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Corporate Information



Executive Directors

Mr. G. AN (Chairman)

Mr. ANG L

Mr. ANG J

Non-executive Directors

Mr. QIN H

Mr. LI C

Mr. (Assistant Secretary, 4, 2026)

Independent Non-executive Directors

Mr. HONG

Mr. JIN L

Mr. E O F (Assistant Secretary, 30, 2026)



Mr. HONG (Chairman)

Mr. LI C

Mr. JIN L



Mr. E O F (Chairman)

Mr. G. AN

Mr. JIN L



Mr. JIN L (Chairman)

Mr. HONG

Mr. E O F



Mr. G. AN (Chairman)

Mr. HONG

Mr. QIN H



Mr. N (Chairman)

Mr. AN (Assistant Secretary, 30, 2026)

Mr. IE

Mr. QIAN C

Mr. (Assistant Secretary, 14, 2026)



Mr. ANG J

Mr. ONG C (Assistant Secretary, 10, 2026)



Mr. G. AN

Mr. ANG J (Assistant Secretary, 10, 2026)

Mr. ONG C (Assistant Secretary, 10, 2026)



BDO C L P C P A LLP



C C



H

P C

Corporate Information

P H P K B
40/F, D F C
248 Q ' , E

H K
H

G H K I L
1712-1716, 17 E
H C
183 Q ' , E

H K
G
2120

G
'

I
: (86) 577 8877 1689
F : (86) 577 8878 9117

Financial Highlights

P F D I

For the six months ended June 30,

	2026 (RMB'000) (Unaudited)	2025 (MB'000) (, ,)
	829,481	738,562
P	23,715	41,980
I	1,528	15,210
N	22,187	26,769
N	33,773	36,530
P	-11,586	-9,761

As at
June 30, 2026 D A
(RMB'000) (MB'000)
(Unaudited) (A , ,)

	2,924,927	3,025,567
	1,604,226	1,713,937
	1,320,701	1,311,630
E	1,206,196	1,187,819
N	114,505	123,811

For the six months ended June 30,

	2026 (RMB'000) (Unaudited)	2025 (MB'000) (, ,)
N	111,549	198,522
N	-52,515	-126,962
N	-35,720	6,317
N	23,240	77,874

Management Discussion and Analysis



Management Discussion and Analysis

Elderly Healthcare Business

As at June 30, 2026, the Company's elderly healthcare business includes the following:

1. **Wenzhou Kangning Hospital Co., Ltd. (WKNH)**

WKNH is a leading provider of elderly healthcare services in Wenzhou, Zhejiang. It operates several nursing homes and provides comprehensive care, including medical, nursing, and rehabilitation services. WKNH has a strong reputation for quality care and has received numerous awards and certifications.

2. **Wenzhou Kangning Hospital Co., Ltd. (WKNH) - Wenzhou Kangning Hospital Co., Ltd. (WKNH)**

WKNH is a leading provider of elderly healthcare services in Wenzhou, Zhejiang. It operates several nursing homes and provides comprehensive care, including medical, nursing, and rehabilitation services. WKNH has a strong reputation for quality care and has received numerous awards and certifications.

As at June 30, 2026, the Company's elderly healthcare business includes the following:

1. **Wenzhou Kangning Hospital Co., Ltd. (WKNH)**

WKNH is a leading provider of elderly healthcare services in Wenzhou, Zhejiang. It operates several nursing homes and provides comprehensive care, including medical, nursing, and rehabilitation services. WKNH has a strong reputation for quality care and has received numerous awards and certifications.

2. **Wenzhou Kangning Hospital Co., Ltd. (WKNH) - Wenzhou Kangning Hospital Co., Ltd. (WKNH)**

WKNH is a leading provider of elderly healthcare services in Wenzhou, Zhejiang. It operates several nursing homes and provides comprehensive care, including medical, nursing, and rehabilitation services. WKNH has a strong reputation for quality care and has received numerous awards and certifications.

	As at June 30, 2026		As at June 30, 2025
	Number of institutions	Number of operating beds	Number of institutions
H	7	2,610	6
H	1	170	1
	8	2,780	7

As at June 30, 2026, the Company's elderly healthcare business includes the following:

1. **Wenzhou Kangning Hospital Co., Ltd. (WKNH)**

WKNH is a leading provider of elderly healthcare services in Wenzhou, Zhejiang. It operates several nursing homes and provides comprehensive care, including medical, nursing, and rehabilitation services. WKNH has a strong reputation for quality care and has received numerous awards and certifications.

2. **Wenzhou Kangning Hospital Co., Ltd. (WKNH) - Wenzhou Kangning Hospital Co., Ltd. (WKNH)**

WKNH is a leading provider of elderly healthcare services in Wenzhou, Zhejiang. It operates several nursing homes and provides comprehensive care, including medical, nursing, and rehabilitation services. WKNH has a strong reputation for quality care and has received numerous awards and certifications.

Management Discussion and Analysis

F

G
J 30, 2025: MB738.6), MB829.5 P (2025.
12.3%
A
J 30, 2025: MB690.9), MB709.7 (2025. D
2.7%
P , G 25.0%
J 30, 2025: 24.2%). G MB204.4
8.0% 2025. D P
C MB33.8 7.5% 2025.
D P G MB111.5
J 30, 2025: MB198.5), 43.8%
2025.

Revenue and Cost of Revenue

G : () ; ()
; ()
;

	For the six months ended June 30,	
	2026	2025
	(RMB'000)	(MB'000)
	(Unaudited)	()
Revenue from operating owned hospitals	709,707	690,903
	494,396	489,760
	215,311	201,143
Revenue from other healthcare related business	119,410	46,753
Other revenue not related to healthcare business	364	906
Total revenue	829,481	738,562

Management Discussion and Analysis

For the six months ended June 30, 2026, the Company's revenue from operating owned hospitals was RMB695.9 million, an increase of 3.7% compared with RMB695.9 million for the same period in 2025. The increase was primarily due to the increase in the number of inpatients and the increase in the average length of stay. The Company's revenue from operating owned hospitals was RMB695.9 million, an increase of 3.7% compared with RMB695.9 million for the same period in 2025. The increase was primarily due to the increase in the number of inpatients and the increase in the average length of stay.

	2026 (RMB'000) (Unaudited)	2025 (MB'000) ()
Billing Revenue from owned hospitals	695,921	722,440
Less: Variable considerations	-13,786	31,537
Revenue from operating owned hospitals – net	709,707	690,903

For the six months ended June 30, 2026, the Company's revenue from operating owned hospitals was RMB695.9 million, an increase of 3.7% compared with RMB695.9 million for the same period in 2025. The increase was primarily due to the increase in the number of inpatients and the increase in the average length of stay. The Company's revenue from operating owned hospitals was RMB695.9 million, an increase of 3.7% compared with RMB695.9 million for the same period in 2025. The increase was primarily due to the increase in the number of inpatients and the increase in the average length of stay.



Management Discussion and Analysis

Management Discussion and Analysis

Psychiatric healthcare business		
	For the six months ended June 30,	
	2026	2025
	(Unaudited)	()
Inpatients		
I	8,528	8,918
E	1,543,568	1,614,158
(%)	90.3	88.1
N	1,394,373	1,422,112
(MB'000)	368,484	387,395
A	264	272
(MB)		
P	39,945	44,393
(MB'000)		
A	29	31
(MB)		
Total inpatient revenue (RMB'000)	408,429	A

Management Discussion and Analysis

D 2025, MB408.4
 5.4%
 K
 K
 B
 83.7% (J 30, 2025: 83.7%).

D 2025, MB79.6
 5.2%
 40.4%.
 B
 16.3%
 (J 30, 2025: 16.3%).

D 2025, 79.6%
 4.9%
 7.3%
 20.4%
 9.8%
 10.3%
 74.7%
 20.8%
 74.8%

Management Discussion and Analysis

Elderly healthcare business

	For the six months ended June 30,	
	2026 (Unaudited)	2025 (, ,)
Inpatients		
I	2,780	2,900
E		



WENZHOU KANGNING HOSPITAL CO., LTD.
2026 INTERIM REPORT

Management Discussion and Analysis

For the six months ended June 30,		
	2026	2025
	(RMB'000)	(MB'000)
	(Unaudited)	()
P	145,891	149,554
E	234,229	233,447
D	68,127	57,175
C	34,739	33,470
	6,181	5,413
O	43,047	44,834
Cost of revenue of owned hospitals		
	532,214	523,893

D P 1.6% 2025. MB532.2 2.4% 0.3% 2025; () 19.2% 2025.

I 27.4% (J 30, 2025: 28.6%), 44.0% (J 30, 2025: 44.6%), 12.8% (J 30, 2025: 10.9%).

Management Discussion and Analysis

	For the six months ended June 30,	
	2026	2025
	(RMB' 000)	(MB'000)
Revenue from the healthcare related business	72,543	28,288
Revenue from the other healthcare related business	41,972	5,625
	4,895	12,840
Revenue from the other healthcare related business	119,410	46,753

Management Discussion and Analysis

Gross Profit and Gross Profit Margin

During the six months ended June 30, 2026, the Company's gross profit was RMB177.5 million, an increase of 8.0% compared with RMB164.3 million for the same period in 2025. The gross profit margin was 24.6%, an increase of 6.3 percentage points compared with 18.3% for the same period in 2025. The increase in gross profit and gross profit margin was mainly due to the increase in the number of inpatients and the improvement of the medical service quality.

	For the six months ended June 30,	
	2026 (Unaudited)	2025 (Audited)
Operating income	25.0%	24.2%
Operating profit	28.6%	28.4%
Operating expense	16.7%	16.4%
Operating loss	22.5%	46.6%
Consolidated gross profit margin	24.6%	25.6%

During the six months ended June 30, 2026, the Company's gross profit margin was 24.6% (compared with 25.6% for the same period in 2025).

Management Discussion and Analysis

Tax and Surcharge

During the six months ended June 30, 2026, the Company incurred tax and surcharge of RMB6.2 million (MB6.2 million), compared with RMB5.1 million (MB5.1 million) for the same period in 2025.

Selling Expenses

During the six months ended June 30, 2026, the Company incurred selling expenses of RMB3.7 million (MB3.7 million), compared with RMB3.7 million (MB3.7 million) for the same period in 2025. The increase was mainly due to the increase in the amount of the Company's sales commission, which increased by 0.5% (MB0.5%) for the same period in 2026 compared with the same period in 2025.

Administrative Expenses

During the six months ended June 30, 2026, the Company incurred administrative expenses of RMB24,452 thousand (MB24,452 thousand), compared with RMB28,032 thousand (MB28,032 thousand) for the same period in 2025. The decrease was mainly due to the decrease in the amount of the Company's depreciation and amortization expenses, which decreased by 3.6% (MB3.6%) for the same period in 2026 compared with the same period in 2025.

For the six months ended June 30,

	2026 (RMB'000) (Unaudited)	2025 (MB'000) (MB'000)
Employee compensation and benefits	69,009	71,695
Depreciation and amortization	16,490	15,388
Property taxes	5,739	4,666
Other	1,719	2,039
Total administrative expenses	24,452	28,032
Total administrative expenses	117,409	121,820

During the six months ended June 30, 2026, the Company incurred depreciation and amortization expenses of RMB117.4 million (MB117.4 million), compared with RMB117.4 million (MB117.4 million) for the same period in 2025. The increase was mainly due to the increase in the amount of the Company's depreciation and amortization expenses, which increased by 3.6% (MB3.6%) for the same period in 2026 compared with the same period in 2025. The increase was mainly due to the increase in the amount of the Company's depreciation and amortization expenses, which increased by 3.6% (MB3.6%) for the same period in 2026 compared with the same period in 2025.

Management Discussion and Analysis

Research and Development Expenses

For the six months ended June 30,		
	2026	2025
	(RMB'000)	(MB'000)
	(Unaudited)	()
C	11,909	11,923
D	2,993	2,933
C	709	807
Total	15,611	15,663
D	P	G

Management Discussion and Analysis

Finance Expenses – Net

			For the six months ended June 30,	
			2026	2025
			(RMB'000)	(MB'000)
			(Unaudited)	()
I			-1,877	-587
E			73	2
B			12,550	13,723
I			4,258	4,654
I			1,927	3,682
O			1,199	533
Finance expenses – net			18,130	22,007

D MB3.9 P MB18.1 G 2025 MB1.2 2025, MB1.8 2025,

For the six months ended June 30,

2026	2025
(RMB'000)	(MB'000)
(Unaudited)	



Management Discussion and Analysis

Financial Position

Inventory

At December 31, 2026, the carrying amount of inventory was MB43.8 million (December 31, 2025: MB46.0 million), which was primarily composed of raw materials and finished products.

Accounts Receivable

At December 31, 2026, the carrying amount of accounts receivable was MB400.9 million (December 31, 2025: MB462.9 million), of which the amount of accounts receivable with a carrying amount of MB13.4 million was classified as bad debt.

At December 31, 2026, the carrying amount of accounts payable was MB122.0 million (December 31, 2025: MB122.0 million), of which the amount of accounts payable with a carrying amount of MB94.0 million was classified as short-term debt.

Other Receivables and Prepayments

At December 31, 2026, the carrying amount of other receivables and prepayments was MB90.7 million (December 31, 2025: MB93.6 million).

Long-term Equity Investments

At December 31, 2026, the carrying amount of long-term equity investments was MB95.9 million (December 31, 2025: MB95.9 million).

Other Non-current Financial Assets

At December 31, 2026, the carrying amount of other non-current financial assets was MB23.9 million (December 31, 2025: MB28.1 million). The carrying amount of other non-current financial assets was primarily composed of equity investments in Chongqing Jintong Medical Health Service Industry Equity Investment Fund (Limited Partnership) (重慶金浦醫療健康服務產業股權投資基金合夥企業(有限合夥)).

Fixed Assets

At December 31, 2026, the carrying amount of fixed assets was MB1,175.0 million (December 31, 2025: MB1,159.4 million).

Construction in Progress

At December 31, 2026, the carrying amount of construction in progress was MB18.0 million (December 31, 2025: MB13.1 million).

Management Discussion and Analysis

Right-of-use Assets

At the end of December 31, 2026, the carrying amount of right-of-use assets was MB176.8 million (December 31, 2025: MB192.4 million).

Intangible Assets

At the end of December 31, 2026, the carrying amount of intangible assets was MB256.8 million (December 31, 2025: MB285.8 million).

Goodwill

At the end of December 31, 2026, the carrying amount of goodwill was MB126.5 million (December 31, 2025: MB126.5 million).

Long-term Prepaid Expenses

At the end of December 31, 2026, the carrying amount of long-term prepaid expenses was MB99.5 million (December 31, 2025: MB121.6 million). The carrying amount of long-term prepaid expenses decreased by MB24.7 million due to the expiration of the prepaid period.

Deferred Tax Assets

At the end of December 31, 2026, the carrying amount of deferred tax assets was MB52.6 million (December 31, 2025: MB55.3 million).

Accounts Payable

At the end of December 31, 2026, the carrying amount of accounts payable was MB124.0 million (December 31, 2025: MB160.8 million).

Receipts in Advance

At the end of December 31, 2026, the carrying amount of receipts in advance was MB38.3 million (December 31, 2025: MB23.3 million).

Other Payables

At the end of December 31, 2026, the carrying amount of other payables was MB83.6 million (December 31, 2025: MB91.9 million).

Management Discussion and Analysis

LIABILITIES AND EQUITY

	For the six months ended June 30,	
	2026	2025
	(RMB'000)	(MB'000)
	(Unaudited)	()
N	111,549	198,522
N	-52,515	-126,962
N	-35,720	6,317
N	23,240	77,874

Net Cash Generated from Operating Activities

D	P	MB111.5
		MB33.8
		MB17.9
		MB83.8
		MB-16.0
	C	

Net Cash Used in Investing Activities

D	P	MB52.5
		MB62.3
K	H	L
		C

Net Cash Used in Financing Activities

D	P	MB35.7
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Significant Investment, Acquisition and Disposal

G	J	30, 2026.
A	G	B

Management Discussion and Analysis

I. Overview

Bank Borrowings

As of December 31, 2026, the Company's bank borrowings were RMB940.7 million (December 31, 2025: RMB989.2 million), of which short-term bank borrowings were RMB268.0 million, long-term bank borrowings were RMB219.5 million, and other bank borrowings were RMB453.2 million.

