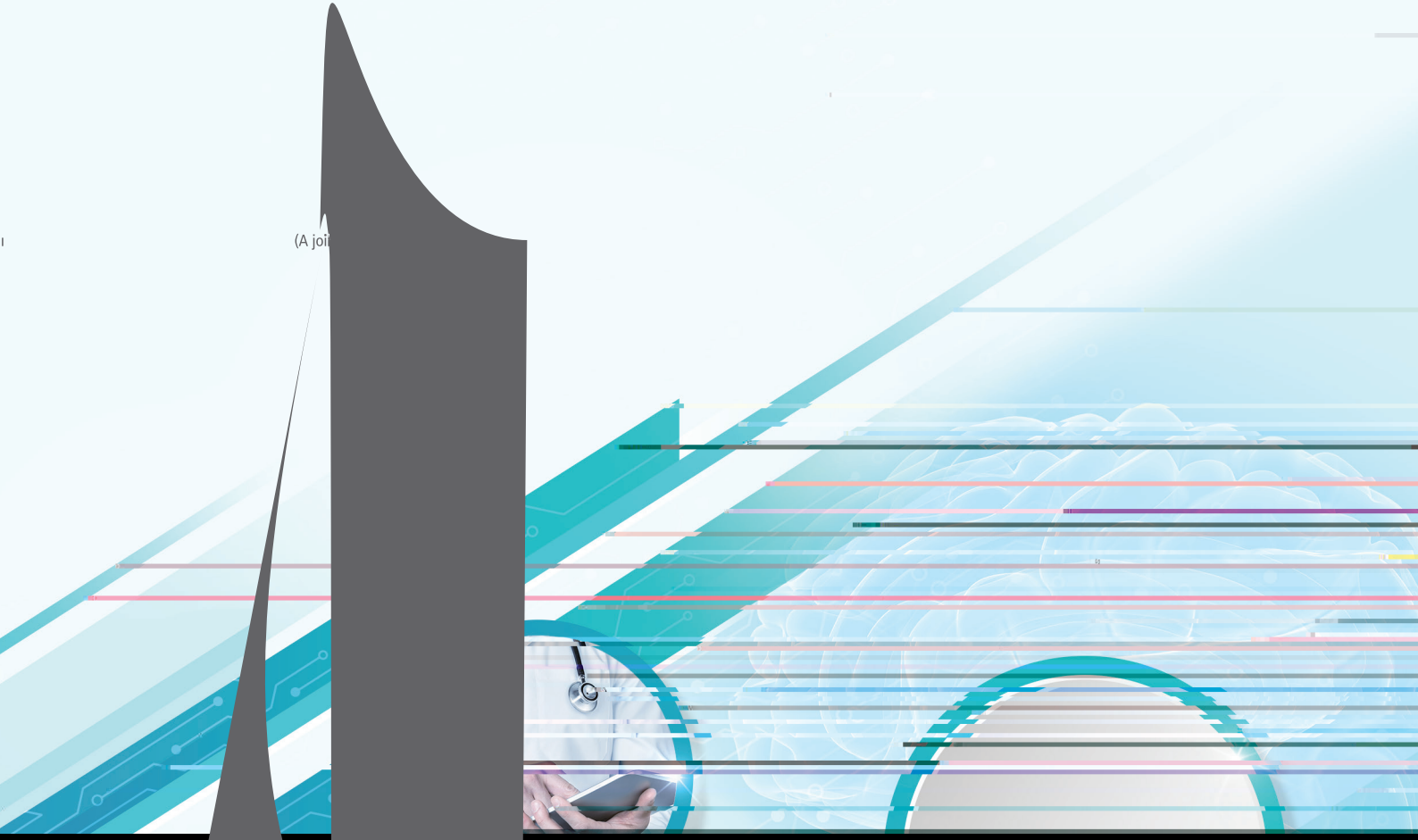

Contents

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Corporate Information

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Executive Directors

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Non-executive Directors

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Independent Non-executive Directors

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Audit Committee

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Nomination Committee

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Remuneration Committee

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Strategy and Risk Management Committee

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Supervisory Committee

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Joint Company Secretaries

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Authorized Representatives

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Auditor

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Corporate Information

[illegible] Place of Business in [illegible]

[illegible]/F, [illegible] Shi [illegible]
248 [illegible] Road East
[illegible]
[illegible]

[illegible] Share [illegible]

[illegible] Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17 Floor
Hopewell Centre
183 Queen's Road East
[illegible]
[illegible]

Stock Code

2102

Company's Website

www.[illegible].com

Investor Relations

Telephone: (86) 577 8877 1688
Fax: (86) 577 8878 1177
Email: ir@[illegible].com

Financial Highlights

[illegible]

	For the year ended December 31,				
	2020	[illegible]	[illegible]	[illegible]	[illegible]
	RMB'000	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	1,031,284	[illegible]	[illegible]	666,436	[illegible]
[illegible]	87,904	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	(28,949)	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	58,955	[illegible]	[illegible]	47,836	65,551
[illegible]					
[illegible]	70,000	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	(11,045)	[illegible]	[illegible]	[illegible]	[illegible]

	As of December 31,				
	2020	[illegible]	[illegible]	[illegible]	[illegible]
	RMB'000	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	2,248,947	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	934,523	855,843	635,451	[illegible]	[illegible]
[illegible]	1,314,424	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]					
[illegible]	1,211,846	1,164,484	[illegible]	[illegible]	[illegible]
[illegible]	102,578	[illegible]	84,278	58,662	[illegible]

Chairman's Statement

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Management Discussion and Analysis

Business Review

Psychiatric Specialized Medical Service Industry in China

With the development of social economy and the rising demand for people's life quality, the proportion of mental health spending in total healthcare spending has been increasing rapidly in China. According to the 13th Five-Year Plan for Medical Service System (2015-2020), the proportion of psychiatric medical service, including psychiatric medical care service, psychological counseling and psychiatric rehabilitation, in total healthcare spending is expected to increase from 2% in 2015 to 3% in 2020. Benefiting from policies encouraging the development of psychiatric medical service, specialized psychiatric medical service providers have been playing a more important role in the healthcare system. Private psychiatric medical service providers, which have the flexibility to provide more personalized services to patients, are expected to grow faster than public psychiatric medical service providers.

