,271</b>	1,802,675
A	<b>119,184</b>	1,639,542
A	<b>(431,227)</b>	
	<b>(318,561)</b>	(393,562)
	<b>51,944</b>	345,368
	<b>-</b>	85,396
	<b>(6,624,980)</b>	
	<b>7,119,918</b>	<b>18,256,405</b>

### 11.3.6 Dividends

On June 25, 2019, the Board of Directors of the Company declared a cash dividend of RMB11,325,000 (approximately ¥11,325,000) to the shareholders of record as of June 30, 2019, based on the total number of shares outstanding as of June 30, 2019, of 75,500,000 shares.

On June 23, 2018, the Board of Directors of the Company declared a cash dividend of RMB10,956,000 (approximately ¥10,956,000) to the shareholders of record as of June 13, 2018, based on the total number of shares outstanding as of June 13, 2018, of 75,500,000 shares.



2017年12月31日

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0.00

冠縣怡寧醫院有限公司),

2017年12月31日

0.00

杭州耶利米信息科技有限公司),

2018年12月27日

杭州怡寧醫院有限公司),

2016年12月25日

荷澤怡寧神病醫院有限公司),

荷澤怡寧醫院有限公司),

2017年12月6日

0.00

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淮南康寧醫院有限公司),

2017年12月22日

廊坊怡寧醫院有限公司),

廊坊市怡寧醫院管理有限公司),

2015年12月2日

...

... (台州市路  
橋慈寧醫院有限公司, ... (台州市路橋怡寧醫  
院有限公司)),

公司), 2016年10月19日, 2016年10月19日

公司), 2016年10月19日, (四會康寧醫院有限公司), 2016年10月19日, (廣東肇康醫療投資有限公司), 2019年10月10日

公司), 2016年10月19日

公司), 2016年10月19日, (台州康寧醫院有限公司), 2016年10月30日, 2016年10月30日

公司), 2016年10月19日

公司), 2016年10月19日, (溫嶺南方精神疾病專科醫院有限公司), 2018年10月20日, 2018年10月20日

公司), 2016年10月19日

公司), 2016年10月19日, (溫州慈寧醫院有限公司), 2006年10月25日, 2006年10月25日

公司), 2016年10月19日

公司), 2016年10月19日, (溫州國大投資有限公司), 2002年10月9日, 2002年10月9日

公司), 2016年10月19日

公司), 2016年10月19日, (廊坊三河燕郊輔仁醫院, 燕郊輔仁中西醫結合醫院), 2015年10月26日, 2015年10月26日

公司), 2016年10月19日

公司), 2016年10月19日, (永嘉康寧醫院有限公司), 2012年10月12日, 2012年10月12日

公司), 2016年10月19日

公司), 2016年10月19日, (永嘉康寧醫院有限公司), 2012年10月12日, 2012年10月12日