Contingent Liabilities

As of December 31, 2026, the Company had no contingent liabilities. As of December 31, 2025, the Company had no contingent liabilities.

Asset Pledge

The Company's assets pledged as collateral for bank borrowings are as follows:

Asset Type	Asset Description	Original Value (RMB million)	Net Book Value (RMB million)	Year of Acquisition	Year of Pledge	Collateral Type	Collateral Value (RMB million)	Collateral Ratio (%)
Land Use Rights	Land Use Rights (2016)	826.751	826.750	2016	2016	Land Use Rights	826.750	100.00
	Land Use Rights (2021)	1.144	1.142	2021	2021	Land Use Rights	1.142	100.00
Buildings	Buildings (2015)	1.1628	1.11836	2015	2015	Buildings	1.11833	95.33
	Buildings (2017)	1.136	1.133	2017	2017	Buildings	1.133	100.00
Machinery	Machinery (2020)	382.6	382.6	2020	2020	Machinery	382.6	100.00
	Machinery (2022)	108.1	108.1	2022	2022	Machinery	108.1	100.00
Intangible Assets	Intangible Assets (2022)	35.0	35.0	2022	2022	Intangible Assets	35.0	100.00
	Intangible Assets (2023)	55.7	55.7	2023	2023	Intangible Assets	55.7	100.00
Other Assets	Other Assets (2023)	71.3	71.3	2023	2023	Other Assets	71.3	100.00
	Other Assets (2024)	112.0	112.0	2024	2024	Other Assets	112.0	100.00

Management Discussion and Analysis

Lease Liabilities

As of December 31, 2026, the Company's lease liabilities are primarily composed of operating lease liabilities. The Company has entered into various operating lease agreements for its properties, equipment, and other assets. The lease liabilities are measured at the present value of the lease payments, discounted using the incremental borrowing rate. The Company's lease liabilities are classified as non-current liabilities on the balance sheet. The Company's lease liabilities are subject to the risk of changes in interest rates and the risk of changes in the fair value of the leased assets.

Financial Instruments

The Company's financial instruments are primarily composed of cash, accounts receivable, accounts payable, and other receivables. The Company's financial instruments are subject to the risk of changes in interest rates and the risk of changes in the fair value of the financial instruments. The Company's financial instruments are classified as current assets and current liabilities on the balance sheet. The Company's financial instruments are subject to the risk of changes in interest rates and the risk of changes in the fair value of the financial instruments.

Exposure to Fluctuation in Exchange Rates

Management Discussion and Analysis

E I
 I C E I 2018 K H C L ()
 2017 J 13, 2018. I C C
 A B C E I E I
 B J 24, 2021. C M 29, 2018,
 M 30, 2018, M 14, 2021, J 18, 2021
 J 25, 2021.
 E I 165 1,818,529
 P 23
 180,516 P ()
 13 540,229 A
 8 79,274 A
 E I 193 2,460,000
 3.49%
 C 48
 MB10.47
 A 2,460,000 E I
 J 18, 2021, P
 E I J 30, 2026.

Management Discussion and Analysis

D

30, 2026,

E

I

Name/Category of Grantee	Date of Grant	Vesting Date (Unlocking Date)	Grant Price (RMB/Share)	Balance of Incentive Shares	Balance of Incentive Shares	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 January 1, 2026	Granted and Vested as at January 1, 2026					Granted but not Vested as at June 30, 2026

D

M . ANG L

J 18, 2021

J 28, 2022

10.47

76

248,328

M . IE

J 18, 2021

J 28, 2022

10.47

4,776

0.47(0.33) 1.9567.6537 ANG L 0.47(0.47) 5.4009.792356 (M .) 5.4009.792356 (J 28,) 5.40 7.6537 H .) 5.17 0 9 208.0632 377.6537 (2021) 5.302 1 (M .) 5.4009.799 223.35 (J 28,)

Management Discussion and Analysis

Name/Category of Grantee	Date of Grant	Vesting Date (Unlocking Date)	Grant Price (RMB/Share)	Balance of Incentive Shares		Balance of Incentive Shares		Vested		Incentive Shares	
				Granted but not Vested as at	Granted and Vested as at	Granted during the	(Unlocked) during the	Cancelled during the	Lapsed during the	Granted but not Vested as at	
				January 1, 2026	January 1, 2026	Reporting Period	Reporting Period	Reporting Period	Reporting Period	June 30, 2026	
M. HANGL () (- - M. G AN) M ()	J 18, 2021	J 28, 2022	10.47	.	4,776	.	.	.	.	.	.
	A 20, 2018	J 28, 2022	10.47	.	133,715	.	.	.	.	.	.
	A 16, 2021	J 28, 2022	10.47	.	47,755	.	.	.	.	.	.
	A 20, 2018	J 28, 2022	10.47	.	1,605,540	.	.	.	.	.	.
C O E P	A 26, 2019	J 28, 2022	10.47	.	180,516	.	.	.	.	.	.
	A 16, 2021	J 28, 2022	10.47	.	36,886	.	.	.	.	.	.
					2,460,000	.	.	.	.	.	.

A E I D C

Management Discussion and Analysis

Directors

ANG L	A	23, 2024	0	74,475	.	.	.	24,825	9.30	.	.	49,650
	A	23, 2024	7	37,500	.	.	.	12,500	9.30	.	.	25,000
ANG J	A	23, 2024	0	44,325	.	.	.	14,775	9.30	.	.	29,550
	A	23, 2024	7	37,500	.	.	.	12,500	9.30	.	.	25,000

Five Individuals with Highest Emoluments (Excluding Directors)

E	A	23, 2024	7	22,500	.	.	.	7,500	9.30	.	.	15,000
	A	12, 2024	0	43,125	.	.	.	14,375	9.00	.	.	28,750
E M	A	23, 2024	7	22,500	.	.	.	7,500	9.30	.	.	15,000
	A	12, 2024	0	15,750	.	.	.	5,250	9.00	.	.	10,500

Other Employees (Excluding Directors and Five Individuals with Highest Emoluments)

E	A	12, 2024	0	94,650	.	.	.	31,300	9.00	.	.	62,600
	A	23, 2024	7	296,250	.	.	.	98,750	9.30	.	.	197,500
	J	18, 2024	7	241,500	.	.	.	79,500	8.20	12,750	.	146,250
				930,075	.	.	.	308,775		12,750	.	604,800

Management Discussion and Analysis

1: H A :

Vesting Period	Vesting Time		Vesting Percentage
F	E	12	25%
	E	12	25%
	E	24	25%
	E	24	25%
	E	36	
	E	36	25%
	E	48	

Corporate Governance and Other Information

A、C

C
A、C
3.21
3.22
H K L
CG C
A、C
B A J 30, 2026, A、C
D M HONG (A、C) M JIN L
D M LI C A、C G
J 30, 2026

I D

B P I D B
2026 MB1.80 (IN E IM
) 10
E L ANNO NCEMEN FO HE J MON H ENDED J NE 30, 2026
C
P MB2,671,838
) 37.5% (C
P I D C H K
6 B C
P I (EGM) 0.070 0 -1.55
P

Corporate Governance and Other Information

1. 2026年1-6月，公司按照《中华人民共和国企业所得税法》（以下简称“《企业所得税法》”）的规定，依法缴纳企业所得税。

Corporate Governance and Other Information

P, L, D, P, C, ().

A, J 30, 2026, 1,959,800 H, G.

C, D, M

O, M 14, 2026, M. FANG, C.

A 2025, J 30, 2026, M. E, O, F, D, B, D, C, J 30, 2026, B, D, M. AN, C, J 30, 2026, C.

O, J 30, 2026, M. CHAN, K, H, D, C.

A, D, G, M, C, B, D, J 30, 2026, M, J 30, 2026.

O, A 14, 2026, M, C.

A 2026, 4, 2026, M, D, B, D, C, B, D, 4, 2026.

C, P, D.

Corporate Governance and Other Information

E

P

Full Circulation of Shares

Public Float

M 7, 2026, J 3, 2026 J 6, 2026 F 5, 2026, M 2, 2026, A 9, 2026, C ;

D H C E A 14, 2025, C C C A 21, 2025 C 9,286,359 D

H A , 4, 2025, C , 24.11%, 25% L (M P

P).

26,258,059 H C C

37.30% A , 19A.28B L M P P

P

[illegible]

Corporate Governance and Other Information

D I

Directors', Supervisors' and Chief Executives' Interests in Securities

A. J. 30, 2026, D, C, H, K, E, 352, FO, C, H, K, E, M, G, :

Name of Directors	Class of Shares	Nature of Interest	Number of Shares	Total Number of Shares	Approximate Percentage in Shares of the Same Class ⁽¹⁾	Approximate Percentage of the Company's Total Issued Share Capital ⁽¹⁾
M. G. AN ⁽²⁾	D	B	B			



Corporate Governance and Other Information

As of June 30, 2026, the Company has a total of 352,000 shares outstanding, all of which are ordinary shares. The Company's shares are listed on the Shanghai Stock Exchange. The Company's shares are held by approximately 10,000 shareholders. The Company's shares are classified into two classes: ordinary shares and preferred shares. The Company's shares are issued in the form of registered shares. The Company's shares are subject to the provisions of the Company's Articles of Association and the Shanghai Stock Exchange Listing Rules. The Company's shares are not subject to any restrictions on transfer. The Company's shares are not subject to any pledge or other security interests. The Company's shares are not subject to any other legal or equitable claims. The Company's shares are not subject to any other legal or equitable claims.

Interests of Substantial Shareholders

As of June 30, 2026, the Company has 336,000 shares outstanding, all of which are ordinary shares. The Company's shares are listed on the Shanghai Stock Exchange. The Company's shares are held by approximately 10,000 shareholders. The Company's shares are classified into two classes: ordinary shares and preferred shares. The Company's shares are issued in the form of registered shares. The Company's shares are subject to the provisions of the Company's Articles of Association and the Shanghai Stock Exchange Listing Rules. The Company's shares are not subject to any restrictions on transfer. The Company's shares are not subject to any pledge or other security interests. The Company's shares are not subject to any other legal or equitable claims. The Company's shares are not subject to any other legal or equitable claims.

Name	Class of Shares	Nature of Interest	Number of Shares	Approximate Percentage in Same Class ⁽¹⁾	Approximate Percentage of the Company's Total Issued Share Capital ⁽¹⁾
C E I, I F, G, L, (中央企業鄉村產業投資基金股份有限公司)	D	B	7,466,666(L)	14.15%	10.32%
J E M C (L, P) (上海金浙企業管理中心(有限合夥)) ⁽²⁾	D				

Corporate Governance and Other Information

Name	Class of Shares	Nature of Interest	Number of Shares	Approximate Percentage in Shares of the Same Class ⁽¹⁾	Approximate Percentage of the Company's Total Issued Share Capital ⁽¹⁾
上海金浦健服股權投資管理有限公司 ⁽²⁾ M J J E I G., L., .	D	I	4,540,000(L)	8.61%	6.27%
溫州金寧股權投資合夥企業(有限合夥) P J E I (L., P.)	D	B	4,540,000(L)	8.61%	6.27%
(6)	D	I	27,330,100(L)	51.80%	37.77%
	H	I	458,300(L)	2.34%	0.63%
上海檀英投資合夥企業(有限合夥) I L.P.	D	B	4,519,003(L)	8.57%	6.25%
上海樂進投資合夥企業(有限合夥) ⁽³⁾ L I L.P.	D	I	4,519,003(L)	8.57%	6.25%
LIN L	D	I	5,846,364(L)	11.08%	8.08%
上海正心谷投資管理有限公司 M J I G., L., .	D	I	5,846,364(L)	11.08%	8.08%
上海盛歌投資管理有限公司 ⁽⁴⁾ I M G., L., .					
萬得信息技術股份有限公司 I M G., L., .	D	I	3,333,000(L)	6.32%	4.61%
上海荷花緣企業管理中心(有限合夥) M H E C (L., P.)	D	I	3,333,000(L)	6.32%	4.61%

Corporate Governance and Other Information

Name	Class of Shares	Nature of Interest	Number of Shares	Approximate Percentage in Shares of the Same Class ⁽¹⁾	Approximate Percentage of the Company's Total Issued Share Capital ⁽¹⁾
WIDE (J) LTD. P (L, P) (, I) (萬得影響力股權投資(嘉興)合夥企業 (有限合夥))(萬得投資)	D	B	3,333,000(L)	6.32%	4.61%
CI IC I G., L. (中信證券投資有限公司)	D	B	2,780,000(L)	5.27%	3.84%
CI IC G L (中信證券股份有限公司) ⁽⁵⁾	D	I	2,780,000(L)	5.27%	3.84%
O M, A, LLC	H	I	1,454,000(L)	7.42%	2.01%
O M, C LLC	H	I	2,150,900(L)	10.97%	2.97%
O M, P M F, L	H	B	1,279,900(L)	6.53%	1.77%
O M, P II, L.P.	H	B	1,052,000(L)	5.37%	1.45%
B G, AG	H	I	1,029,400(L)	5.25%	1.42%
O H	H	B	1,680,000(L)	8.57%	2.32%
ANG H ⁽⁶⁾	D	B	5,785,350(L)	10.97%	8.00%
		I	21,544,750(L)	40.84%	29.77%
	H	B	309,000(L)	1.58%	0.43%
		I	149,300(L)	0.76%	0.21%
K H, L	H	I	3,114,450(L)	15.89%	4.30%
G (HK) L	H		3,114,450(L)	15.89%	4.30%

Corporate Governance and Other Information

Notes:

(L):

(1) 52,760,000 19,598,900 H

Corporate Governance and Other Information

On June 30, 2026, the Company held its 2026 Annual General Meeting of Shareholders (AGM) to elect the members of the Board of Directors and the Board of Supervisors. The AGM was held in accordance with the provisions of the Company's Articles of Association and the Regulations for the Shareholders' Meeting. The AGM was held in the form of a video conference, and the attendance rate of the shareholders was 98.33%. The AGM was held in accordance with the provisions of the Company's Articles of Association and the Regulations for the Shareholders' Meeting. The AGM was held in the form of a video conference, and the attendance rate of the shareholders was 98.33%.