According to the Classification of Psychiatric Medical Service, psychiatric medical service can be divided into different categories. The most common classification is based on the different types of psychiatric medical service providers, which can be generally categorized into public psychiatric medical service and private psychiatric medical service. Public psychiatric medical service providers are mainly owned by the government, while private psychiatric medical service providers are mainly owned by individuals or corporations. Public psychiatric medical service providers usually have a long history and a large number of beds, and they usually provide comprehensive psychiatric medical service to patients with different types of mental disorders. Private psychiatric medical service providers usually have a relatively small number of beds and they usually focus on providing psychiatric medical service to patients with specific types of mental disorders.

On June 17, 2019, the General Office of the State Council issued the Opinions on Improving the Pricing Mechanism of Internet+ Medical Service (《關於完善「互聯網+」醫療服務價格和醫保支付政策的指導意見》), which mandated the pricing mechanism of Internet+ medical service to be combined with the existing pricing mechanism of medical service for offline hospitals. On February 17, 2020, the General Office of the National Health Commission of the PRC issued the Notice on Strengthening the Management of Psychiatric Patients during the Epidemic Period of Novel Coronavirus Pneumonia (《關於加強新冠肺炎疫情期間嚴重精神障礙患者治療管理工作的通知》) (Fei [illegible] i i on Fa[illegible] 2020 o. 7), which encouraged the development of Internet+ medical service and provided guidance on the pricing mechanism of Internet+ medical service, including the reimbursement of Internet+ medical service by medical insurance, the pricing mechanism of Internet+ medical service not covered by medical insurance, and the exemption of online medical service fees for patients with severe mental disorders. Currently, the development of Internet+ medical service is still in the early stage. Psychiatric medical service providers may consider to provide Internet+ medical service to patients with severe mental disorders, and to explore the possibility of providing Internet+ medical service to patients with other types of mental disorders in the future. Meanwhile, psychiatric medical service providers may also consider to cooperate with Internet companies to provide Internet+ medical service, and to leverage Internet companies' advantages in technology, access to patients and experience in operating Internet+ medical service to improve the efficiency of Internet+ medical service provided by psychiatric medical service providers.

Management Discussion and Analysis

B i e e ie a oo

Business Review

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Management Discussion and Analysis

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2020, e i o pa a ¶ aifie a a i -ec e e pi e a e abi e a ec a i of in -e caio in e aio a c oo-e e pi e coope a io b e ei in o co ac i ii e iie, ob e po ei e a abe e eop e of e op. a ii o, e app o a of a po -oc o a e o a io in ej ! o ce a

Management Discussion and Analysis

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Management Discussion and Analysis

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	For the year ended December 31,	
	2020	0 1
	(RMB'000)	(B000)
Treatment and general healthcare services		
e e e	755,879	587,874
o. of e e e	506,496	441,786
. o . p. of	249,383	146 88
Pharmaceutical sales		
e e e	222,587	5,616
o. of e e e	194,544	174,3 8
. o . p. of	28,043	31,218
Owned hospitals		
e e e	978,466	3,40
o. of e e e	701,040	616,184
. o . p. of	277,426	177,0 6

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Management Discussion and Analysis

In the reporting period, our revenue reached RMB133 billion, representing an increase of 6% as compared with 2021, primarily due to the increase of paid outpatient visits by 22.3% and the increase in average paid inpatient bed days by 12.5%. The proportion of our self-operated hospitals' revenue from operations to our total revenue decreased to 13.7% (2021: 15.8%).

In the reporting period, the increase of both paid outpatient visits and paid inpatient beds, as well as the increase in average selling price increased by 8.6% as compared with 2021, and increased to 77.3% of our self-operated hospitals' revenue from operations (2021: 74.1%); our self-operated hospitals' pharmaceutical sales increased by 8.3% as compared with 2021, accounting for 22.7% of our self-operated hospitals' revenue from operations (2021: 25.9%), of which: ratio of paid pharmaceutical sales to paid outpatient visits decreased to 14.6% (2021: 16.5%), ratio of paid pharmaceutical sales to paid inpatient beds decreased to 74.3% (2021: 76.1%).

Cost of revenue of our self-operated hospitals primarily consisted of pharmaceutical and consumables, employee benefit expenses, depreciation of right-of-use assets, depreciation and amortization, utilities and fees. The above table sets forth cost of revenue of our self-operated hospitals for the periods indicated:

	For the year ended December 31,	
	2020	2021
	(RMB'000)	(RMB'000)
Pharmaceutical and consumables	247,235	222,516
Employee benefit expenses	240,185	206,523
Depreciation of right-of-use assets	31,203	24,380
Depreciation and amortization	75,906	62,804
Utilities	42,653	35,490
Fees	24,081	17,325
Others	39,777	41,216
Cost of revenue of owned hospitals	701,040	616,184

In the reporting period, cost of revenue of our self-operated hospitals increased to RMB701 million, representing an increase of 13.8% as compared with 2021, which was mainly attributable to increase in revenue of our self-operated hospitals. Such was mainly due to: (i) increase of 11.1% in pharmaceutical and consumables expenses as the increase of pharmaceutical sales; (ii) increase of 16.3% in employee benefit expenses mainly for the increase in headcount of our self-operated hospitals; (iii) depreciation of right-of-use assets increased by 4.5% as compared with as of 2021; and (iv) depreciation and amortization increased by 20% as compared with as of 2021, which was caused by the expansion of our self-operated hospitals.

Management Discussion and Analysis

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e .op.' e.[illegible] e of ep.ope. b.[illegible] e. inc [illegible] e. p.ope. ea.in in co.[illegible] e, p.ope. .a.e in co.[illegible] e, e.c. in e epo.in !eio, e.[illegible] e of ep.ope. b.[illegible] e. [illegible] ec.ea.e o B14.7 [illegible] ii.[illegible] ([illegible] : B3 .7 [illegible] ii.[illegible]), [illegible] e o e.a.e in co.[illegible] e of B3 [illegible] ii.[illegible] f.[illegible] [illegible] .po.a. of in e.[illegible] [illegible] p.ope. b.[illegible] [illegible] o [illegible] a. in e epo.in !eio (2 1 : B32.6 [illegible] ii.[illegible]).

Gross Profit and Gross Profit Margin

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	For the year ended December 31,	
	2020	[illegible]
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! .[illegible] ace ica.[illegible] .e.	12.6%	15.[illegible]%
Owned hospitals businesses	28.4%	[illegible]2.3%
! .ope.[illegible] .[illegible] o e. b.[illegible] e.e.	47.6%	[illegible] .5%
Consolidated gross profit margin	29.3%	[illegible]3.8%

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Management Discussion and Analysis

Tax and Surcharge

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Management Discussion and Analysis

Finance Expenses – Net

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Management Discussion and Analysis

Gains from Change in Fair Value

In the reporting period, gains from changes in fair value decreased by RMB6.6 billion, mainly due to the decrease in fair value of overseas non-current investments.