Wenzhou Kangning Hospital Co., Ltd.
GUAN Weili

P C
21, 2026

Consolidated Balance Sheet

A 30 J 2026

(A MB)

Assets	N 4	Balance as at the end of the period	B
Current assets:			
C	4.1	312,288,962.69	294,039,860.88
P			
F	4.2	8,916,323.73	8,573,388.20
D			
N	4.3	2,102,126.86	1,486,564.55
A	4.4	400,880,378.60	462,939,569.82
A			
I	4.5	15,647,162.19	15,792,568.62
O	4.6	75,077,168.55	77,790,656.08
F			
I	4.7	43,763,736.07	46,032,543.08
I			
G			
A			
N			
O	4.8	22,455,982.35	25,380,696.08
Total current assets		881,131,841.04	932,035,847.31

Consolidated Balance Sheet

A 30 J 2026

(A MB)

		Balance as at the end of the period	B
Assets	N 4		
Non-current assets:			
G			
D			
O			
	4.9	95,901,984.49	95,912,391.92
	4.10	23,922,657.55	28,123,065.82
	4.11	1,175,045,360.14	1,159,366,939.63
	4.12	18,010,945.28	13,091,854.50
	4.13	176,805,730.32	192,354,108.23
	4.14	256,765,010.68	285,757,258.42
	4.15	126,454,937.63	126,454,937.63
	4.16	99,540,819.62	121,609,290.74
	4.17	52,597,921.08	55,346,815.83
	4.18	18,750,165.69	15,514,860.97
Total non-current assets		2,043,795,532.48	2,093,531,523.69
Total assets		2,924,927,373.52	3,025,567,371.00

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GUAN WeiliP
JIN Hui

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WANG Minhui

D :

Consolidated Balance Sheet

A 30 J 2026

(A MB)

		Balance as at the end of the period	B
Liabilities and shareholders' equity	N 4		
Current liabilities:			
4.20	144,675,386.56	109,243,676.71	
4.21		1,805,503.25	
4.22	26,025,756.94		
4.23	123,971,726.98	160,803,092.48	
4.24	38,250,230.15	23,327,087.38	
4.25	268,867.92	161,104.98	
4.26	68,352,159.50	84,431,492.90	
4.27	24,086,675.09	35,809,004.43	
4.28	83,635,595.54	91,859,119.30	
4.29	254,876,060.46	201,407,509.55	
4.30	1,818,258.94	3,214,866.97	
Total current liabilities		765,960,718.08	712,062,457.95

Consolidated Balance Sheet

A 30 J 2026

(A MB)

		Balance as at the end of the period	B
Liabilities and shareholders' equity	N 4		
Non-current liabilities:			
I *			
4.31	592,791,355.05	746,952,957.47	
B			
I : P			
P			
L	4.32	134,586,128.49	148,475,651.18
4.33	62,658,100.16	47,419,832.76	
E			
4.34	18,073,619.00	11,200,315.00	
4.17	30,174,216.19	40,820,051.32	
D			
O			

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Consolidated Balance Sheet

A 30 J 2026

(A MB)

		Balance as at the end of the period	B
Liabilities and shareholders' equity	N 4		
Shareholders' equity:			
O	4.35	72,358,900.00	72,358,900.00
I : P			
P			
C	4.36	762,132,927.31	760,645,326.71
L :	4.37	47,815,625.17	47,815,625.17
O			
	4.38	38,399,577.13	38,399,577.13
P			
	4.39	381,120,235.40	364,230,299.84
		1,206,196,014.67	1,187,818,478.51
N		114,505,221.88	123,811,419.81

Assets	16	Balance as at the end of the period	B
Current assets:			
C		142,686,937.02	94,963,270.69
F			
D			
N			
A	16.1	35,778,993.44	36,684,264.84
A		514,070.69	1,846,331.88
O	16.2	478,250,413.79	550,863,300.90
I		9,991,932.47	10,183,513.42
I			
C			
A			
N			
O			
Total current assets		667,222,347.41	694,540,681.73

		Balance as at the end of the period	B
Liabilities and shareholders' equity	N 16		
Current liabilities:			
Short-term borrowings		121,000,000.00	93,720,000.00
Trade payables			
Other payables			
Accounts payable		45,779,996.59	35,437,646.63
Other payables		6,152,014.04	4,504,580.09
Other payables			
Other payables		16,452,808.83	20,959,095.77
Other payables		3,957,433.08	3,963,391.03
Other payables		28,890,690.91	22,658,542.55
Other payables			
Other payables		202,883,832.00	142,430,144.00
Other payables			
Total current liabilities		425,116,775.45	323,673,400.07
Non-current liabilities:			
Long-term borrowings		224,850,000.00	379,700,000.00
Long-term payables			
Long-term payables			
Long-term payables			
Long-term payables			
Long-term payables		39,203,648.69	20,752,353.52
Long-term payables			
Long-term payables			
Long-term payables		7,974,619.00	8,126,515.00
Long-term payables			
Long-term payables			
Total non-current liabilities		272,028,267.69	408,578,868.52
Total liabilities		697,145,043.14	732,252,268.59

		Balance as at the end of the period	B
Liabilities and shareholders' equity	N 16		
Shareholders' equity:			
		72,358,900.00	72,358,900.00
O			
I : P			
P			
C		835,335,992.58	833,848,391.98
L :		47,815,625.17	47,815,625.17
O			
		38,399,577.13	38,399,577.13
		288,308,195.09	287,421,636.91
Total shareholders' equity		1,186,587,039.63	1,184,212,880.85
Total liabilities and shareholders' equity		1,883,732,082.77	1,916,465,149.44

L : P C A : H A D :

GUAN Weili JIN Hui WANG Minhui

Consolidated Income Statement

F M E , , 30 J 2026

(A) MB (B)

Item	Period	Current period	Previous period
I. Total revenue		829,481,414.10	738,561,625.33
I. Sales :	4.40	829,481,414.10	738,561,625.33
I. Sales			
I. Sales			
F. Sales			
II. Total cost of sales		786,080,383.38	717,628,929.06
I. Sales :	4.40	625,074,377.39	549,334,194.14
I. Sales			
F. Sales			
I. Sales			
I. Sales	4.41	6,152,190.16	5,117,058.34
I. Sales	4.42	3,704,122.57	3,688,280.00
G. Sales	4.43	117,409,139.69	121,819,658.37
I. Sales	4.44	15,610,778.66	15,662,922.72
F. Sales	4.45	18,129,774.91	22,006,815.49
I. Sales :		17,354,423.12	18,377,254.10
I. Sales		1,876,835.76	587,377.24
A. Sales :	4.46	6,929,634.38	11,601,815.43
I. Sales	4.47	7,047,095.81	3,832,269.03
I. Sales :		3,177,287.11	-1,206,158.07
G. Sales			
I. Sales			
F. Sales			
G. Sales			
I. Sales			
G. Sales			
I. Sales			
G. Sales			
I. Sales	4.48	382,569.13	477,843.54
C. Sales	4.49	-17,908,324.36	7,616,882.44
A. Sales			
G. Sales	4.50	46,657.62	1,250,151.08

Consolidated Income Statement

Item	Unit	Current period	Preceding period
III. Operating profits (losses represented with "-" sign)		39,898,663.30	45,711,657.79
A. : -	4.51	1,790,407.41	66,456.85
L : -	4.52	17,974,248.24	3,798,544.46
IV. Total profits (total losses represented with "-" signs)		23,714,822.47	41,979,570.18
L : -	4.53	1,527,631.84	15,210,452.03
V. Net profit (net losses represented with "-" signs)		22,187,190.63	26,769,118.15
(I) C			
1. N ,0 , E 8 I)			
N ,0 , E 8.			

Consolidated Income Statement

For the period from January 1, 2026 to June 30, 2026

(Amount in thousands of RMB)

Item	2026 H1	2025 H1	Current period Change (%)
(II) Operating income	22,187,190.63	26,769,118.15	-18.98
1. Operating income	22,187,190.63	26,769,118.15	-18.98
2. Cost of services provided	(3,773,135.56)	(3,653,359.57)	3.28
3. Administrative expenses	(1,585,944.93)	(9,761,241.42)	83.84
4. Cost of goods sold			
5. Selling expenses			
6. Financial expenses			
7. Financial income			
8. Financial expenses			
9. Other income			
Operating profit	18,414,055.07	23,115,758.58	-20.37
VII. Total comprehensive income	22,187,190.63	26,769,118.15	-18.98
A. Total comprehensive income	33,773,135.56	36,530,359.57	-7.55
A. Total comprehensive income	-11,585,944.93	-9,761,241.42	18.68
VIII. Earnings per share:			
(I) Basic earnings per share (MB/100 shares)	4.54	0.48	8.54
(II) Diluted earnings per share (MB/100 shares)	4.54	0.48	8.54

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GUAN Weili

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WANG Minhui

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Item	Nº	Amount for the current period	Amount for the previous period
I. Revenue	16.4	188,739,211.50	191,631,445.80
L : C	16.4	126,878,067.39	128,370,674.76
G		1,655,027.16	2,561,069.88
G		371,907.53	90,226.09
F		34,121,985.20	38,256,463.25
I		11,908,768.61	11,922,725.70
I		3,513,709.22	4,120,776.89
I		8,654,328.52	9,614,227.57
I		6,495,030.71	7,236,569.03
A : O		4,949,365.04	2,672,633.24
I	16.5	5,520,759.22	1,526,125.08
I		520,759.22	1,526,125.08
D			
G			
G			
G			
C			
A			
G			
G			
II. Operating profits (losses represented with "-" signs)		16,253,844.61	12,273,745.29
A : -		198,725.12	600.00
L : -		303,413.27	149,905.92
III. Total profits (losses represented with "-" signs)		16,149,156.46	12,124,439.37
L : -		-1,620,601.72	1,727,950.25
IV. Net profit (losses represented with "-" signs)		17,769,758.18	10,396,489.12
(I) N		17,769,758.18	10,396,489.12
(II) N			

Parent Company's Income Statement

For the period from January 1, 2026 to June 30, 2026

(Amount in thousands of RMB)

Item	2026 N16	Amount for the current period	2025 A15
V. Other comprehensive income, net of tax			
(I) Other comprehensive income			
1. Cash flow hedge			
2. Available-for-sale financial assets			
3. Cash flow hedge			
4. Cash flow hedge			
5. Other			
(II) Other comprehensive income			
1. Other comprehensive income			
2. Cash flow hedge			
3. Available-for-sale financial assets			
4. Cash flow hedge			
5. Other			
6. Earnings per share			
7. Other			
VI. Total comprehensive income		17,769,758.18	10,396,489.12
VII. Earnings per share:			
(I) Basic earnings per share	(MB/100 million shares)		
(II) Diluted earnings per share	(MB/100 million shares)		

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GUAN Weili

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WANG Minhui

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Consolidated Statement of Cash Flows

For the period from January 1 to June 30, 2026				
(Amount in million RMB)				
Item	2026	2025	Amount for the current period	Amount for the corresponding period

I. Cash flows from operating activities



Consolidated Statement of Cash Flows

For the period from January 1 to June 30, 2026
(Amount in thousands of RMB)

Item	2026	Amount for the current period	Amount for the corresponding period of last year
IV. Effect of foreign exchange rate changes on cash and cash equivalents		-73,292.86	-2,486.65
V. Net increase in cash and cash equivalents		23,239,882.63	77,873,891.63
VI. Cash and cash equivalents at the end of the period	4.55	310,912,508.17	333,106,635.79

Prepared by: GUAN Weili Checked by: JIN Hui Approved by: WANG Minhui

Parent Company's Statement of Cash Flows

For the period from January 1, 2026 to June 30, 2026

(Amount in thousands of RMB)

Item	Amount for the current period	Amount for the corresponding period of the previous year
I. Cash flows from operating activities		
Cash received from sales of goods and services	191,543,146.34	204,706,377.93
Cash received from interest and dividends	226,428,000.07	223,954,868.42
Sub-total of cash inflows of operating activities	417,971,146.41	428,661,246.35
Cash paid for purchases of goods and services	59,470,750.21	73,535,871.41
Cash paid for interest and dividends	85,396,690.05	92,633,698.18
Cash paid for taxes	3,966,870.24	3,772,451.41
Cash paid for other operating activities	145,508,480.55	192,295,435.48
Sub-total of cash outflows of operating activities	294,342,791.05	362,237,456.48
Net cash flows from operating activities	123,628,355.36	66,423,789.87
II. Cash flows from investing activities		
Cash received from disposal of long-term assets	4,495,041.87	
Cash received from disposal of subsidiaries	12,500,000.00	
Net cash received from disposal of subsidiaries		2,832.00
Net cash received from disposal of subsidiaries	23,264.00	2,832.00
Cash paid for acquisition of long-term assets		
Sub-total of cash inflows of investing activities	17,018,305.87	2,832.00
Cash paid for acquisition of subsidiaries	1,594,731.65	5,284,196.52
Cash paid for acquisition of subsidiaries		

Parent Company’s Statement of Cash Flows

For the period from January 1, 2026 to June 30, 2026
(Amount in million RMB)

Item	Amount for the current period	Amount for the prior period
III. Cash flows from financing activities		
Cash received from issuing shares		
Cash received from issuing shares	181,000,000.00	113,720,000.00
Cash received from issuing shares	26,524,880.00	
Sub-total of cash inflows of financing activities	207,524,880.00	113,720,000.00
Cash paid for acquiring subsidiaries		
Cash paid for acquiring subsidiaries	248,320,000.00	117,350,000.00
Cash paid for acquiring subsidiaries	25,537,528.52	11,533,957.02
Cash paid for acquiring subsidiaries	24,922,666.96	16,069,212.44
Sub-total of cash outflows of financing activities	298,780,195.48	144,953,169.46
Net cash flows from financing activities	-91,255,315.48	-31,233,169.46
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-73,292.86	-2,486.65
V. Net increase in cash and cash equivalents	47,723,321.24	20,906,769.24
Balance at the beginning of the period	93,598,161.26	110,788,421.25
VI. Cash and cash equivalents at the end of the period	141,321,482.50	131,695,190.49

Prepared by: GUAN Weili Reviewed by: JIN Hui Approved by: WANG Minhui

Item	Amount for the current period													
	Equity attributable to owners of the parent company													
	Other equity instruments			Other										
	State capital	Preferred shares	Perpetual bonds	Others	Capital reserves	Less: treasury stocks	comprehensive income	Special reserves	Surplus reserves	Provision for general risk	Retained earnings	Subtotal	Minority equity	Total shareholders' equity
I. Balance as at the end of the previous year	72,358,900.00				760,645,226.71	47,815,625.17			38,399,577.13		364,230,293.94	1,187,808,470.51	123,811,419.81	1,311,629,889.32
A.														
B.														
0														
II. Balance as at the beginning of the current year	72,358,900.00				760,645,226.71	47,815,625.17			38,399,577.13		364,230,293.94	1,187,808,470.51	123,811,419.81	1,311,629,889.32
III. Increases/decreases in the current period ("+" for increases)					1,487,600.60						16,883,935.56	18,377,536.16	-9,306,197.93	9,071,338.23
(I)											33,773,135.56	33,773,135.56	-11,595,944.93	22,187,190.63
(II) C.					1,487,600.60						1,487,600.60	1,487,600.60	1,913,494.00	3,401,094.60
1.														
2. C.														
3. A.														
4. 0														
(III) P.					1,487,600.60							1,487,600.60	1,913,494.00	1,913,494.00
1.														
2.														
3. P.											-16,883,200.00	-16,883,200.00	366,253.00	-16,516,947.00
4. 0														
(I) I.														
1.														
2.														
3.														
4. C.														
5. C.														
6. 0														
(I)														
1.														
2.														
(I) 0														
IV. Balance as at the end of the current period	72,358,900.00				762,132,927.31	47,815,625.17			38,399,577.13		381,120,229.40	1,206,196,014.67	114,536,221.88	1,320,701,236.55

L
GUAN WeiliP
JIN Hui

:

H
WANG Minhui

D

:

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E									
0									
P P C L P P M									
0									
I. Balance as at the end of the previous year	72,670,000.00	790,024,238.03	27,366,948.64	38,339,577.13	344,235,828.01	1,223,012,794.53	120,268,886.30	1,343,301,680.83	
A.:									
C									
B									
0									
II. Balance as at the beginning of the current year	72,670,000.00	790,024,238.03	27,366,948.64	38,339,577.13	344,235,828.01	1,223,012,794.53	120,268,886.30	1,343,301,680.83	
III. Increases/decreases in the current period ("+" for increases)	-311,100.00	-107,455.91			14,729,353.57	14,310,803.86	2,684,714.73	16,975,518.39	
(I) C	-311,100.00	-107,455.91			36,530,353.57	-418,555.91	-9,761,241.42	26,769,118.15	
1. C	-311,100.00	-2,939,288.96				12,425,956.15	12,425,956.15	12,007,400.24	
2. C						-3,250,398.96	12,425,956.15	9,175,557.19	
3. A		2,831,843.05						2,831,843.05	
4. 0					-21,801,000.00	-21,801,000.00		-21,801,000.00	
(II) P									
1.									
2.									
3. P					-21,801,000.00	-21,801,000.00		-21,801,000.00	
4. 0									
(I) I									
1. C									
2. C									
3.									
4. C									
5. C									
6. 0									
(I) 0									
1.									
2.									
(I) 0									
IV. Balance as at the end of the current period	72,358,900.00	789,916,782.12	27,366,948.64	38,339,577.13	359,015,181.58	1,237,323,598.19	122,953,611.03	1,360,277,209.22	

L : P C A H A D ;
GUAN Weili JIN Hui WANG Minhui

Parent Company's Statement of Changes in Shareholders' Equity

E , , 30 J 2026

(A , , MB ,)

Item	Amount for the current period						Total shareholders' equity
	Other equity instruments					Less treasury stocks	
	Share capital	Preferred shares	Perpetual bonds	Others	Capital reserves		
I. Balance as at the end of the previous year	72,353,900.00				833,943,331.98	47,815,625.17	1,194,212,800.85
A.							
0							
II. Balance as at the beginning of the current year	72,353,900.00				833,943,331.98	47,815,625.17	1,194,212,800.85
III. Increases/decreases in the current period ("+" for increases)					1,487,600.60		2,374,158.78
(I) C							
(II) C							
1. C							886,553.18
2. C							17,769,753.18
3. A					1,487,600.60		1,487,600.60
4. 0							
(III) P					1,487,600.60		1,487,600.60
1.							
2. P							
3. 0							
(I) I							
1. C							
2. C							
3. C							
4. C							
5. C							
6. 0							
()							
1.							
2.							
(I) 0							
			</				

F M E , , 30 J 2026

(A₁, MB, A₂)

[illegible]

Notes to the Financial Statements

F M E , , 30 J 2026

(A, MB,)

1 C

Figure 1. The relationship between the number of species and the number of individuals in the samples collected in the study. The number of species (S) is plotted against the number of individuals (N) on a log-log scale. The data points are fitted with a power-law curve, $S = 0.0001 N^{1.75}$, which is a typical species-area relationship. The curve is shown for the entire dataset (N = 1000, S = 100) and for the subset of samples with N > 100 (N = 100, S = 100). The inset shows the relationship between the number of species and the number of individuals for the subset of samples with N > 100, which is fitted with a power-law curve, $S = 0.0001 N^{1.75}$.

O 15 O_K 2014, G H C., L., E H K L 20 N 2015.

A 30 J 2026, 72,358,900

[illegible]

Figure 1. The effect of the number of trials on the number of correct responses. The number of correct responses was significantly higher than the number of incorrect responses in all conditions. Error bars represent the standard error of the mean.

O 21 2026,   B  D  

Notes to the Financial Statements

F M E , , 30 J 2026
(A , MB ,)

3

3.1 Main tax types and tax rates

Tax type	Basis of tax assessment	Tax rate
A	Income	3%, 6%, 13%
B	Income	7%
C	Income	5%
D	Income	1.2%
E	Income	12%
F	Income	70%
G	Income	15%, 20%, 25%
H	Income	15%
I	Income	15%
J	Income	20%
K	Income	20%
L	Income	20%
M	Income	20%
N	Income	20%
O	Income	20%
P	Income	20%
Q	Income	20%
R	Income	20%
S	Income	20%
T	Income	20%
U	Income	20%
V	Income	20%
W	Income	20%
X	Income	20%
Y	Income	20%
Z	Income	20%
AA	Income	20%
AB	Income	20%
AC	Income	20%
AD	Income	20%
AE	Income	20%
AF	Income	20%
AG	Income	20%
AH	Income	20%
AI	Income	20%
AJ	Income	20%
AK	Income	20%
AL	Income	20%
AM	Income	20%
AN	Income	20%
AO	Income	20%
AP	Income	20%
AQ	Income	20%
AR	Income	20%
AS	Income	20%
AT	Income	20%
AU	Income	20%
AV	Income	20%
AW	Income	20%
AX	Income	20%
AY	Income	20%
AZ	Income	20%
BA	Income	20%
BB	Income	20%
BC	Income	20%
BD	Income	20%
BE	Income	20%
BF	Income	20%
BG	Income	20%
BH	Income	20%
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BR	Income	20%
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BW	Income	20%
BX	Income	20%
BY	Income	20%
BZ	Income	20%
CA	Income	20%
CB	Income	20%
CC	Income	20%
CD	Income	20%
CE	Income	20%
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CI	Income	20%
CJ	Income	20%
CK	Income	20%
CL	Income	20%
CM	Income	20%
CN	Income	20%
CO	Income	20%
CP	Income	20%
CQ	Income	20%
CR	Income	20%
CS	Income	20%
CT	Income	20%
CU	Income	20%
CV	Income	20%
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CX	Income	20%
CY	Income	20%
CZ	Income	20%
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EO	Income	20%
EP	Income	20%
EQ	Income	20%
ER	Income	20%
ES	Income	20%
ET	Income	20%
EU	Income	20%
EV	Income	20%
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EX	Income	20%
EY	Income	20%
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GX	Income	20%
GY	Income	20%
GA	Income	20%
GB	Income	20%
GC	Income	20%
GD	Income	20%
GE	Income	20%
GF	Income	

Notes to the Financial Statements

February 28, 2026

(Amount in MB)

3 (C)

3.2 Tax preferences

1. P L A P B (C 2016 N. 36) M F A G (O. C N. 149) C I M A M M I (O. M H N. 35) M H M I P L
2. P K J E C A 3%.
3. P M I P P L A P B (C 2016 N. 36) M F A P 6% 3%.
4. C H - E C (N. G 202433013060) D A 28 E I L P C 3 C 15% 1 J 2025 31 D 2027.
5. O 8 D 2023, J H C L. C H - E C (N. G 202333001809) D A 28 E I L P C 3 15% 1 J 2023 31 D 2026.

Notes to the Financial Statements

F M E , , 30 J 2026
(A , MB ,)

3. (G,)

3.2 Tax preferences (Continued)

6. A, P, A, M, F, A, C, H, (A, M, E, I, I, A, A, 2023 N.6), MB1, 20%, 25%,

4

N : B
 31 D 2025 (,),
 30 J 2026 (,),
 30 J 2025
 (,).

4.1 Cash at bank and on hand

Item	Balance as at the end of the period	B
C	239,908.03	231,487.96
B	311,069,596.19	287,835,608.12
O	979,458.47	5,972,764.80
	312,288,962.69	294,039,860.88

0

A 30 J 2026, C MB1,376,454.52, E C
N 4.19.

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

4 Notes to the Financial Statements

4.2 Financial assets held for trading

Item	Balance as at the end of the period	B
F	8,916,323.73	8,573,388.20
I	8,916,323.73	8,573,388.20
	8,916,323.73	8,573,388.20

4.3 Notes receivable

4.3.1 P

Item	Balance as at the end of the period	B
B	2,102,126.86	1,486,564.55
	2,102,126.86	1,486,564.55

Notes to the Financial Statements

December 31, 2026

(Amount in MB)

4 Notes receivable (Continued)

4.3 Notes receivable (Continued)

Balance as at the end of the period									
					B				
Book balance		Provision for bad debts			B		P		
Category	Amount	Proportion (%)	Amount	Proportion of provision (%)	Book value	A	P	A	B
P	2,102,126.86	100.00			2,102,126.86	1,486,564.55	100.00		1,486,564.55
P	2,102,126.86	100.00			2,102,126.86	1,486,564.55	100.00		1,486,564.55
	2,102,126.86	100.00			2,102,126.86	1,486,564.55	100.00		1,486,564.55

P

Notes to the Financial Statements

Financial Statements as at June 30, 2026

(Amounts in thousands of RMB Yuan)

4. Accounts receivable (Note 4.4)

4.4 Accounts receivable

4.4.1 Details of accounts receivable

Aging	Balance as at the end of the period	Balance as at the beginning of the period
1 year or less	401,958,284.54	461,352,554.54
1-2 years	26,119,529.25	25,588,614.28
2-3 years	10,656,739.75	8,844,667.79
Over 3 years	7,248,551.51	7,368,906.35
Total	445,983,105.05	503,154,742.96
Less: Allowance for doubtful accounts	45,102,726.45	40,215,173.14
Net accounts receivable	400,880,378.60	462,939,569.82

Notes to the Financial Statements

As of June 30, 2026
(Amount in MB)

4. Accounts receivable (Continued)

4.4.2 Details

Type	Balance as at the end of the period					B				
	Book balance		Provision for bad debts			B		P		
	Amount	Proportion (%)	Amount	Proportion of provision (%)	Book value	A	P	A	P	B
P										
25,662,713.50	5.75	19,530,306.20	76.10	6,132,407.30	15,171,843.80	3.02	15,171,843.80	100.00		
M										
25,662,713.50	5.75	19,530,306.20	76.10	6,132,407.30	15,171,843.80	3.02	15,171,843.80	100.00		
P										
420,320,391.55	94.25	25,572,420.25	6.08	394,747,971.30	487,982,899.16	96.98	25,043,329.34	5.13	462,939,569.82	
P										
420,320,391.55	94.25	25,572,420.25	6.08	394,747,971.30	487,982,899.16	96.98	25,043,329.34	5.13	462,939,569.82	
	445,983,105.05	100.00	45,102,726.45	/	400,880,378.60	503,154,742.96	100.00	40,215,173.14	/	462,939,569.82

Name	Balance as at the end of the period				B	
	Book balance	Provision for bad debts	Proportion of provision (%)	Basis of provision	B	P
M	25,662,713.50	19,530,306.20	76.10	Provision for bad debts for lifetime expected credit loss	15,171,843.80	15,171,843.80
	25,662,713.50	19,530,306.20	/ /		15,171,843.80	15,171,843.80

Notes to the Financial Statements

Financial Statements as of June 30, 2026

(Amounts in thousands of RMB)

4.4 Accounts receivable

Notes to the Financial Statements

As at June 30, 2026
(Amount in MB)

4. Accounts receivable (Continued)

4.4 Accounts receivable (Continued)

Item	Charge-off amount
Accounts receivable	604,568.51

4.5 Advances to suppliers

Aging	Balance as at the end of the period		B	
	Amount	Proportion (%)	A	P (%)
1	15,646,935.50	100.00	15,788,868.62	99.98
1-2	226.69		3,700.00	0.02
	15,647,162.19	100.00	15,792,568.62	100.00

4.6 Other receivables

Item	Balance as at the end of the period	B
I		787,500.00
O	75,077,168.55	77,003,156.08
	75,077,168.55	77,790,656.08

Notes to the Financial Statements

December 31, 2026

(Amount in MB)

4. Other receivables (Continued)

4.6 Other receivables (Continued)

4.6.1 Item

(1) C

Item	Balance as at the end of the period	B
Prepaid expenses		787,500.00
Other receivables		787,500.00
L : Other receivables		
		787,500.00

4.6.2 Aging

(1) D

Aging	Balance as at the end of the period	B
1 (1)	38,835,165.68	4,457,721.23
1, 2	4,124,932.40	22,576,274.23
2, 3	8,852,533.24	45,220,543.09
3, 4	23,810,754.65	3,648,182.82
4, 5	3,038,043.54	8,293,985.49
O 5	11,910,414.31	9,073,199.23
	90,571,843.82	93,269,906.09
L : Other receivables	15,494,675.27	16,266,750.01
	75,077,168.55	77,003,156.08

O .08

Notes to the Financial Statements

As of June 30, 2026
(Amount in MB)

4. Other receivables (Continued)

4.6 Other receivables (Continued)

4.6.2 Other receivables (Continued)

Category	Balance as at the end of the period					B			
	Book balance		Provision for bad debts			B		P	
	Amount	Proportion (%)	Amount	Proportion of provision (%)	Book value	A	Proportion (%)	A	Proportion (%)
P									
	13,694,758.77	15.12	13,694,758.77	100.00	14,273,961.68	15.30	14,273,961.68	100.00	
I									
Q									
						579,202.91	0.62	579,202.91	100.00
P									
	10,204,311.69	11.27	10,204,311.69	100.00	10,204,311.69	10.94	10,204,311.69	100.00	
	3,490,447.08	3.85	3,490,447.08	100.00	3,490,447.08	3.74	3,490,447.08	100.00	
P									
	76,877,085.05	84.88	1,799,916.50	2.34	75,077,168.55	78,995,944.41	84.70	1,992,788.33	2.52
I									
G									
	76,877,085.05	84.88	1,799,916.50	2.34	75,077,168.55	78,995,944.41	84.70	1,992,788.33	2.52
	90,571,843.82	100.00	15,494,675.27	/	75,077,168.55	93,269,906.09	100.00	16,266,750.01	/

Notes to the Financial Statements

Financial Statements as of June 30, 2026
(Amounts in thousands of RMB)

4 Notes to the Financial Statements (Continued)

4.6 Other receivables (Continued)

4.6.2 Other receivables (Continued)

(2) Details of other receivables as of June 30, 2026 (Amounts in thousands of RMB)

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

4 Notes to the Financial Statements (Continued)

4.6 Other receivables (Continued)

4.6.2 Other receivables (Continued)

(3) The following table shows the breakdown of other receivables by stage:

Provision for bad debts	Stage I	Stage II	Stage III	Total
	Expected credit loss in the next 12 months	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
B	1,992,788.33		14,273,961.68	16,266,750.01
I				
II				
III				
II				
I				
P	59,214.55		579,202.91	638,417.46
	123,657.28			123,657.28
	10,000.00			10,000.00
O				
B	1,799,916.50		13,694,758.77	15,494,675.27



Item	Balance as at the end of the period	B B
I	21,909,074.61	23,120,442.10
E		12,210.28
D	546,907.74	2,248,043.70
	22,455,982.35	25,380,696.08



Notes to the Financial Statements

Financial Statements as of June 30, 2026
(Amounts in MB)

4 Notes to the Financial Statements (Continued)

4.9 Long-term equity investments (Continued)

4.9.2 Investment in equity instruments of other entities

The Company holds equity instruments of other entities as follows:

Item	Balance as at the end of the period	Balance as at the beginning of the period
Investment in equity instruments of other entities	23,922,657.55	28,123,065.82
Investment in equity instruments of other entities	23,922,657.55	28,123,065.82
	23,922,657.55	28,123,065.82

4.10 Other non-current financial assets

Item	Balance as at the end of the period	Balance as at the beginning of the period
Other non-current financial assets	23,922,657.55	28,123,065.82
Other non-current financial assets	23,922,657.55	28,123,065.82
	23,922,657.55	28,123,065.82

4.11 Fixed assets

4.11.1 Fixed assets

Item	Balance as at the end of the period	Balance as at the beginning of the period
Fixed assets	1,175,045,360.14	1,159,366,939.63
Fixed assets	1,175,045,360.14	1,159,366,939.63
	1,175,045,360.14	1,159,366,939.63

Notes to the Financial Statements

Financial Statements as of June 30, 2026

(Amounts in thousands of RMB)

4.11 Fixed assets (Continued)

4.11.2 Buildings and constructions

Item	Buildings and constructions	Medical equipment	Transportation facilities	Electronic and other equipment	Fixed assets acquired under leaseback after sale and finance lease	Total
1. Original value						
(1) Buildings	1,285,625,134.84	89,677,614.58	14,444,580.86	83,989,797.49	90,666,399.96	1,564,403,527.73
(2) Intangible assets	31,704,931.89	10,289,149.00	484,858.41	3,465,313.34	7,002,753.60	52,947,006.24
(3) Patents	18,958,386.11	10,289,149.00	484,858.41	3,465,313.34		33,197,706.86
(4) Other intangible assets	7,750,450.31					7,750,450.31
(5) Other	4,996,095.47				7,002,753.60	11,998,849.07
(6) Depreciation	1,728,000.00	11,054,794.94	592,659.00	2,118,470.61	4,705,176.60	20,199,101.15
(7) Depreciation of intangible assets		7,429,705.54	592,659.00	1,150,386.55	3,436,420.00	12,609,171.09
(8) Other	1,728,000.00	3,625,089.40		968,084.06	1,268,756.60	7,589,930.06
(9) Buildings	1,315,602,066.73	88,911,968.64	14,336,780.27	85,336,640.22	92,963,976.96	1,597,151,432.82
2. Accumulated depreciation						
(1) Buildings	190,782,813.67	71,665,898.55	11,600,666.92	68,004,376.89	62,982,832.07	405,036,588.10
(2) Intangible assets	19,489,949.91	4,887,216.64	663,864.16	4,459,533.25	4,949,666.53	34,450,230.49
(3) Patents	18,643,498.07			968,084.06	7,002,753.60	26,614,341.73
(4) Other						
(5) Other						
(6) Depreciation						
(7) Depreciation of intangible assets						
(8) Other						
(9) Buildings						
(10) Intangible assets						
(11) Patents						
(12) Other						
(13) Buildings						
(14) Intangible assets						
(15) Patents						
(16) Other						
(17) Buildings						
(18) Intangible assets						
(19) Patents						
(20) Other						
(21) Buildings						
(22) Intangible assets						
(23) Patents						
(24) Other						
(25) Buildings						
(26) Intangible assets						
(27) Patents						
(28) Other						
(29) Buildings						
(30) Intangible assets						
(31) Patents						
(32) Other						
(33) Buildings						
(34) Intangible assets						
(35) Patents						
(36) Other						
(37) Buildings						
(38) Intangible assets						
(39) Patents						
(40) Other						
(41) Buildings						
(42) Intangible assets						
(43) Patents						
(44) Other						
(45) Buildings						
(46) Intangible assets						
(47) Patents						
(48) Other						
(49) Buildings						
(50) Intangible assets						
(51) Patents						
(52) Other						
(53) Buildings						
(54) Intangible assets						
(55) Patents						
(56) Other						
(57) Buildings						
(58) Intangible assets						
(59) Patents						
(60) Other						
(61) Buildings						
(62) Intangible assets						
(63) Patents						
(64) Other						
(65) Buildings						
(66) Intangible assets						
(67) Patents						
(68) Other						
(69) Buildings						
(70) Intangible assets						
(71) Patents						
(72) Other						
(73) Buildings						
(74) Intangible assets						
(75) Patents						
(76) Other						
(77) Buildings						
(78) Intangible assets						
(79) Patents						
(80) Other						
(81) Buildings						
(82) Intangible assets						
(83) Patents						
(84) Other						
(85) Buildings						
(86) Intangible assets						
(87) Patents						
(88) Other						
(89) Buildings						
(90) Intangible assets						
(91) Patents						
(92) Other						
(93) Buildings						
(94) Intangible assets						
(95) Patents						
(96) Other						
(97) Buildings						
(98) Intangible assets						
(99) Patents						
(100) Other						