Credit Impairment Losses

In the reporting period, credit impairment losses recognized by the Group amounted to RMB23.1 billion (2019: RMB16.3 billion). Credit impairment losses for accounts receivable of the Group amounted to RMB3.3 billion (2019: RMB2.4 billion), accounting for 2.3% of the Group's operating revenue (2019: 2.4%). As at December 31, 2020 and 2019, provision for bad debts of accounts receivable of the Group's overseas businesses amounted to RMB0.3 billion and RMB1.4 billion respectively, accounting for 1.3% and 7.1% of total accounts receivable of overseas businesses at the end of the year.

Asset Impairment Losses

In the reporting period, asset impairment losses amounted to RMB80 million, which mainly arose from provision for goodwill impairment of Beijing Xinwei Telecom Technology Co., Ltd. (a subsidiary of the Company) in the 5G segment.

Non-Operating Income (Expenses)

Non-operating income and expenses mainly comprised gains on disposal of non-current assets, non-operating expenses and donations. The table below sets out the breakdown of non-operating income and non-operating expenses for the periods indicated:

	For the year ended December 31,	
	2020 (RMB'000)	2019 (RMB'000)
Recognition of contingent consideration arising from disposal of Xiaomi Financial	–	25,666
Others	59	2,755
Total non-operating income	850	3,068
Non-operating income	909	31,489
Loss on disposal of non-current assets	436	13,240
Donations	8,537	2,187
Total non-operating expenses	1,928	3,486
Non-operating expenses	10,902	18,913

In the reporting period, non-operating income of the Group amounted to RMB0.9 billion, mainly attributable to the write-off income recognized for the recognition of contingent consideration arising from disposal of Xiaomi Financial in 2019; in the reporting period, non-operating expenses of the Group amounted to RMB10.9 billion, mainly attributable to loss on disposal of non-current assets.

Management Discussion and Analysis

Income Tax Expense

[illegible] B28[illegible] (2[illegible]: B17.3[illegible]), [illegible] [illegible] of 67.4% [illegible] [illegible] 2[illegible]. [illegible] 2[illegible] 2[illegible], [illegible] 32[illegible] 31.1%, [illegible]

[illegible]

Inventory

[illegible] B37.5[illegible] ([illegible] B23.6[illegible]),

Management Discussion and Analysis

Investment Properties

As of December 31, 2012, the balance of the Group's investment properties amounted to HK$7.8 billion (as of December 31, 2011: HK$10.1 billion), representing 1% of HK Electric's total assets (2011: 2%, 2010: 3% and 2009: 4%). The table of HK Electric's investment properties (2/F to 11/F) by the Group is for the purpose of the report, see the significant change in the investment properties by the Group:

Investment properties	HK Electric's investment properties (2012, 2011, 2010 and 2009)
Address	Some areas of the Hong Kong Electric Building, 44 and 56 Kennedy Road, Hong Kong
Percentage of the group	75%
Gross floor area (Approx.) (Sq. ft.)	154,541
Saleable area (Approx.) (Sq. ft.)	115,906

Management Discussion and Analysis

Accounts Payables

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Contract Liability

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Other Payables

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	For the year ended December 31, 2020 (RMB'000)	2 1 (B000)
e ca e ea e f o ope a ac i ii e	199,656	111,80
e ca e i i e ac i ii e	(186,320)	(14 ,531)
e ca e ea e f o i a d ac i ii e	22,052	7,762
e i c ea e/(ec ea e) i ca a ca e i a e	35,141	(22,115)

Net Cash Generated from Operating Activities

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Net Cash Used in Investing Activities

i e epo i ei o, e ca e i i e ac i ii a o e o B186.3 i io, p i ai e o e a o of B1880 i io fo p c a p ope , pa a e i ip e , ,( ) 0 c00 1 0 -1.556 (i pai e o e e

Management Discussion and Analysis

Net Cash Generated from Financing Activities

In the reporting period, the cash generated from financing activities of the Group was B22.1 billion.

Significant Investment, Acquisition and Disposal

The Group had no significant investment, acquisition or disposal in the reporting period.

Indebtedness

Bank Borrowings

As of December 31, 20, the balance of bank borrowings of the Group was B426.5 billion (as of December 31, 1: B300 billion), primarily including borrowings of B400 billion and commercial borrowings of B6.5 billion in the reporting period.

Contingent Liability

As of December 31, 20, the Group had no contingent liabilities arising from any guarantee or any material litigation that had significant impact on the financial position or operations of the Group.

Asset Pledge

The Group had no asset pledge in the reporting period.

Lease Liabilities

The lease liabilities of the Group primarily consisted of operating lease liabilities. As of December 31, 20, the present value of the future lease payments under non-cancellable leases, after deducting interest expenses, was B32.5 billion, see Note B18.8 billion.

Financial Instruments

Financial assets of the Group consisted of accounts receivable, other non-current financial assets, other receivables, cash and cash equivalents, bank borrowings, accounts payable and other payables. The Group's financial assets and liabilities were mainly denominated in the functional currencies of the Group's entities.

Exposure to Fluctuation in Exchange Rates

The Group's exposure risk of financial assets in foreign currencies, including the effect of foreign exchange hedging tools and net foreign currency assets. See Note B. The Group's policies on foreign currency accounting.

Management Discussion and Analysis

As of ece be 31, 2 2 , e o p a o e a ei ai ie ad ai . e o e ea i e po e o c c i . e a a e of e o p a e ec c i b co e o i o e o e of e fo i c c a e, a i co i e e a a i ifica fo i c c e po e o c ee ai e.

Gearing Ratio

As of ece be 31, 2 2 , e o p' ea a io (o ai abiii ie i e b o a a e) i c ea e o 41.6% (a of ece be 31, 2 1 : 0 .4%), a e o a c ea e of ba bo o .