Notes to the Financial Statements

As at June 30, 2026
(Amount in MB)

4 Notes to the Financial Statements

4.12 Construction in progress

4.12.1 Construction in progress

Item	Balance as at the end of the period		B	
	Book balance	Provision for impairment	Book value	
	18,010,945.28		18,010,945.28	13,091,854.50
	18,010,945.28		18,010,945.28	13,091,854.50

4.12.2 Construction in progress

Item	Balance as at the end of the period		B	
	Book balance	Provision for impairment	Book value	
Land use rights	1,244,336.00		1,244,336.00	1,135,716.00
Construction in progress	1,025,192.00		1,025,192.00	911,592.00
Construction materials	3,174,380.65		3,174,380.65	1,756,128.00
Construction equipment	3,352,254.64		3,352,254.64	2,497,808.10
Construction contract costs	5,049,131.00		5,049,131.00	5,045,131.00
Construction contract liabilities	4,039,650.99		4,039,650.99	
Other	126,000.00		126,000.00	1,745,479.40
	18,010,945.28		18,010,945.28	13,091,854.50

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

4.12 Construction in progress (Continued)

4.12.3 C

Project name	Budget (RMB '0,000)	B	Increase in current period	Amount transferred to fixed assets in current period	Other decreases in current period	Balance as at the end of the period	Proportion of accumulated investment in project (%)	Project progress (%)	Including:		Capitalization rate of interest in current period (%)	Self-owned funds
									Accumulated capitalised amount of interest	capitalization amount of interest in current period		
C	833.60	5,045,131.00	4,000.00			5,049,131.00	60.52	60.00				Self-owned funds
L C	711.00		4,039,650.99			4,039,650.99	56.82	60.00				Self-owned funds
		/ 5,045,131.00	4,043,650.99			9,088,781.99	/	/				



Notes to the Financial Statements

Wen Zhou Kang Ning Hospital Co., Ltd. 30 June 2026

(Amount in thousands of RMB)

4.14 Intangible assets

Item	Land use right	Trademark right	Software	Medical practicing qualification	Contractual right to provide management services	Total
1. Other intangible assets						
(1) Buildings	163,459,981.01	3,061,637.13	21,903,480.22	240,837,000.00	32,400,000.00	461,662,098.36
(2) Land use rights	3,748,571.32		3,016,152.39			6,764,723.71
(3) Patents			3,016,152.39			3,016,152.39
(4) Other	3,748,571.32					3,748,571.32
(5) Doctors' qualifications			5,704,571.32		30,000,000.00	35,704,571.32
(6) Other			1,956,000.00		30,000,000.00	31,956,000.00
(7) Other			3,748,571.32			3,748,571.32
(8) Buildings	167,208,552.33	3,061,637.13	19,215,061.29	240,837,000.00	2,400,000.00	432,722,250.75
2. Assets under development						
(1) Buildings	26,587,032.78	1,734,910.61	12,666,032.28	106,649,007.03	14,267,857.20	161,904,839.90
(2) Land use rights	1,805,986.73	165,007.68	721,278.82	11,611,873.83	239,285.72	14,543,432.78
(3) Patents	1,805,986.73	165,007.68	721,278.82	11,611,873.83	239,285.72	14,543,432.78
(4) Doctors' qualifications			1,241,032.65		13,250,000.00	14,491,032.65
(5) Other			1,241,032.65		13,250,000.00	14,491,032.65
(6) Buildings	28,393,019.51	1,899,918.29	12,146,278.45	118,260,880.86	1,257,142.92	161,957,240.03
3. Other intangible assets						
(1) Buildings				14,000,000.04		14,000,000.04
(2) Land use rights						
(3) Doctors' qualifications						
(4) Buildings				14,000,000.04		14,000,000.04
4. Other intangible assets						
(1) Buildings	138,815,532.82	1,161,718.84	7,068,782.84	108,576,119.10	1,142,857.08	256,765,010.68
(2) Land use rights	136,872,948.23	1,326,726.52	9,237,447.94	120,187,992.93	18,132,142.80	285,757,258.42

Other intangible assets

As at 30 June 2026, the carrying amount of other intangible assets was RMB89,344,625.89.

4.19



Notes to the Financial Statements

Financial Statements as of June 30, 2026

(Amount in thousands of RMB)

4 Notes to the Financial Statements (Continued)

4.15 Goodwill (Continued)

4.15.2 Goodwill of the Company's subsidiaries (Continued)

Name	Composition and basis of the asset group or combination of asset groups	Whether it is consistent with the previous years
Ningbo Kangning Hospital Co., Ltd.	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Hangzhou Kangning Hospital Co., Ltd.	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Guangzhou Kangning Hospital Co., Ltd.	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Ningbo Kangning Hospital Co., Ltd. (P)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Benzhou Kangning Hospital Co., Ltd.	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Hangzhou Kangning Hospital Co., Ltd. (H)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Hangzhou Kangning Hospital Co., Ltd. (K)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Chengdu Kangning Hospital Co., Ltd. (K)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Chengdu Kangning Hospital Co., Ltd. (C)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Pingliang Kangning Hospital Co., Ltd. (C)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Hangzhou Kangning Hospital Co., Ltd. (H)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Jiangsu Kangning Hospital Co., Ltd. (H)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Beijing Kangning Hospital Co., Ltd. (C)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Beijing Kangning Hospital Co., Ltd. (L)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Chengdu Kangning Hospital Co., Ltd. (J)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Hangzhou Kangning Hospital Co., Ltd. (H)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent
Hangzhou Kangning Hospital Co., Ltd. (D)	Acquired from the original owner of the hospital, including land, buildings, equipment, etc.	Consistent

Key parameters											
(growth rate, profit											
margin, discount											
Determination basis											
of the key parameters											
during the forecast											
period											
rate, etc.) during											
the stabilization											
period											
Determination basis of											
the key parameters during											
the stabilization period											
Item	Book value	Recoverable amount	Amount of impairment (Notes:)	Years of the forecast period	(growth rate, profit margin, etc.) during the forecast period	Determination basis of the key parameters during the forecast period	rate, etc.) during the stabilization period	Determination basis of the key parameters during the stabilization period			
N H G., L., .	27,409,156.22	36,000,000.00		5	N 4.15.4 K 1.22 .	H, .	2.10%	B 5- 1.22 .			
N P H G., L., .	5,369,459.16	6,000,000.00		5	N 4.15.4 K 1.22 .	H, .	2.10%	B 5- 1.22 .			
H K H G., L., .	10,915,345.65	20,000,000.00		5	N 4.15.4 K 1.22 .	H, .	2.20%	B 5- 1.22 .			
C P G., L., .	19,346,122.81	38,000,000.00		5	N 4.15.4 K 1.22 .	H, .	2.10%	B 5- 1.22 .			
C H G., L., .	43,740,349.95	74,000,000.00		5	N 4.15.4 K 1.22 .	H, .	2.20%	B 5- 1.22 .			
P C H G., L., .	149,712,997.39	188,000,000.00		5	N 4.15.4 K 1.22 .	H, .	2.20%	B 5- 1.22 .			

Notes to the Financial Statements

Wen Zhou Kang Ning Hospital Co., Ltd. 2026 Interim Report

(Amount in RMB million)

Item	Book value	Recoverable amount	Amount of impairment (Notes:)	Years of the forecast period	Key parameters (growth rate, profit margin, etc.) during the forecast period	Determination basis of the key parameters during the forecast period	Key parameters (growth rate, profit margin, discount rate, etc.) during the stabilization period		Determination basis of the key parameters during the stabilization period
H N G, L.	1,201,035.69	1,300,000.00		5	N 4.15.4 K	H .	2.20%	B 5-	
D L H G, L.	3,786,855.48	5,000,000.00		5	N 4.15.4 K	H .	2.10%	B 5-	
C J P H G, L.	46,942,654.65	54,000,000.00		5	N 4.15.4 K	H .	2.10%	B 5-	
H H G, L.	84,221,585.08	93,100,000.00		5	N 4.15.4 K	H .	2.10%	B 5-	
D C G, L.	12,546,488.99	28,000,000.00		5	N 4.15.4 K	H .	2.10%	B 5-	
	405,192,051.06	543,400,000.00		/	/	/	/	/	

Notes to the Financial Statements

As of June 30, 2026
(Amount in MB)

4.15 Goodwill (Continued)

4.15.4 Key parameters of forecast period

Asset group or combination of asset groups	Average number of beds in operation	Key parameters of forecast period		Pre-tax discount rate
		Average daily cost per bed for inpatients (bed/day/RMB)	Net profit margin	
N	147	315	16.34%	10.40%
H	172	563	6.29%	10.40%
N				
P				
H	243	215	2.90%	12.10%
H	180	179	15.36%	12.10%
K				
P				
K				
H				
C				
G	323	193	13.55%	12.10%
L				
C	330	534	10.57%	11.30%
H				
G				
P				
C				
L	594	556	8.05%	10.40%
H	56	118	-3.06%	10.40%
N				
G				
L				
D	224	112	-12.01%	12.10%
L				
H				
C				
J				
P				
H				
G	306	207	7.27%	10.40%
L				
D				
C				
G	1,360 (N)		13.67%	
L				

4.15.5

4.15.5

Item	Completion of performance commitments			Accrued goodwill impairment loss		
	The current period			The previous period		
	Committed performance	Actual performance	Completion rate	Committed performance	Actual performance	Completion rate
D						
C						
G						
L						
				3,240,000.00	3,601,100.65	111.15%

Notes to the Financial Statements

Financial Statements as at 30 June 2026

(Amounts in thousands of RMB)

4 Notes to the Financial Statements

4.16 Long-term prepaid expenses

Item	B	Increase in current period	Amortisation in current period	O	Balance as at the end of the period
	121,496,442.87	2,662,387.01	19,721,849.52	4,996,095.47	99,440,884.89
	112,847.87		12,913.14		99,934.73
	121,609,290.74	2,662,387.01	19,734,762.66	4,996,095.47	99,540,819.62

4.17 Deferred tax assets and deferred tax liabilities

4.17.1 Deferred tax assets and deferred tax liabilities

Item	Balance as at the end of the period		B	
	Deductible temporary differences	Deferred tax assets	D	D
A	44,044,318.91	9,595,760.87	30,120,762.75	6,119,599.81
	27,750,762.85	6,937,690.71	33,443,555.30	8,360,888.83
D	118,039,423.34	23,727,607.21	138,258,473.65	26,801,073.57
L	195,214,905.99	48,754,718.52	223,998,051.44	55,532,380.08
	62,720,373.89	9,408,056.08	61,917,014.54	9,287,552.18
	447,769,784.98	98,423,833.39	487,737,857.68	106,101,494.47

Notes to the Financial Statements

As at June 30, 2026
(Amount in MB)

4.17 Deferred tax assets and deferred tax liabilities (Continued)

4.17.2 D

Item	Balance as at the end of the period		B	
	Taxable temporary differences	Deferred tax liabilities		D
A				
	148,639,144.46	37,159,786.12	165,697,546.44	41,424,386.62
C				
	39,633.60	5,945.04	13,879,270.75	2,081,890.61
O				
			47,809.41	7,171.41
	155,555,730.37	38,835,397.34	192,354,108.28	48,061,288.32
	304,234,508.43	76,001,128.50	371,978,734.88	91,574,736.96

4.17.3 D

Item	As at the end of the period		A	
	Amount offset in deferred tax assets and liabilities	Balance of deferred tax assets or liabilities after the offset	A	B
D	45,825,912.31	52,597,921.08	50,754,678.64	55,346,815.83
D	45,825,912.31	30,175,216.19	50,754,678.64	40,820,058.32

Notes to the Financial Statements

December 31, 2026

(Amount in MB)

4.17 Deferred tax assets and deferred tax liabilities (Continued)

4.17.4

Item	Balance as at the end of the period	B
D	30,672,130.87	10,523,912.94
D	71,520,644.36	59,473,871.02
	102,192,775.23	69,997,783.96

4.17.5

Years	Balance as at the end of the period	B	Remark
2025		9,062,477.57	
2026	13,349,694.04	5,381,372.94	
2027	11,593,378.19	6,665,188.33	
2028	10,210,158.20	2,344,298.98	
2029	21,072,453.53	20,592,483.91	
2030	15,294,960.40	15,428,049.29	
	71,520,644.36	59,473,871.02	

4.18 Other non-current assets

Item	Balance as at the end of the period			B
	Book balance	Provision for impairment	Book value	
P	6,001,332.45		6,001,332.45	6,061,296.16
P	12,748,833.24		12,748,833.24	9,453,564.81
	18,750,165.69		18,750,165.69	15,514,860.97

Notes to the Financial Statements

As at the end of the period

(Amount in thousands of RMB)

4.19 Assets with restrictions on the ownership or use right

Item	As at the end of the period				A			
	Book balance	Book value	Type of restriction	Situation of restriction	B	B		
C	1,365,454.52	1,365,454.52	Frozen	Foreign exchange regulatory account	1,365,109.43	1,365,109.43		
	11,000.00	11,000.00	ETC deposit	ETC deposit	5,000,000.00	5,000,000.00		
	254,502,240.91	254,502,240.91	Pledge	Pledged borrowings	254,502,240.91	254,502,240.91		
F	92,963,976.96	28,770,653.11	Mortgage	Sale and leaseback	90,666,399.96	27,683,567.89		
	260,090,969.45	241,154,180.53	Mortgage	Mortgaged borrowings	260,090,969.45	248,248,404.63		
I	102,114,565.11	89,344,625.89	Mortgage	Mortgaged borrowings	91,916,306.11	81,298,845.57		
	711,048,206.95	615,148,154.96			703,541,025.86	618,098,168.43		

4.20 Short-term borrowings

Item	Balance as at the end of the period	B
M	121,000,000.00	93,720,000.00
G	23,675,386.56	15,523,676.71
	144,675,386.56	109,243,676.71

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

4 Notes to the Financial Statements

4.21 Financial liabilities held for trading

Item	Balance as at the end of the period	B
F		1,805,503.25
I		1,805,503.25
		1,805,503.25

4.22 Notes payable

Category	Balance as at the end of the period	B
B	26,025,756.9m85.039 0 ISQq 1 0 0 12 0 0 46189.80	

Notes to the Financial Statements

Financial Statements as at December 31, 2026

(Amount in thousands of RMB)

4 Notes to the Financial Statements

4.26 Employee benefits payable

4.26.1 Payable for employee benefits

Item	B	Increase in the current period	Decrease in the current period	Balance as at the end of the period
Payable for employee benefits	80,933,318.18	322,397,009.87	338,576,455.62	64,753,872.43
Payable for employee benefits	3,498,174.72	23,270,242.79	23,170,130.44	3,598,287.07
	84,431,492.90	345,667,252.66	361,746,586.06	68,352,159.50

4.26.2 Payable for employee benefits

Item	B	Increase in the current period	Decrease in the current period	Balance as at the end of the period
(1) Payable for employee benefits	78,429,558.56	288,208,788.87	304,534,202.79	62,104,144.64
(2) Employee benefits payable	458,834.54	9,258,967.96	9,254,712.75	463,089.75
(3) Payable for employee benefits	1,812,873.60	12,566,644.73	12,424,631.10	1,954,887.23
(4) Payable for employee benefits	1,724,186.71	11,826,955.00	11,699,201.81	1,851,939.90
(5) Payable for employee benefits	88,686.89	713,448.51	699,188.07	102,947.33
(6) Payable for employee benefits		26,241.22	26,241.22	
(4) Payable for employee benefits	205,038.44	12,274,717.03	12,274,451.03	205,304.44
(5) Payable for employee benefits				
(6) Payable for employee benefits	27,013.04	87,891.28	88,457.95	26,446.37
	80,933,318.18	322,397,009.87	338,576,455.62	64,753,872.43

Notes to the Financial Statements

4	Notes to the Financial Statements	(C)
4.26	Employee benefits payable (Continued)	
4.26.3	Payroll taxes payable	
		B
	Item	

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

4 Notes to the Financial Statements

4.28 Other payables

Item	Balance as at the end of the period	B
I		
D	3,116,253.00	3,600,000.00
O	80,519,342.54	88,259,119.30
	83,635,595.54	91,859,119.30

4.28.1 Details

Item	Balance as at the end of the period	B
D	3,116,253.00	3,600,000.00
	3,116,253.00	3,600,000.00

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

4.28 Other payables (Continued)

4.28.2 Other payables

Item	Balance as at the end of the period	B
P	20,526,726.65	30,510,944.19
E	1,313,457.77	1,313,457.77
A	4,395,331.10	2,228,893.61
D	1,067,318.76	1,571,150.50
I	22,627,318.20	19,906,013.30
I	8,469,840.22	9,229,765.68
P	22,119,349.84	23,467,735.12
O		31,159.13
	80,519,342.54	88,259,119.30

4.29 Non-current liabilities due within one year

Item	Balance as at the end of the period	B
L	203,240,000.00	132,990,000.00
L	11,107,283.00	31,995,109.32
L	40,528,777.46	36,422,400.23
	254,876,060.46	201,407,509.55

Notes to the Financial Statements

June 30, 2026

(Amount in MB)

4. Other current liabilities

4.30 Other current liabilities

Item	Balance as at the end of the period	B
Other current liabilities	16,132.08	2,785,649.87
Accounts payable	1,802,126.86	429,217.10
	1,818,258.94	3,214,866.97

4.31 Long-term borrowings

Item	Balance as at the end of the period	B
Long-term borrowings	14,500,000.00	59,000,000.00
Long-term borrowings	530,441,355.05	556,222,957.47
Long-term borrowings	251,090,000.00	264,720,000.00
Long-term borrowings	203,240,000.00	132,990,000.00
	592,791,355.05	746,952,957.47

4.32 Lease liabilities

Item	Balance as at the end of the period	B
Lease liabilities	175,114,905.95	184,898,051.41
Lease liabilities	-34,850,419.80	-15,215,483.11
Lease liabilities	40,528,777.46	36,422,400.23
	134,586,128.49	148,475,651.18

Notes to the Financial Statements

As of June 30, 2026
(Amount in MB)

4 Notes to the Financial Statements

4.33 Long-term payables

Item	Balance as at the end of the period	B
-	62,658,100.16	47,419,832.76
	62,658,100.16	47,419,832.76

4.33.1

Item	Balance as at the end of the period	B
A	73,765,383.16	79,414,942.08
I	-11,833,240.92	-9,413,872.18
L	11,107,283.00	31,995,109.32
	62,658,100.16	47,419,832.76

4.34 Deferred income

Item	B	Increase in the current period	Decrease in the current period	Balance as at the end of the period	
A	18,206,515.00		151,896.00	18,054,619.00	A
	18,206,515.00		151,896.00	18,054,619.00	/

Notes to the Financial Statements

As of June 30, 2026

(Amount in MB)

4. Share capital and reserves

4.35 Share capital

Item	B	Changes in the current period ("+" for increase and "-" for decrease)					Balance as at the end of the period
		New shares issued	Bonus shares	Capital reserve to shares	Others	Subtotal	
	72,358,900.00						72,358,900.00

4.36 Capital reserves

Item	B	Increase in the current period	Decrease in the current period	Balance as at the end of the period

Notes to the Financial Statements

As of June 30, 2026
(Amount in MB)

4 Notes to the Financial Statements

4.37 Treasury stock

Item	B	Increase in the current period	Decrease in the current period	Balance as at the end of the period
1	2	3	4	5

Notes to the Financial Statements

Financial Statements as of June 30, 2026
(Amount in MB)

4 Notes to the Financial Statements (Continued)

4.39 Retained earnings

Item	Amount for the current period	Amount for the previous period
Retained earnings at the beginning of the period	364,230,299.84	344,285,828.01
Net income for the period	(92,609.8)	
Retained earnings at the end of the period		364,230,299.84

Notes to the Financial Statements

For the period from January 1, 2026 to June 30, 2026
(Amount in thousands of RMB)

4 Notes to the Financial Statements

4.40 Revenue and cost of sales

4.40.1 Details of revenue and cost of sales

Item	Amount for the current period		Amount for the prior period	
	Income	Cost	Income	Cost
P	709,707,141.17	532,214,182.32	690,902,820.42	523,893,300.01
O	119,774,272.93	92,860,195.07	47,658,804.91	25,440,894.13
	829,481,414.10	625,074,377.39	738,561,625.33	549,334,194.14

B Details of revenue and cost of sales

Item	Amount for the current period	Amount for the prior period
Income	709,707,141.17	690,902,820.42
Cost	709,707,141.17	690,902,820.42
Income	119,774,272.93	47,658,804.91
Cost	72,542,654.92	28,287,517.76
M	364,085.42	1,485,148.52
O	46,867,532.59	906,058.96
	829,481,414.10	738,561,625.33

4.40.2 Details of revenue and cost of sales

Item	Time for fulfillment of performance obligations	Significant payment terms	Nature of the Company's transfer of the promised goods	Whether the Company is acting as principal	Amounts assumed by the Company that are expected to be refunded to customer	Types of quality assurance provided by the Company and relevant obligations
	A	B	D		N	N

Notes to the Financial Statements

For the period from January 1, 2026 to June 30, 2026

(Amount in thousands of RMB)

4. Notes to the Financial Statements

4.41 Taxes and surcharges

Item	Amount for the current period	Amount for the prior period
Value-added tax	4,044,129.97	3,786,940.26
City maintenance tax	453,852.11	400,163.50
Education surcharge	328,417.32	291,972.68
Land use tax	1,079,034.49	423,158.41
Deed tax	235,617.93	203,170.66
Other taxes	11,138.34	11,652.83
Total	6,152,190.16	5,117,058.34

4.42 Selling and distribution expenses

Item	Amount for the current period	Amount for the prior period
Employee salaries and wages	1,702,541.53	1,717,804.62
Deed tax	21,628.54	21,434.73
Advertising fees		71.70
Advertising expenses	9,191.07	29,673.69
Bonus	47,302.87	127,110.28
Office	87,248.50	34,948.45
Office expenses	82,855.20	57,237.67
Office equipment	58,494.59	27,282.10
Bonus	1,543,772.77	1,548,324.27
Miscellaneous	124,588.41	13,220.19
Other	26,499.09	111,172.30
Total	3,704,122.57	3,688,280.00

Item	Amount for the current period	Amount for the previous period
E	69,008,634.48	68,866,158.00
D	10,356,445.04	9,568,562.60
A	1,789,200.55	1,240,295.67
A	4,344,233.31	4,578,911.00
D	1,277,649.31	1,015,879.66
H	2,843,090.16	2,543,931.61
E	801,038.28	2,828,664.55
O	2,043,230.53	2,076,294.46
	1,719,011.10	2,038,653.17
	687,070.60	468,156.24
P	0.119.449.0	(2,038,653.2456.24) / 101.9.449.0
	5,767,986.1200	

Notes to the Financial Statements

Financial Statements as of June 30, 2026

(Amount in thousands of RMB)

4 Notes to the Financial Statements

4.45 Financial expenses

Item	Amount for the current period	Amount at the end of the period
Interest expense	17,354,423.12	18,377,254.10
Interest expense on financial assets	4,258,335.69	4,653,633.38
Loss on disposal of financial assets	1,876,835.76	587,377.24
Gain on disposal of financial assets	73,292.86	2,486.65
Other	2,578,894.69	4,214,451.98
	18,129,774.91	22,006,815.49

4.46 Other income

Item	Amount for the current period	Amount at the end of the period
Gain on disposal of non-current assets	6,020,713.48	10,568,938.30
Gain on disposal of non-current assets		792,415.54
Other	245,276.05	240,461.59
Other	663,644.85	
	6,929,634.38	11,601,815.43

4.47 Investment income

Item	Amount for the current period	Amount at the end of the period
Interest income on financial assets	3,177,287.11	-1,206,158.07
Interest income on financial assets	5,864,305.45	5,032,728.01
Interest income on financial assets		5,699.09
Other	-1,994,496.75	
	7,047,095.81	3,832,269.03

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

4. Profit from changes in fair value

4.48 Profit from changes in fair value

Sources of the gains from changes in fair value	Amount for the current period	Amount at the end of the period
Fair value change of financial assets	342,935.53	428,261.38
Other	39,633.60	49,582.16
Total	382,569.13	477,843.54

4.49 Losses from credit impairment

Item	Amount for the current period	Amount at the end of the period
Losses from credit impairment of financial assets	18,546,741.82	161,794.74
Losses from credit impairment of other assets		

Notes to the Financial Statements

Financial Statements as of June 30, 2026

(Amount in thousands of RMB)

4. Non-current assets and liabilities

4.51 Non-revenue

Item	Amount for the current period	Amount for the corresponding period of the previous year	Amount for the corresponding period of the previous year
Government grants	215,040.11	1,710.88	215,040.11
Income from disposal of non-current assets	215,040.11	1,710.88	215,040.11
Others	0.58		0.58
Government grants	245.00	4,289.60	245.00
Others	1,575,121.72	60,456.37	1,575,121.72
	1,790,407.41	66,456.85	1,790,407.41

4.52 Non-operating expenses

Item	Amount for the current period	Amount for the corresponding period of the previous year	Amount for the corresponding period of the previous year
Government grants	264,215.51	794,076.29	264,215.51
Income from disposal of non-current assets	264,215.51	790,326.29	264,215.51
Others		3,750.00	
Government grants	49,193.44	734,227.10	49,193.44
Income from disposal of non-current assets	1,127,708.31	548,818.70	1,127,708.31
Others	15,829,539.54	1,446,966.18	15,829,539.54
Others	703,591.44	274,456.19	703,591.44
	17,974,248.24	3,798,544.46	17,974,248.24

Notes to the Financial Statements

For the period from January 1, 2026 to June 30, 2026
(Amount in thousands of RMB)

4 Notes to the Financial Statements (Continued)

4.53 Income tax expenses

4.53.1

Item	Amount for the current period	Amount for the prior period
C	9,423,579.22	13,016,683.24
D	-7,895,947.38	2,193,768.79
	1,527,631.84	15,210,452.03

4.53.2 A

Item	Amount for the current period
	23,714,822.47
I	3,557,223.37
I	-445,127.90
I	-1,924,407.16
I	-143,621.66
E	2,589,317.55
I	-6,974,166.39
E	
	8,722,546.29
I	-2,439,915.09
I	-1,414,217.17
I	1,527,631.84

Notes to the Financial Statements

Financial Statements as of June 30, 2026

(Amount in thousands of RMB)

4. Earnings per share (CNY)

4.54 Earnings per share

4.54.1 Basic

B

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Formula:

Item	Amount for the current period	Amount for the corresponding period of the previous year
------	-------------------------------	--

Profit attributable to ordinary shareholders	33,773,135.56	36,530,359.57
--	---------------	---------------

Weighted average number of ordinary shares outstanding	562 - 1.556 = 560.444	() - 722.11 = ()
--	-----------------------	--------------------

Basic earnings per share = 33,773,135.56 / 560.444 = 60.26 (CNY)

Notes to the Financial Statements

For the period ending 30 June 2026
(Amount in million RMB)

4 Notes to the Financial Statements

4.55 Supplementary information to the statement of cash flows

4.55.1

Supplementary information	Amount for the current period	Amount for the prior period
1. Net cash flows from operating activities		
Net cash flows from operating activities	22,187,190.63	26,769,118.15
Adjusted for:	17,908,324.36	-7,616,882.44
Depreciation and amortization	33,204,272.29	27,291,312.70
Depreciation of property, plant and equipment	16,339,755.30	17,436,605.58
Amortization of intangible assets	14,543,432.78	10,883,372.70
Amortization of financial assets	19,734,762.66	19,130,569.27
Provision for doubtful accounts		
Provision for doubtful accounts	-46,657.62	-1,250,151.08
Provision for doubtful accounts	49,175.40	792,365.41
Provision for doubtful accounts	-382,569.13	-477,843.54
Financial assets (impairment)	17,431,178.54	18,379,740.75
Financial assets (impairment)	-7,047,095.81	-3,832,269.03
Depreciation of property, plant and equipment	2,748,894.75	3,763,953.21
Depreciation of property, plant and equipment	-10,644,842.13	-3,865,899.31
Depreciation of property, plant and equipment	2,268,807.01	991,468.82
Depreciation of property, plant and equipment	10,118,117.77	254,827,632.87
Depreciation of property, plant and equipment	-28,351,637.78	-167,522,553.50
Other	1,487,600.60	2,821,077.50
Net cash flows from operating activities	111,548,709.62	198,521,618.06

Notes to the Financial Statements

As of June 30, 2026
(Amount in MB)

4 Supplementary information to the statement of cash flows (Continued)

4.55 Supplementary information to the statement of cash flows (Continued)

Supplementary information	Amount for the current period	Amount for the prior period
2. ...		
3. N ...		
E ...	310,912,508.17	333,106,635.79
L : ...	287,672,625.54	255,232,744.16
P : ...		
L : ...		
N ...	23,239,882.63	77,873,891.63

Notes to the Financial Statements

For the period ending 30 June 2026
(Amount in million RMB)

4 Notes to the Financial Statements (Continued)

4.55 Supplementary information to the statement of cash flows (Continued)

4.55.2 B

Item	Balance as at the end of the period	B
I. C	310,912,508.17	333,106,635.79
I. : D	239,908.03	195,546.26
O	309,704,141.67	332,122,993.91
O	968,458.47	788,095.62
II. C		
I. : D		
III. B	310,912,508.17	333,106,635.79

4.56 Foreign currency monetary items

4.56.1 F

Item	Balance of foreign currency as at the end of the period	C	B
C			279,489.95
I. : D	40,010.68	6.8109	272,508.74
HKD	8,037.77	0.86855	6,981.21

Notes to the Financial Statements

Wen Zhou Kang Ning Hospital Co., Ltd. 30 June 2026

(Amount in thousands of RMB)

5 Changes in scope of consolidation

5.1 Changes in scope of consolidation for other reasons

- On 14 July 2026, Guangzhou Kangning Hospital Co., Ltd. (Guangzhou Kangning Hospital) was acquired by the Company. The acquisition is accounted for as an acquisition of an investment entity. The Company has acquired 100% of the equity of Guangzhou Kangning Hospital.
- On 5 February 2026, Guangzhou Kangning Hospital Co., Ltd. (Guangzhou Kangning Hospital) was acquired by the Company. The acquisition is accounted for as an acquisition of an investment entity. The Company has acquired 100% of the equity of Guangzhou Kangning Hospital.
- On 13 March 2026, Guangzhou Kangning Hospital Co., Ltd. (Guangzhou Kangning Hospital) was acquired by the Company. The acquisition is accounted for as an acquisition of an investment entity. The Company has acquired 100% of the equity of Guangzhou Kangning Hospital.
- On 21 March 2026, Guangzhou Kangning Hospital Co., Ltd. (Guangzhou Kangning Hospital) was acquired by the Company. The acquisition is accounted for as an acquisition of an investment entity. The Company has acquired 100% of the equity of Guangzhou Kangning Hospital.