Employees and Remuneration Policy

As of ece be 31, 2 2 , e o p a a o a of 3,338 f -e e o ee (a of ece be 31, 2 1 : 2,845 f -e e o ee). e e po i e io, e o ee' e ea io (c a ie a o e fo of e o ee be e i) a o e o app o a e B33 .0 i io (2 1 : B288.7 i io). e a e e o ee' e ea io i B0 5.6 o a pe ea (c od e ica i ce c e a o a c e bo e b e o p). e e ea io i ee e i efe ce o e a a ee i e e a e ai ca io , e pe ie ce a pe fo ce of a e o ee.

o e of obi i e ei of io a e a o e co e ec ica pe o e of e o p, e o p a e B i ce i e Sc e e fo e ea 2 18 of e o a i (o ia o., . (e Equity Incentive Scheme), ic a co i e e a a e a e ee of e o p fo e ea 2 17 ic a bee co e e o e 13, 2 18 (e 2017 AGM). e o e i e pedie , ca i a i e e e be o a a e a e ai o e e i e a o ce e of e o p a e a , 2 18 a e pp e i d c a of e o p a e a 0 , 2 18.

Af e e co i e ai a app o a a e 2 17 A , a co i a ai a e 8 ee of e eco e ai o e Bo a of e o p e o A . 2 , 2 18, e ac a i a co pi e of 165 pe o , a e ac a a e e be of S a e i a e a 1,818,5 S a e.

Af e e co i e ai a app o a a e 15 ee of e eco e ai o e Bo a of e o p co e o A . 26, 2 1 , ce i e S a e e a e o e eco e p a e pa idp . e eco e p a e pa idp c e co e ec ica pe o e of e o p a o e pe o , i e opi io of e Bo a , a be ce ii e. e a of e eco e p a e a c e eco pi e of 37 pe o , a e o a be of S a e a e a 273,161 S a e. A 14 pe o o a ai ab e o b cibe, e ac a a co pi e of 23 pe o , a e ac a a e e be of S a e a e a 18 ,516 S a e, e e e 0 .23 1% of o a i e a e ca i a of e o p a e a e. e e ai a e o a e fo o i ab e. e pa idp a pa e b cipa io a o c a c a e b e a o of a ipie b e a pice (B0 .47 pe S a e).

Report of the Board

e Boa i. pea e o.e . i. a .epo. a e i e co. oi ae a d a . ed . of e .o fo. e ea e e ece be. 31, 2 2 .

! .d pa Aci ii ie.

e i d pa aci ii ie. of e .o p a e ope. a a e o. of ea ca efadii ie. a i foc . o . oi p. ci a ic .ped a ca e ac o. a io . ei o. i a ea . of e i d pa aci ii ie. of e i d pa b. i a ie. of e o pa a e e o i o e. o e H d a S a e . e e . i o e ii ie. e e . i b. i a ie. S c e of e .o of i. a epo. .

e.cipio. of e ea io. ip be ee e .o pa i. e po ee, cie . a . ppie. a e e o i a e . i.c .io a A a i. E po ee a . e ea io ! oic a epo. of e Boa . a jo . o e. a S ppie. of i. a epo. , e.peci e .

B .e. e ie

e b .e. e ie o e .o pi. e o i e a e . i.c .io a A a i. of i. a epo. . e f e e e o e of e .o pa e a jo . i. a . ce a ie. a e .o a be e po. e o a e e o i e a e . i.c .io a A a i. B .e. oo. of i. a epo. .

H d a (i i a e.

e ope a .e. a . a of a e. a ia ii ie of e .o fo. e ea e e ece be. 31, 2 2 a e e o i e H d a (i i of i. a epo. . e o' d a e. fo. e ea e e ece be. 31, 2 2 a e e o i e co. oi ae a e . of co p e . i ei co e of i. a epo. .

e. o ea io.

! ea e efe o e ecio ea e o po a e o e ce epo. o ica io i S a e o e. a e. o. ea io. of i. a epo. .

E i o e a ! oide.

e .o pi. co .do . of i . i o e a p o ecio obi a io. a ci e ee . o p e eco-fie ec oo ie. a o io. e efea be. i e pec o e ica a e a e , e .o p a e a e ¶ aii e i pa ie. o a a epo ope i po a fo. a ofi ea ca efadii ie i acco ce i ppica be a a e a io. . o e ppica be a a e a io. a e o a ei pac o e b .e. ope a io of e .o p. e a. of e e i o e a poide. of e o pa a e e o i e E i o e a, Soda a o e ce epo. i epe e p bi e b e o pa i e co e, ic ca be acce e a o o a e a e eb i e. of e o pa a e (o o Soc E c a e.

Report of the Board

Compliance with relevant laws and regulations

The Company continues to monitor changes in, and ensure compliance with, the applicable laws and regulations, including the Company Law, the Securities and Futures Ordinance, the Listing Rules and other applicable laws and regulations that have significant impact on the Company. The Company's policies and practices are reviewed from time to time to ensure compliance with the requirements of the Stock Exchange's new Corporate Governance Code.

Laws and regulations that have significant impact on operations of the Group include the Mental Health Law of the People's Republic of China (《中華人民共和國精神衛生法》), the Law of the People's Republic of China on Basic Healthcare and Health Promotion (《中華人民共和國基本醫療衛生與健康促進法》) (collectively referred to as the "Healthcare Laws"), the Administrative Measures on Medical Institutions (《醫療機構管理條例》) and the Implementation Rules for Administrative Measures on Medical Institutions (《醫療機構管理條例實施細則》).

The Group has established and maintained internal control procedures to ensure compliance with the Healthcare Laws and relevant licensing requirements. The Board is responsible for overseeing the Company's compliance with legal and regulatory requirements.

The Company has received annual confirmations of non-compliance with relevant laws and regulations that have significant impact on the Company from the Directors and senior management of the Company for the year ended December 31, 2021.

Environmental policies

For the year ended December 31, 2021, the Group complied with environmental policies.

Key factors affecting financial performance

The Shareholders' general meeting of the Company approved the Company to declare a final dividend of HK$6.32 million (equivalent to approximately RMB5.87 million) for the year ended December 31, 2017 and for the year ended December 31, 2018, the Board considered and approved the declaration of the dividends, specifically the Company's dividend payout ratio for the year ended December 31, 2021 and the declaration of the dividends by the Board.

Report of the Board

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e Bo oe o eco e e epo e of a i e fo e ea e ece be 31, .

a e cio o E e pio

acco ce i e E e pi e co e a a of e eo e' e bic of a(《中華人民共和國企業所得稅法》) i e e aio e aio ic c e o effec o a 1, 08, e o pa i e ie o i o pa e e pi e co e a a e of % o be a of e o - ei e e e pi e S a e o e o e appea o e ei e of e be fo S a e e i ib e ca i ie . A S a e o ei e e e e of a i i a S a e o e, c S ee ie, o e ee, a o ee, o o e o ai aio o o p., a be ee e a S a e e b o - ei e e e pi e S a e o e . e efo e, o i ba i, e e pi e co e a a be i e f o i ie pa abe o c S a e o e . f o e. of S a e e oc e e S a e o e a , pea e ie abo e ee a p oce e i o a e o ee. e o pa i ic co p i e a o e ie e of e ee a o e e a oi i o pa e e pi e co e a o be a of e ee a S a e o e. ba e o e ei e of e be fo S a e a of e eco a e.

f e i i a o e. of S a e a e o o o aca ei e o ei e of eco ie ic a a ee a a e of % fo ec a i ie o e i e e ee a a ee e , e o pa o i o pa i i a co e a o be a of e ee a S a e o e. a a a e of %. So e i i a o e. of S a e be ei e of eco ie ic a a ee a a e of e a % i e e ee a a ee e , e o pa a i o pa i i a co e a o be a of e ee a S a e o e. a a a e of %. i ca e,if e ee a i i a o e. of S a e i o ec a ee a o i e e o e appica io of % a a e, e o pa ca app fo e ee a a ee pefe e ia a ea e poi e a e ee a S a e o e. bi ee i e ce e i e b e oice of e a a ee e o o p e. a e o Se ice ie. e o pa i a i i e a ef f a e appo a of eco pe e a a o i . So e i i a o e. of S a e be ei e of eco ie ic a a ee a a e of o e % b e. a % i e e a a ee e , e o pa a i o pa e i i a co e a a e a ee ac a a e acco ce i e ee a a ee e . e ca e a e i i a o e. of S a e a e ei e of eco ie ic a a ee a a e of % i e e a a ee e , o ic a o e e e o a a ee e i e , o o e i e, e o pa a i o pa e i i a co e a a a e of %.

Report of the Board

S a e a i a

e ai of e o e e in e a ecai a of e o p in e epo in !e io a e e o in oe o e H d a S a e e 4 oe(B) o eco oi a e in d a a e e of i a epo .

e e e

e ai of o e e in e e e e of e o p in e epo in !e io a e e o in e o oi a e S a e e of a e in S a e o e' B i a oe o e H d a S a e e 4 oe (31), (32) a (33) o eco oi a e in d a a e e of i a epo .

i ib abe e e e

A of ece be 31, , e i ib abe e e e of e o p ee B31 .4 i io .

Report of the Board

ebe e

Fo e ea e e ece be 31, , e o i e ebe e.

E i -he A ee e

Fo e ea e e ece be 31, , o e i -he a ee e e e ob e o , o e i e .

o aio

Fo e ea e e ece be 31, , ec ai abeco ib io a o e o aio a eb e o a o e o a e B8.5 i io in a e a e.

S bi ia ie

e i of e o a ' in di a bi ia ie a of ece be 31, a e e o in oe o e Ha da S a e e e e o e e ii ie e e bi ia ie S c e of e o of i a epo .

i ec o

e i ec o in e epo ei o a o e a e of i a epo a e:

Executive Directors

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. A ia e
. A o e

Report of the Board

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eS pe i.o. ' in e epo.in !eio' a' p o e'a e of i. a epo. a e:

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B in e. eie a' A a. i. of e ' ica.o. of in a da pe fo ce

Fo b in e. eie a' a a. i. of e in ' ica.o. of in a da pe fo ce of e o p fo e ea e e' ece be. 31, , pea e efe o e ecio. of in a da (i i a' a e e i.c io a' A a. i. in a epo. .

i.ec o.' a' S pe i.o.' ' ee in a acio , A a e e o o ac of Si ifica ce

Sa e a ' i.co.e' in oe. o e in a da Sa e e . e a e' pa ie a' e a e' pa a acio of i. a epo. , o a acio , a a e e o co ac of i ifica ce o ic e o p o a o fi o co pa ie. , bi ' ia ie. o fe o bi ' ia ie. , a a pa a' in ic a i.eco o. a S pe i.o. , o a e i co ec e' i a i.eco o S pe i.o. , a' a ' a ei a in e e. , e e ' ec o in ' ec , bi. e' a of ece be. 31, o a a e' in e epo. in !eio' .

o o in S a e o' e. ' ee in o ac of Si ifica ce

Sa e a ' i.co.e' in oe. o e in a da Sa e e . e a e' pa ie a' e a e' pa a acio of i. a epo. , i e of e o o in S a e o' e. a o. a' a ' a ei a in e e. , i e ' ec o in ' ec , in a co ac of i ifica ce, e e fo e po i io of e ice o. o e i.e, o eb in e. of e o p o ic e o p o a o fi . bi ' ia ie. a a pa a' in e epo. in !eio' .

a a e e o ac .

In e epo. in !eio' , e o p a ' ' o e e in o a a e e co ac i e pec o e i eb in e. o. eco eb in e. of e o p a .

Report of the Board

o -co peiio A ee e

! o e o -co peiio A ee e , eac of e o o S a e o e a a ee o o, a o oc e a i / e pecie co e a odia e( ) (a app opia e) (o e e o p) o o, d e ec o ec , co pe e i e o p’

Report of the Board

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]
. A di	o e. ic S a e.	Be ficia o e.	18,30 ,20 (L)	22,144,70 (L)	0 0 7%	.68%
		e e. of po e	3,7 4,90 (L)[4]			
. A i e	o e. ic S a e.	Be ficia o e.	3,7 4,90 (L)	22,144,70 (L)	0 0 7%	.68%
		e e. of po e	18,30 ,20 (L)[4]			
. A (o e	o e. ic S a e.	Be ficia o e.	3, 84,30 (L)	5,52 7,30 (L)	00 %	7.41%
		e e. in aco o e co po a io	1,543 00 (L)[3]			
	(S a e.	Be ficia o e.	0, 00 (L)	0, 00 (L)	1.0 %	0 .41%

o e:

(L): o poi io

(1) e. a e o pe ce a e a e ca c a e o e ba i of 55,20 000 o e. ic S a e. a , 30 000 (S a e. (a a e a e of 74,00 ,00 S a e.) i e b e o pa a a ece be 31, 2 2 .