Notes to the Financial Statements

For the period from January 1, 2026 to June 30, 2026
(Amount in million RMB)

6. Equities

6.1 Equities in subsidiaries

6.1.1 Subsidiaries

Name of subsidiary	Category of legal person	Registered capital (ten thousand)	Main place of business	Registration place	Nature of business	Shareholding ratio (%)	
						Direct	Indirect
Wenzhou Kangning Hospital Co., Ltd.	Wholly-owned subsidiary	100,000,000	Wenzhou, Zhejiang	Wenzhou	Hospital management	100%	



Notes to the Financial Statements

As of June 30, 2026
(Amount in MB)

6. Equities in subsidiaries

6.1 Equities in subsidiaries (Continued)

6.1.1

Name of subsidiary	Category of legal person	Registered capital (ten thousand)	Main place of business	Registration place	Nature of business	Shareholding ratio (%)	
						Direct	Indirect
J H Co., Ltd.	Ltd.	1,000.00	H	H			100.00
N H Co., Ltd.	Ltd.	1,000.00	N	N	M		85.65
H P H Co., Ltd.	Ltd.	3,000.00	H	H	M		51.00
G H Co., Ltd.	Ltd.	1,000.00	G	G	M		90.00
N P	Ltd.	753.00			M		68.80
B H Co., Ltd.	Ltd.	4,653.67	B	B	M		67.77
H H Co., Ltd.	Ltd.	50.00					100.00
H K H Co., Ltd.	Ltd.	1,000.00	H	H	M		95.00
H H Co., Ltd.	Ltd.	2,040.82	H	H			98.00
P Co., Ltd.	Ltd.	50.00			P		100.00
P I H Co., Ltd.	Ltd.	500.00			H		100.00

Notes to the Financial Statements

February 28, 2026
(Amount in MB)

6 E

6.1 Equities in subsidiaries (Continued)

6.1.1

Name of subsidiary	Category of legal person	Registered capital (ten thousand)	Main place of business	Registration place	Nature of business	Shareholding ratio (%)	
						Direct	Indirect
D P G., L.	L.	1,000.00			P		80.00
C K P H G., L.	L.	1,000.00	C	C	M		64.55
H N G., L.	L.	100.00	H	H	N		100.00
L C H G., L.	L.	5,000.00			M		100.00
H L.	L.	6,000.00			M		55.00
P H H L.	L.	1,400.00	J	J	M		95.00
C K H H G., L.	L.	1,000.00	H	H	M		80.00
L K H G., L.	L.	3,000.00	L	L	M		100.00
C J P H G., L.	L.	2,083.33	C	C	M		49.33
H G F H G., L.	L.	1,000.00			M		100.00
C K H G., L.	L.	5,000.00	C	C	M	100.00	
K H G., L.	L.	500.00			M	100.00	
L K H G., L.	L.	200.00			M	85.00	
Q K H G., L.	L.	436.00	L	L	M	100.00	
K J F L	L.	50.00			F	100.00	
C A	A						

Notes to the Financial Statements

As of June 30, 2026
(Amount in MB)

6. Equities in subsidiaries

6.1 Equities in subsidiaries (Continued)

6.1.1

Name of subsidiary	Category of legal person	Registered capital (ten thousand)	Main place of business	Registration place	Nature of business	Shareholding ratio (%)	
						Direct	Indirect
Wenzhou Kangning Hospital Co., Ltd.	Limited liability company	10,000.00	Wenzhou	Wenzhou	Hospital management	60.00	
Wenzhou Kangning Hospital Co., Ltd. K	Limited liability company	2,700.00	Wenzhou	Wenzhou	Hospital management	100.00	
Jiangsu Kangning Hospital Co., Ltd.	Limited liability company	2,398.26	Jiangsu	Jiangsu	Hospital management	55.00	
Wenzhou Kangning Hospital Co., Ltd. C K	Limited liability company	2,040.00	Wenzhou	Wenzhou	Hospital management	51.00	
Wenzhou Kangning Hospital Co., Ltd. D	Limited liability company	1,800.00	Wenzhou	Wenzhou	Hospital management	51.00	
Wenzhou Kangning Hospital Co., Ltd. K P	Limited liability company	50.00	Wenzhou	Wenzhou	Hospital management	100.00	
Jiangsu Kangning Hospital Co., Ltd. J J K C E	Limited liability company	6,001.00	Jiangsu	Jiangsu	Hospital management	66.60	33.30
I P (L P)	Limited liability company						
Q K P M	Limited liability company	2,764.00	L	L	P	100.00	

Notes to the Financial Statements

Financial Statements as of June 30, 2026

(Amounts in thousands of RMB)

6 Equities

6.1 Equities in subsidiaries (Continued)

6.1.1 Subsidiaries (Continued)

Notes to the Financial Statements as of June 30, 2026

As of June 30, 2026, the Company's subsidiaries include Wenzhou Kangning Hospital Co., Ltd. (Wenzhou Kangning Hospital Co., Ltd.), which is a wholly-owned subsidiary of the Company.

The Company's share of the net assets of Wenzhou Kangning Hospital Co., Ltd. is 100%.

0-1.5564

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

6. Equities in subsidiaries

6.1 Equities in subsidiaries (Continued)

6.1.2

Name of subsidiaries	Shareholding ratio of minority shareholders (%)	Profit or loss attributable to minority shareholders in current period	Dividends declared to be distributed to minority shareholders in current period	Balance of minority equity as at the end of the period
L				

Notes to the Financial Statements

Financial Statements as at 30 June 2026
(Amounts in thousands of RMB)

6 Equities in subsidiaries

6.1 Equities in subsidiaries (Continued)

6.1.3 M

Name of subsidiary	Balance as at the end of the period					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Wenzhou Kangning Hospital Co., Ltd.	8,275,928.65	256,048,929.84	264,324,858.49	63,396,592.19	107,966,880.00	171,363,472.19
Jiangsu Kangning Hospital Co., Ltd.	14,026,449.93	64,850,234.65	78,876,684.58	12,118,270.67	37,268,812.28	49,387,082.95
Dongfang Hospital Co., Ltd.	145,561,539.07	667,118.17	146,228,657.24	69,285,043.34		69,285,043.34
Hubei Kangning Hospital Co., Ltd.	12,918,639.00	64,377,251.59	77,295,890.59	13,693,726.58	46,111,273.51	59,805,000.09

Name of subsidiary	B					
	C	N	C	N	C	N
Wenzhou Kangning Hospital Co., Ltd.	17,496,897.22	252,013,016.41	269,509,913.63	63,628,434.03	111,967,380.00	175,595,814.03
Jiangsu Kangning Hospital Co., Ltd.	11,524,763.22	66,782,837.21	78,307,600.43	10,076,431.15	37,468,468.46	47,544,899.61
Dongfang Hospital Co., Ltd.	172,867,810.34	853,963.27	173,721,773.61	112,153,608.69		112,153,608.69
Hubei Kangning Hospital Co., Ltd.	13,183,362.26	72,877,579.64	86,060,941.90	16,371,612.88	50,765,879.69	67,137,492.57

Notes to the Financial Statements

For the period from January 1, 2026 to June 30, 2026
(Amount in thousands of RMB)

6.1 Equities in subsidiaries (Continued)

6.1.3 Main body of subsidiaries (Continued)

Name of subsidiary	Amount for the current period				Amount for the current period			
	Revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Assets	Liabilities	Equity	Other
Wenzhou Kangning Hospital Co., Ltd.	5,016,055.05	-952,713.30	-952,713.30	17,693,020.15	13,761.47	-683,346.83	-683,346.83	14,612,783.16
Wenzhou Kangning Hospital Co., Ltd. (Jiangmen Branch)	12,949,747.38	-1,324,763.75	-1,324,763.75	-292,282.48	9,909,096.61	-4,111,185.55	-4,111,185.55	-3,327,701.92
Wenzhou Kangning Hospital Co., Ltd. (Dongpu Branch)	128,466,718.11	15,375,448.98	15,375,448.98	-31,935,631.23	102,090,901.20	28,837,924.34	28,837,924.34	27,158,954.04
Wenzhou Kangning Hospital Co., Ltd. (Huangshan Branch)	16,101,468.12	-1,432,558.83	-1,432,558.83	608,107.82	2,637,455.19	-75,355.35	-75,355.35	1,151,765.67

6.2 Equity in joint venture arrangements or associates

6.2.1 Main body of joint ventures or associates

Name of joint ventures or associates	Main place of business	Registration place	Nature of business	Shareholding ratio (%)		Accounting treatment method for investments in joint ventures or associates	Whether it is strategic for the Company's activities
				Direct	Indirect		
Huangshan Kangning Hospital Co., Ltd.	Huangshan	Huangshan	Hospital	30.81		Equity method	
Huangshan Kangning Hospital Co., Ltd. (Jiangmen Branch)	Huangshan	Huangshan	Hospital	45.00		Equity method	

Notes to the Financial Statements

Financial Statements as at 30 June 2026

(Amounts in thousands of RMB)

6 Equity

6.2 Equity in joint venture arrangements or associates (Continued)

6.2.2 Method of calculation

	Balance as at the end of the period/Amount for the current period		B /A	
	Anken Medical	Longwan Yining	A	M
C	73,237,217.14	1,235,241.16	85,678,453.82	1,862,472.90
N	34,142,438.95	268,304,608.47	48,717,351.43	255,093,748.77
	107,379,656.09	269,539,849.63	134,395,805.25	256,956,221.67
C	103,494,330.10	42,548,204.79	114,712,460.18	41,510,269.10
N	14,748,126.71	103,231,201.99	10,470,922.46	90,995,141.93
	118,242,456.81	145,779,406.78	125,183,382.64	132,505,411.03
M	-53,860.73		994,578.73	
E				
	10,916,661.45	123,760,442.85	8,217,843.88	124,450,810.64
N				
A	6,784,746.95		6,784,746.95	
G	6,784,746.95		6,784,746.95	
O				
B				
	10,148,089.38	55,692,199.28	9,316,664.65	56,002,864.79
F				
N	2,698,817.57	-690,367.79	7,944,500.27	-937,586.27
N				
O				
	2,698,817.57	-690,367.79	7,944,500.27	-937,586.27
D				

Notes to the Financial Statements

Financial Statements as of June 30, 2026
(Amount in RMB)

7 Government Grants

7.1 Government grants included in the current profit or loss

Type	Amount for the current period	Amount at the end of the period
Government grants	151,896.00	151,896.00
Government grants	5,868,817.48	10,417,042.30
	6,020,713.48	10,568,938.30

7.2 Liability items involving government grants

Liability items	B	Newly increased subsidy amount in the current period	Amount included in non-operating revenue in the current period	Amount transferred to other income in the current period	Costs and expenses written off in the current period	Other changes	Balance as at the end of the period	Related to assets/related to income
Government grants	18,206,515.00			151,896.00			18,054,619.00	Related to assets

Notes to the Financial Statements

Financial Statements as of June 30, 2026

(Amount in thousands of RMB)

8

8.1 Various risks generated by financial instruments

The Company's financial instruments include cash, accounts receivable, accounts payable, and other financial assets and liabilities. The Company is exposed to various risks, including credit risk, liquidity risk, and market risk. The Company has established a risk management system to identify, assess, and manage these risks. The Company's risk management system is based on the principle of risk avoidance and risk transfer. The Company has established a risk management committee to oversee the risk management process. The risk management committee is composed of senior management and independent non-executive directors. The risk management committee is responsible for identifying, assessing, and managing the Company's risks. The risk management committee has established a risk management policy and a risk management framework. The risk management policy is based on the principle of risk avoidance and risk transfer. The risk management framework is based on the principle of risk identification, risk assessment, and risk management. The risk management committee has established a risk management system to identify, assess, and manage the Company's risks. The risk management system is based on the principle of risk avoidance and risk transfer. The risk management system is composed of a risk management committee, a risk management department, and a risk management team. The risk management committee is responsible for identifying, assessing, and managing the Company's risks. The risk management department is responsible for implementing the risk management policy and framework. The risk management team is responsible for identifying, assessing, and managing the Company's risks. The risk management system is based on the principle of risk avoidance and risk transfer. The risk management system is designed to ensure that the Company's risks are identified, assessed, and managed in a timely and effective manner. The risk management system is based on the principle of risk avoidance and risk transfer. The risk management system is designed to ensure that the Company's risks are identified, assessed, and managed in a timely and effective manner. The risk management system is based on the principle of risk avoidance and risk transfer. The risk management system is designed to ensure that the Company's risks are identified, assessed, and managed in a timely and effective manner.

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

8 (Continued)

8.1 Various risks generated by financial instruments (Continued)

8.1.1 Credit risk

Credit risk is the risk that one or more counterparties will fail to meet their contractual obligations, resulting in financial loss. The Company's credit risk is primarily concentrated in its accounts receivable, other receivables, and other assets. The Company has established a credit management system to monitor and control credit risk. The Company's credit risk is primarily concentrated in its accounts receivable, other receivables, and other assets. The Company has established a credit management system to monitor and control credit risk.

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The Company's credit risk is primarily concentrated in its accounts receivable, other receivables, and other assets. The Company has established a credit management system to monitor and control credit risk. The Company's credit risk is primarily concentrated in its accounts receivable, other receivables, and other assets. The Company has established a credit management system to monitor and control credit risk.

The Company's credit risk is primarily concentrated in its accounts receivable, other receivables, and other assets. The Company has established a credit management system to monitor and control credit risk. The Company's credit risk is primarily concentrated in its accounts receivable, other receivables, and other assets. The Company has established a credit management system to monitor and control credit risk.

Notes to the Financial Statements

File Manager E 30 Jun 2026
(A) MB

8 (C)

8.1 Various risks generated by financial instruments (Continued)

8.1.2 L



Notes to the Financial Statements

Financial Statements as at 30 June 2026

(Amount in thousands of RMB)

8

(Continued)

8.1 Various risks generated by financial instruments (Continued)

8.1.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks include interest rate risk, currency risk, price risk and other risks.

(1) Interest rate risk

The Company's financial instruments are primarily denominated in RMB. The Company's financial instruments are primarily denominated in RMB. The Company's financial instruments are primarily denominated in RMB.

(2) Currency risk

The Company's financial instruments are primarily denominated in RMB. The Company's financial instruments are primarily denominated in RMB. The Company's financial instruments are primarily denominated in RMB.

Notes to the Financial Statements

February 28, 2026
(Amount in MB)

8 (C)

8.1 Various risks generated by financial instruments (Continued)

8.1.3 M (C)
(2) E (C)

D,

Notes to the Financial Statements

Financial Statements as at 30 June 2026

(Audited by the independent member of audit firm)

9 Disclosure of Fair Value

The fair value of assets and liabilities is determined by reference to the market prices of similar assets and liabilities in an active market, or by using valuation techniques that are based on market data and that are validated against actual market transactions. The fair value of assets and liabilities is determined by reference to the market prices of similar assets and liabilities in an active market, or by using valuation techniques that are based on market data and that are validated against actual market transactions.

The fair value of assets and liabilities is determined by reference to the market prices of similar assets and liabilities in an active market, or by using valuation techniques that are based on market data and that are validated against actual market transactions.

The fair value of assets and liabilities is determined by reference to the market prices of similar assets and liabilities in an active market, or by using valuation techniques that are based on market data and that are validated against actual market transactions.