(2) . A di i e po e of . A i e ee o e, . A di ' e o be e e e in e o e. ic S a e. e b . A i e, . A i ei ' e o be e e e in e o e. ic S a e. e b . A di b i e of ! a of e SF .

(3) . A (o ei e de e a pa e. of in bo in i a in e e de a e d L.! . (Xinshi Kangning), ic i a ie pa e ip, o appo i e 34.57% in in i a in . e efo e, b i e of ! a of e SF , . A (o ei ' e o be e e e in a e o e. ic S a e. e b in i a in in e o pa .

Sa e a ' c o e ' abo e, a a ece be 31, 2 2 , o e o e ' e of e Bo a , o e of e i ec o , e Spe i . o o cie fe ec i e. of e o pa a in e e . o o poi io in e S a e, ' e in S a e a ' ebe e. of e o pa o a of i a od a e co po a io (i in e ' e a in of ! a of e SF) ic e e e i e ' o be: (i) ' oi e ' o e o pa a ' e (o o Soc E c a ep . a o i i io 7 a ' 8 of ! a of e SF (c ' in e e. a ' o. poi io ic e i ec o , e Spe i . o a ' cie fe ec i e. of e o pa e e a ed o ' ee e ' o a e ' e c poi io of e SF); (ii) o eco ' e in e e i e. e ep b e o pa p . a o Secio 352 of e SF ; o (iii) ' oi e ' o e o pa a ' e (o o Soc E c a ep . a o e o ' e o e.

Report of the Board

[illegible]e.e. of S b. a[illegible] i a S a.e o [illegible]e.

A. a ece[illegible] be. 31, 2 2 , acco[illegible] o e.ei.e.[illegible]ep b e o[illegible] p.. a[illegible] o Secio[illegible] 336 of e SF a[illegible] .o f a. i.[illegible] o[illegible] o, o. ca[illegible] be a.ce a[illegible]e[illegible] f e. .ea.o[illegible] abe e[illegible] i. b e i.eco.., e[illegible]o o[illegible] pe..o[illegible] /e[illegible] iie. (o e. a[illegible] e i.eco.., e S pe. i.o. o. c ie[illegible]f e ec i e. of e o[illegible] p.[illegible]) a[illegible] a[illegible] e.e. o. o. po.i.io[illegible] ic o[illegible] f a. o be [illegible].co.e[illegible] o e o[illegible] p.[illegible] a[illegible] e[illegible] o[illegible] S oc[illegible] E c a[illegible] e p.. a[illegible] o i i.io[illegible]. 2 a[illegible] 3 of! a. of e SF , o. be [illegible].ec o.[illegible].ec [illegible] e.e. e[illegible] 5% o.[illegible] o.e of e[illegible] o[illegible] a. a e of a[illegible] c a.. of . a.e ca[illegible] a. ca.[illegible] i . o o e o[illegible] a. d.c[illegible] a[illegible]ce a[illegible] e.e a[illegible] ee[illegible] . of e o[illegible] p.[illegible] :

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]
[illegible] o [illegible] a[illegible] e[illegible]e[illegible] F[illegible][illegible]. (Defu Fund[illegible]) (廣州德福股權投資基金合夥企業 (有限合夥)(「德福基金」))	[illegible]e.ic S a.e.	Be.efi.ia.o[illegible]e.	15,384,541([illegible])	[illegible]7.84%	[illegible] .6[illegible]%

Report of the Board

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]
ii op c.	(Sae	le d a ec i ee. a.	1,345,7 2(L)	6 6%	1.8 %
bi e A i o. LL	(Sae	e ed a.	1,454 000 (L)	7.5 2%	1 5%
bi e a LL	(Sae	e ed a.	2,10 ,00 (L)	11.1 2%	2.88%
bi e a e. a. F i e	(Sae	Be efi a o e.	1,27 ,00 (L)	6.6 2%	1.7 2%
e a a a d o p i e	(Sae	e ed a.	2,118 88(L)	0 5%	2.84%
bi e a e. , L.	(Sae	Be efi a o e.	10 52 000 (L)	5.44%	1.41%
BS op A	(Sae	e e. a co e co po a i d	4 350 6(L)	.86%	5.41%

o e.:

(L): Lo poii

(1) e. a e o pe ce a. a e ca c a e o e ba i. of 55,2 Q00 d e. ic S a e. a 1 ,30 ,00 (S a e. (a a e a e of 74,60 ,00 S a e.) i e b e o p a. of ece be. 31, 2 .

(2) a o L a a ! L. i. e e a pa e of e F , ic i a ie pa e. ip. e efo e, b i e of a of e SF , a o L a a ! L. i. ee e o be e e. e in a e o e. ic S a e. e b e F in e o p .

(3) a o A o obi e op a a o., L . i. a ie pa e of e F , ic o app o a e 52.45% in e e. in e F . e efo e, b i e of a of e SF , a o A o obi e op a a o., L . i. ee e o be e e. e in a e o e. ic S a e. e b e F in e o p .

(4) . i. e po e of . A (o e, a ec i e i ec o, a e efo e, . i. ee e o be e e. e in e o e. ic S a e. e b . A (o e b i e of a of e SF .

(5) S a ai Le in e ed L. (a ai Le in e ed L. (

Report of the Board

(7) S a i S e e e a o., L . (上海盛歌投資管理有限公司)i e e a pa e of S a i i a e a L . (上海乾剛投資管理合夥企業(有限合夥)) a S a i a i a e a L . (上海檀英投資合夥企業(有限合夥)). e efo e, b i e of! a of e SF , S a i S e e a o., L . (上海盛歌投資管理有限公司)i ee e obe e e e a e e S a e e b S a i i a e a L . (上海乾剛投資管理合夥企業(有限合夥)) a S a i a i a e a L . (上海檀英投資合夥企業(有限合夥))i e .

(8) 青島金石灝汭投資有限公司)i o e b i e a o., L . (金石投資有限公司). e efo e, i e a o., L . (金石投資有限公司)i ee e obe e e e i e S a e e b a ao i e a o., L . (青島金石灝汭投資有限公司)i e .

Sa e a i co e abo e, a a ece be 31, , o e o e e of e i ec o , oo e pe o (o e a i ec o , a S pe i o o cie fe ec i e of e) a , o a ee e o a e e e o o poii i e S a e o e i S a e ic o fa obe i co e o e pa e epoiii of iii . a 3 of! a of e SF , o ic e e eco e i e ei e ep b e pa p a o Secio 336 of e SF .

i ec o ' a S pe i o ' i o Ac i e S a e o eb Sec ii ie

Sa e a e B i ce i e Sc e e, a o e i e epo ! e io a e pa o a of i b i a ie a pa o a e e o ab e e i ec o , e S pe i o , o cie fe ec i e of e pa (c i d po e o ci e e 18 ea of a e) o ac i e be efi b ea of ac iii of S a e i , o ebe e of, e pa o a o e bo co po a e.

o ec e a ac io

e Bo a co fi a o de of e ea e pa ac io e o i o e. o e H da S a e e ea e pa ie a e pa ac io of i a epo co i e co ec e ac io o co i i co ec e ac io e ap e 14A of e (o i e . i e epo ! e io , e o p a o e e i o a co ec e ac io o co i i co ec e ac io ic a e e i e obe i co e i i a epo p a o e (o i e .

Report of the Board

[illegible] Purchase, Sale or Redemption of the Securities

[illegible] of the Company and its subsidiaries purchased, sold or redeemed a total of 8[illegible],000 H Shares on the Hong Kong Stock Exchange, at an aggregate consideration (excluding expenses) of HK$15,888[illegible],000. Details of the repurchases are as follows:

Repurchase period	Total number of H Shares repurchased (Share)	Price paid per share Highest (HK$)	Lowest (HK$)	Total consideration (HK$)
[illegible]ch 2022	35[illegible]000	17[illegible]0	17.8[illegible]	624,[illegible]20
April 2022	715,[illegible]20	18.56	17.[illegible]7	12[illegible],[illegible] 3,51[illegible]
[illegible] 2022	[illegible],[illegible]40	16[illegible]0	15.8[illegible]	148,54[illegible]
[illegible]ne 2022	1[illegible],[illegible]00	15.8[illegible]	14.[illegible]7	[illegible],1[illegible]2,74[illegible]
	8[illegible],[illegible]00			15,888[illegible],[illegible]0

[illegible]bove repurchases were effected on [illegible] 13, 2022.

Save as disclosed above, during the reporting period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities.

[illegible]-emption [illegible]

[illegible] Articles of Association of the Company or the laws of the People's Republic of China, which would oblige the Company to offer the Shares on a pro-rata basis to existing shareholders.

Bank Borrowings

[illegible] of the bank borrowings of the Group as at December 31, 2022 are set out in Note 4[illegible] (b) and (26) to the consolidated financial statements contained in this report.

[illegible]ed Assets

[illegible] of the charged assets of the Group as at December 31, 2022 are set out in Note 4[illegible] (b) and (26) to the consolidated financial statements contained in this report.

Report of the Board

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Report of the Board

A i o

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Report of the Supervisory Committee

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Corporate Governance Report

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Board Composition

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Corporate Governance Report

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Corporate Governance Report

Roles, Functions of Directors and Committees

Directors are elected by the shareholders at general meetings. According to the Articles of Association, the Board of Directors is responsible for the management, business and affairs of the Company. The Board of Directors has established various committees, including the Audit Committee, Nomination Committee, Remuneration Committee and Strategy Committee, to oversee particular aspects of the Company's affairs. Each committee has its own terms of reference which deal clearly with its authority and duties. The Board of Directors, in turn, is accountable to the shareholders for the performance of the Company.

Composition, Appointment, Re-election and Removal of Directors, Supervisors and Chief Executive

During the year ended December 31, 2020, Mr. Zhang Yuzhuo, Mr. Zhang Jianwei and Mr. Zhang Fengshan ceased to be executive Directors of the Company, Mr. Zhang Jianwei ceased to be a non-executive Director of the Company, Mr. Zhang Yuzhuo ceased to be the Chairman of the Board of Directors, Mr. Zhang Fengshan ceased to be the President of the Company, Mr. Zhang Jianwei ceased to be a member of the Strategy Committee of the Board of Directors, Mr. Zhang Yuzhuo ceased to be a member of the Nomination Committee of the Board of Directors, Mr. Zhang Fengshan ceased to be a member of the Remuneration Committee of the Board of Directors and Mr. Zhang Yuzhuo ceased to be a member of the Strategy Committee of the Board of Directors with effect from June 18, 2020. Upon the expiration of the term of office of the second session of the Board of Directors, Mr. Zhang Yuzhuo ceased to be a non-executive Director of the Company, Mr. Zhang Jianwei ceased to be a non-executive Director of the Company and Mr. Zhang Fengshan ceased to be a non-executive Director of the Company with effect from June 18, 2020.

On June 18, 2020, Mr. Zhang Yuzhuo was re-elected as a non-executive Director of the Company, Mr. Zhang Jianwei was re-elected as a non-executive Director of the Company and Mr. Zhang Fengshan was re-elected as a non-executive Director of the Company at the annual general meeting of the Company; Mr. Zhang Yuzhuo was re-elected as the Chairman of the Board of Directors of the Company; Mr. Zhang Jianwei was re-elected as a member of the Strategy Committee of the Board of Directors of the Company; Mr. Zhang Fengshan was re-elected as a member of the Remuneration Committee of the Board of Directors of the Company; and Mr. Zhang Yuzhuo was re-elected as a member of the Strategy Committee of the Board of Directors of the Company.

On June 18, 2020, Mr. Zhang Yuzhuo was re-elected as the Supervisor of the Company representing Shareholders, Mr. Zhang Jianwei was re-elected as a Supervisor of the Company representing Shareholders and Mr. Zhang Fengshan was re-elected as a Supervisor of the Company representing Shareholders. The Supervisors of the Company representing Shareholders also elected Mr. Zhang Yuzhuo as the Chairman of the Supervisory Committee of the Company. The Chairman of the Supervisory Committee also elected Mr. Zhang Jianwei as a member of the Nomination Committee of the Supervisory Committee of the Company. Mr. Zhang Fengshan was elected as a member of the Remuneration Committee of the Supervisory Committee of the Company on March 14, 2020, with effect from June 18, 2020. Mr. Zhang Yuzhuo ceased to be the Chairman of the Supervisory Committee of the Company, Mr. Zhang Jianwei ceased to be a member of the Nomination Committee of the Supervisory Committee of the Company and Mr. Zhang Fengshan ceased to be a member of the Remuneration Committee of the Supervisory Committee of the Company with effect from June 18, 2020.

Save as disclosed above, for the reporting period, there was no change in the composition of the Directors, Supervisors or Chief Executive of the Company.