9.1 Fair value of assets and liabilities measured at fair value as at the end of the period

Item	Fair value as at the end of the period			Total
	Measured at fair value at Level 1	Measured at fair value at Level 2	Measured at fair value at Level 3	
I. Continuous measurement of fair value				
F			8,916,323.73	8,916,323.73
1. F				
(1) I			8,916,323.73	8,916,323.73
O			8,916,323.73	8,916,323.73
1. F			23,922,657.55	23,922,657.55
(1) I			23,922,657.55	23,922,657.55
			23,922,657.55	23,922,657.55
Total assets with continuous measurement at fair value			32,838,981.28	32,838,981.28

Notes to the Financial Statements

For the period from January 1, 2026 to June 30, 2026
(Amount in thousands of RMB)

9.2 Qualitative and quantitative information on the valuation techniques and important parameters adopted for continuous and non-continuous measurements of fair values at level 3

Item	Fair value as at			
	the end of	Valuation	Unobservable	Range (Weighted
	the period	techniques	inputs	average)
F				

8,916,323.73

Notes to the Financial Statements

February 28, 2026
(Amount in MB)

10

10.3 Joint ventures and associates of the Company

Partnership Agreement No. 6 E
On

Name of joint venture or associate	Relationship with the Company
H A M G, L.	A
H G, L.	A
H M G, L.	A
C H K H G, L.	A
F N G, L.	A
O H M G, L.	A



WENZHOU KANGNING HOSPITAL CO., LTD.
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Notes to the Financial Statements

As of June 30, 2026
(Amount in MB)

10 Information on related party transactions

10.5 Information on related party transactions (Continued)

10.5.2

Guarantee

The guaranteed	Guarantee amount	Starting date of guarantee	Maturity date of guarantee	Whether the guarantee has been performed
Q K H G., L.,	60,000,000.00	2023/10/9	2034/10/9	N
L C H G., L.,	60,000,000.00	2019/8/20	2031/8/21	N
H A M G., L.,	68,440,000.00	2023/4/3	2032/3/2	N
L H G., L.,	32,400,000.00	2024/7/1	2027/6/30	N
L H G., L.,	8,400,000.00	2024/3/31	2027/3/31	N
L H G., L.,	103,000,000.00	2023/10/12	2034/10/9	N
K H G., L.,	12,000,000.00	2024/7/18	2029/6/18	N
M H G., L.,	8,000,000.00	2024/7/18	2029/6/18	N
Q K H G., L.,	5,300,780.00	2024/1/1	2028/12/31	N
G H G., L.,	4,337,088.00	2024/1/25	2028/12/25	N
P C H G., L.,	26,000,000.00	2023/12/20	2031/12/20	N

Notes to the Financial Statements

December 31, 2026

(Amount in MB)

10

10.5 Information on related party transactions (Continued)

10.5.2 - (C)

C

Guarantor	Guarantee amount	Starting date of guarantee	Maturity date of guarantee	Whether the guarantee has been fulfilled
K H G., L.,	200,000,000.00	2021/12/24	2026/12/24	N
K H G., L.,	200,000,000.00	2021/12/24	2026/12/24	N
C K H G., L.,	200,000,000.00	2021/12/24	2026/12/24	N
G H G., L.,	200,000,000.00	2021/12/24	2026/12/24	N
P K H G., L.,	200,000,000.00	2021/12/24	2026/12/24	N
L H G., L.,	200,000,000.00	2021/12/24	2026/12/24	N
C H G., L.,	200,000,000.00	2021/12/24	2026/12/24	N
C K H G., L.,	66,474,000.00	2021/12/24	2026/12/10	N
G, L	24,000,000.00	2020/6/30	2027/6/30	N
G, H, L	79,642,127.25	2021/11/29	2028/11/29	N
G, H, L	180,950,000.00	2020/10/26	2026/10/25	N
G	70,000,000.00	2023/11/8	2026/11/15	N
G, L, H	14,660,000.00	2019/9/10	2029/8/20	N
G, L, H	10,280,000.00	2020/1/1	2029/8/20	N
G, L, H	3,320,000.00	2020/12/22	2029/8/20	N
G, L, H	2,200,000.00	2020/9/27	2029/8/20	N
G, L, H	2,200,000.00	2020/9/27	2029/8/20	N
G, L, H	3,050,000.00	2021/3/1	2029/8/20	N
G, L, H	3,050,000.00	2021/3/1	2029/8/20	N
G, L, H	45,000,000.00	2023/7/3	2037/12/31	N
G, L, H	15,000,000.00	2023/7/31	2037/12/31	N
G, L, H	10,116,550.00	2023/10/25	2037/12/31	N
G, L, H	5,007,200.00	2023/11/24	2037/12/31	N
G, E				
G, G., L.,				
P M G., L.,	60,000,000.00	2023/10/9	2031/10/9	N
L	18,312,000.00	2023/12/20	2028/12/25	N
G, L	25,000,000.00	2024/12/10	2027/12/10	N
G, L	120,000,000.00	2024/3/27	2027/3/26	N

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

10 Information on related party transactions

10.5 Information on related party transactions (Continued)

10.5.3 Loans from and to related parties

Related parties	Lending/ borrowing amount	Commencement date	Expiry date	Remark
Loans from related parties				
Wenzhou Kangning Hospital Co., Ltd.	2,508,250.00	2022/6/13		
Loan to related parties				
Wenzhou Kangning Hospital Co., Ltd.	14,050,000.00	2023/1/10		
Wenzhou Kangning Hospital Co., Ltd.	10,204,311.69	2015/6/1		
Wenzhou Kangning Hospital Co., Ltd.	3,490,447.08	2015/9/1		

10.5.4

Item	Amount for the current period	Amount for the previous period
Loans from related parties	3,859,928.05	3,911,019.68



Notes to the Financial Statements

June 30, 2026
(Amount in MB)

10 Unsettled items of receivables from and payables to related parties (Continued)

10.6 Unsettled items of receivables from and payables to related parties (Continued)

10.6.2 Payables

Item	Related parties	Book balance as at the end of the period	
A	F N G., L.	81,526.00	21,376.00
	L	83,361.08	34,697.95
O	D P M G., L.	20,000,000.00	18,000,000.00
	L H G., L.		1,095,000.00
	P M G., L.	2,508,250.00	2,508,250.00
		900,000.00	
	L	2,726,130.87	2,726,130.87
		900,000.00	900,000.00

Notes to the Financial Statements

For the period from January 1, 2026 to June 30, 2026
(Amount in thousands of RMB)

10 Notes to the Financial Statements

10.7 Top five highest remunerated individuals

For the period from January 1, 2026, to June 30, 2026, the total remuneration of the top five highest remunerated individuals is 1,306,901.25 thousand RMB (For the period from January 1, 2025, to December 31, 2025: 1,012,599.14 thousand RMB).

Item	Amount for the current period	Amount for the previous period
B	1,142,065.87	905,073.38
	164,835.38	107,525.76
	1,306,901.25	1,012,599.14

Remuneration range	Persons in the current period	Persons in the previous period
0-500,000.00	3	1
500,000.00-1,000,000.00		1
	3	2

Notes to the Financial Statements

For the period from January 1, 2026 to June 30, 2026
(Amount in thousands of RMB)

11 Share-based payment

As of June 30, 2026, the Company has granted share-based payment to employees and directors, which is accounted for as equity-settled share-based payment.

Vesting period	Vesting schedule	Vesting ratio
For the period from January 1, 2026 to June 30, 2026	For the period from January 1, 2026 to June 30, 2026	25%
For the period from January 1, 2026 to June 30, 2026	For the period from January 1, 2026 to June 30, 2026	25%
For the period from January 1, 2026 to June 30, 2026	For the period from January 1, 2026 to June 30, 2026	25%
For the period from January 1, 2026 to June 30, 2026	For the period from January 1, 2026 to June 30, 2026	25%

11.1 Equity-settled share-based payment

Determination method of the fair value of equity instruments on the date of grant	Market method
For the period from January 1, 2026 to June 30, 2026	For the period from January 1, 2026 to June 30, 2026
For the period from January 1, 2026 to June 30, 2026	For the period from January 1, 2026 to June 30, 2026
For the period from January 1, 2026 to June 30, 2026	54,846,169.88

Notes to the Financial Statements

June 30, 2026
(Amount in MB)

11 Share-based payment

11.2 Share-based payment fee

Granting object	Amount for the current period		Amount for the period	
	Equity-settled share-based payments	Cash-settled share-based payments	E	C
H	1,487,600.60	1,487,600.60	2,831,843.05	2,831,843.05
	1,487,600.60	1,487,600.60	2,831,843.05	2,831,843.05

12 Significant commitments

12.1 Significant commitments

12.1.1 Contingencies

Item	June 30, 2026	June 30, 2025
H	37,807,218.01	25,533,926.00
	37,807,218.01	25,533,926.00

12.2 Contingencies

Notes to the Financial Statements

Financial Statements as of June 30, 2026
(Amounts in thousands of RMB)

13 Prepaid Expenses

Prepaid expenses represent amounts paid in advance for services or goods that will be received in the future.

14 Other Assets

Other assets include various items such as deposits, advances, and other receivables.

Other assets are classified into several categories, including deposits, advances, and other receivables.

The following table provides a breakdown of the components of other assets:

Category	Amount
Deposits	1,234,567
Advances	567,890
Other receivables	345,678
Total	2,148,135

The above table represents the balance as at the end of the period.

The following table provides a breakdown of the components of other assets:

	Balance as at the end of the period	B
D	54.85%	56.65%

A  C  G  I  J 2021,

Notes to the Financial Statements

Financial Statements as at 30 June 2026
(Amounts in thousands of RMB)

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Notes

16.1 Accounts receivable (Continued)

16.1.2 Details

Type	Balance as at the end of the period					B				
	Book balance		Provision for bad debts		Book value	B		P		B
	Amount	Proportion (%)	Amount	Proportion of provision (%)		A	P	A	P	
Accounts receivable	9,311,538.89	19.17	9,311,538.89	100.00	11,916,666.11	24.21	11,916,666.11	100.00		
Medical receivables	9,311,538.89	19.17	9,311,538.89	100.00	11,916,666.11	24.21	11,916,666.11	100.00		
Accounts receivable - related parties	39,255,114.91	80.83	3,476,121.47	8.86	35,778,993.44	37,312,133.47	75.79	627,868.63	1.68	36,684,264.84
Accounts receivable - non-related parties	39,255,114.91	80.83	3,476,121.47	8.86	35,778,993.44	37,312,133.47	75.79	627,868.63	1.68	36,684,264.84
Total	48,566,653.80	100.00	12,787,660.36	/	35,778,993.44	49,228,799.58	100.00	12,544,534.74	/	36,684,264.84

Name	Balance as at the end of the period					B				
	Book balance		Provision for bad debts		Proportion of provision (%)	B		P		B
	Amount	Proportion (%)	Amount	Proportion of provision (%)		A	P	A	P	
Medical receivables	9,311,538.89		9,311,538.89	100.00	Provision for bad debts for lifetime expected credit losses	11,916,666.11		11,916,666.11		
Total	9,311,538.89		9,311,538.89	/	/	11,916,666.11		11,916,666.11		

Notes to the Financial Statements

February 28, 2026
(Amount in MB)

16 Notes to the Financial Statements

16.1 Accounts receivable (Continued)

16.1.2 Details of Accounts Receivable
(Continued)

Particulars:

1. Accounts receivable by nature:

Name



WENZHOU KANGNING HOSPITAL CO., LTD.
2026 INTERIM REPORT

Notes to the Financial Statements

Financial Statements as of June 30, 2026
(Amount in MB)

Notes to the Financial Statements

As of June 30, 2026
(Amount in MB)

16 Notes to the Financial Statements (Continued)

16.2 Other receivables (Continued)

16.2.3 Other receivables

(1) Details

Aging	Balance as at the end of the period	B
1 (1)	150,858,666.43	129,893,005.85
1-2	129,891,946.17	189,701,628.70
2-3	82,390,076.46	109,787,806.90
3-4	48,104,769.57	52,311,522.50
4-5	6,674,442.01	496,167.22
More than 5	700,979.96	702,979.96
	418,620,880.60	482,893,111.13
Less: Expected credit loss	1,270,466.81	1,217,310.23
	417,350,413.79	481,675,800.90



Notes to the Financial Statements

Financial Statements as at June 30, 2026

(Amount in thousands of RMB)

16

Notes

16.2 Other receivables (Continued)

16.2.3 Other receivables (Continued)

(2) Details of other receivables as at June 30, 2026:

Particulars of other receivables as at June 30, 2026:

Details of other receivables as at June 30, 2026:

Name	Balance as at the end of the period		
	Other receivables	Provision for bad debts	Proportion of provision (%)
Particulars of other receivables as at June 30, 2026:			
Particulars of other receivables as at June 30, 2026:	55,977,098.98	1,270,466.81	2.27
Particulars of other receivables as at June 30, 2026:	362,643,781.62		
Particulars of other receivables as at June 30, 2026:	418,620,880.60	1,270,466.81	/

Notes to the Financial Statements

WenZhou KangNing Hospital Co., Ltd. 2026

(A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P) (Q) (R) (S) (T) (U) (V) (W) (X) (Y) (Z)

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(A)

16.2 Other receivables (Continued)

16.2.3 Other receivables (Continued)

(3) (A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P) (Q) (R) (S) (T) (U) (V) (W) (X) (Y) (Z)

Provision for bad debts	Stage I Expected credit losses for the next 12 months	Stage II Lifetime expected credit loss (without credit impairment)	Stage III Lifetime expected credit loss (with credit impairment)	Total
B	1,217,310.23			1,217,310.23
I				
P	53,156.58			53,156.58
O				
B	1,270,466.81			1,270,466.81

(4) (A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P) (Q) (R) (S) (T) (U) (V) (W) (X) (Y) (Z)

Category	B	Changes in the current period			Balance as at the end of the period
		Recovery or reversal	Write-off or charge-off	Other changes	
P	1,217,310.23	53,156.58			1,270,466.81
	1,217,310.23	53,156.58			1,270,466.81





Notes to the Financial Statements

June 30, 2026
(Amount in MB)

16.3 Long-term equity investments (Continued)

Investee	B	Increase/decrease in current period					Balance (book value) as at the end of the period	Balance of provision for impairment as at the end of the period
		Profit or loss on investments recognised	Adjustment to other comprehensive income	Cash dividends or profits declared to be distributed	Changes in other equity	Provision for impairment		
H A M., Co., Ltd.	9,316,664.65	831,424.73					10,148,089.38	
H C., Ltd.	56,002,864.79	-310,665.51					55,692,199.28	
	65,319,529.44	520,759.22					65,840,288.66	

Notes to the Financial Statements

For the period from January 1, 2026 to June 30, 2026
(Amount in thousands of RMB)

16 Notes to the Income Statement

16.4 Operating revenue and cost of sales

16.4.1 Operating revenue and cost of sales

Item	Amount for the current period		Amount for the corresponding period of the previous year	
	Revenue	Cost	Revenue	Cost
M	177,497,043.53	126,131,926.45	180,177,905.15	128,368,724.76
O	11,242,167.97	746,140.94	11,453,540.65	1,950.00
	188,739,211.50	126,878,067.39	191,631,445.80	128,370,674.76

B. Breakdown of operating revenue and cost of sales

Item	Amount for the current period	Amount for the corresponding period of the previous year
D. Revenue from the sale of goods	177,497,043.53	180,177,905.15
D. Revenue from the sale of services	177,497,043.53	180,177,905.15
D. Revenue from the sale of intangible assets	11,242,167.97	11,453,540.65
M. Cost of sales	8,212,124.44	8,183,172.17
O. Cost of sales	200,096.18	731,085.71
	2,829,947.35	2,539,282.77
	188,739,211.50	191,631,445.80

Notes to the Financial Statements

Wen Zhou Kang Ning Hospital Co., Ltd.
(A joint-stock company limited by shares)
June 30, 2026
(Amount in MB)

16

Notes to the Financial Statements

16.4 Operating revenue and cost of sales (Continued)

16.4.2 Details of operating revenue and cost of sales

Item	Time for fulfillment of performance obligations	Significant payment terms	Nature of goods promised to be transferred by the Company	Whether to be the principal responsible person	Amounts expected to be returned to customers that the Company has assumed	Types of quality assurance provided by the Company and related obligations
Operating revenue		B	Operating revenue			

16.5 Investment income

Item	Amount for the current period	Amount for the prior period
Investment income	5,000,000.00	
Other income	520,759.22	1,526,125.08
Total	5,520,759.22	1,526,125.08

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Definitions

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L K	L K	H G ., L. (龍泉康寧醫院有限公司), P C	F 6, 2023
L	L	H G ., L. (溫州鹿城怡寧醫院有限公司), P C	A 2, 2020
L C	L C	H G ., L. (台州市路橋慈寧醫院有限公司), L H G ., L. (台州市路橋怡寧醫院有限公司), P C	D 12, 2016
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Definitions

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	G., L.. (深圳市怡寧醫院有限公司)),	, 622,	C.
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I I H () G., L.. (怡寧心理互聯網醫院(溫州)有限公司), P C M 10, 2020,	K H G., L.. (永嘉康寧醫院有限公司), D 12, 2012,	K H G., L.. (樂清康寧醫院有限公司), 3, 2013,	%

溫州康寧醫院股份有限公司
Wenzhou Kangning Hospital Co., Ltd.