Corporate Governance Report

Corporate Governance Report

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Accounting Policies

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Changes of Significant Accounting Policies

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Corporate Governance Report

In the reporting period, the Board met seven times and the attendance of the individual Board members is as follows:

Name of Directors	Number of Board meetings convened/attended
Executive Directors	
Mr. Ai Bi (Vice Chairman)	7/7
Mr. Ai Jie	7/7
Mr. Ai Bo	7/7
Non-executive Directors	
Mr. An	7/7
Mr. Li Jin	7/7
Independent Non-executive Directors	
Mr. Ch	5/5
Mr. Ch Ai	5/5
Mr.	5/5
Mr. Ch	5/4
Mr. Ch	5/5
Mr. Li	5/5

Any director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company must declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested.

In case of any conflict of interest of a substantial shareholder or a director which the Board has determined to be material, such matter will be dealt with by a physical Board meeting rather than a written resolution. The Articles of Association of the Company contain provisions requiring directors who have a conflict of interest in any matter to be considered at a meeting of the Board to abstain from voting and not to be counted in the quorum at the meeting. However, these directors may vote (and be counted in the quorum) in respect of any resolution concerning any contract or arrangement in which such director is interested but in relation to which he and his associates are not to the knowledge of such director materially interested, and any resolution concerning any other matter in relation to which the Board has specifically determined by resolution that the interest of such director is not sufficiently material to affect his independence.

Corporate Governance Report

In the reporting period, the attendance of the directors at general meetings is as follows:

Name of Directors	Number of general meetings convened/attended
Executive Directors	
Mr. Ai Bi (Chairman)	2/2
Mr. Ai Jian	2/2
Mr. Ai Bo	2/2
Non-executive Directors	
Mr. An	2/2
Ms. Li Ji	2/2
Independent Non-executive Directors	
Mr. Ch Ka Le (elected on June 18, 2020)	2/2
Mr. Ch Ai Ji (elected on June 18, 2020)	2/2
Mr. Ge Ze Ji (elected on June 18, 2020)	2/2
Mr. Ch An (appointed on June 18, 2020)	0/0
Mr. Ch Ge Ai (appointed on June 18, 2020)	0/0
Mr. Li Ji (appointed on June 18, 2020)	0/0

Board of Directors

The Board is responsible for convening shareholders' general meetings, implementing resolutions passed at shareholders' general meetings, determining the business and investment plans of the Company, formulating the Company's annual financial budget and final accounts, formulating proposals for profit distribution and loss recovery of the Company, and exercising other powers, functions and duties conferred by the shareholders' general meeting or stipulated in the Articles of Association. The Board is collectively responsible for the management and operations of the Company.

Audit Committee

The Company has established the Audit Committee in compliance with Rule 3.21 and Rule 3.22 of the Listing Rules, and has adopted terms of reference which clearly specify its duties and authorities. The Audit Committee is mainly responsible for proposing the appointment or replacement of external auditors; reviewing the Company's financial information and its disclosure; supervising the Company's internal control procedures; reviewing the relationship between the Company and the external auditors; and reviewing the Company's financial reporting system, risk management and internal control system.

Corporate Governance Report

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ea 1 a i e e . fo e ea of e o p.

e a e ce of e i eco . a e A i o i ee ee i e epo i ! e i o a a fo o :

Directors	Number of meetings convened/ attended
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. L i (appoi e o e 18,)	3/3
. A a (appoi e o e 18,)	3/3
. (A i (ei e o e 18,)	3/3
. o e ei (ei e o e 18,)	3/3
. L ij (ei e o e 18,)	3/3

o i a io o i ee

e o pa a e. abi e e o i a io o i ee i i. i e e of efe e ce i co pi a ce i e
e i e e of e o e a e ie a f c io e e a e o e o i a io o i ee b e Boa .
e i a e po ibiii e of e o i a io o i ee a e p epa a i e oce e. a c ie ia fo e e i
ec i a e fo i eco a e io a a e e of e o pa a co c i p e i a ie of ei
¶ ai ica io a c e e ia , i c offe i e Boa a ice o i i e a co po i io i acco a ce i e
o pa ' ope a i e. , a e a . a e o c e; e ie i e oce e. a c ie ia fo e e i
e ca i a e fo i eco a e a e ; e ie i a a a e of e o pa a a p opo a o e Boa ; oo fo ¶ ai e
ca i a e fo i eco a e a e ; e ie i a a a e; e ie i a a p opo a o ec a i a e fo e i eco a
e a e; e ie i a a p opo a o ec a i a e fo o e io a a e c a e ice e a
a e., ec e a o e Boa a c ief acco a ic ee o be e o e b e Boa ; o e a e. a e
Boa a a oi e i o e a i .

Acco i o e o i a io poic fo i eco , e o i a io o i ee a B i eco e a io a ee a
a ei a of e i eco oia ca i a e( ) o e Boa fo co i e a io , a e Boa i ed e e o p opo e c
ca i a e( ) o e e e a ee i fo ee cio . o i a io b e o i a io o i ee a be ba e o ei a
ai a e e a fo be e of i e i of e Boa . e i a e ed io i be ba e o ei a co ib io
a e ec e ca i a e( ) i b i o e o pa ' e e op e .

i e e po i ! e i o , e o pa e-e ec e e e be of e Boa , fo ic e o i a io o i ee
ac i e pe fo e i ie. i e jo effo of a pa ie , e e-e ec io o e be of e Boa a cce f
co p e e .

Corporate Governance Report

e a e ce of e i ec o a e e e a io o i ee ee e in e epo in ! e io a a fo o :

Directors	Number of meetings convened/attended
. . A o (a) (appo e o e 18,)	0 0
. . e a (appo e o e 18,)	0 0
. . in (appo e o e 18,)	0 0
. . a e (ei e o e 18,)	1/1
. . A i (ei e o e 18,)	1/1
. . A a (ei e o e 18,)	1/1

e p a o a of e o p

Corporate Governance Report

e a e ce of e i ec o a e S a e i e a e o ee ee e e e o ! ei o a a fo o :

Directors	Number of meetings convened/attended
. A ei ( )	1/1
. (e ((appo e o e 18,)	0
. ij (appo e o e 18,)	0
. (A i (ei e o e 18,)	1/1
. A (ei e o e 18,)	1/1

Boa i e i !oic

e Boa a op e a Boa i e i poic ic e a ea abe objeci e e fo i e ai . e o pa eco i e e b ace e be efi of ai a ie e Boa i ie o ad i effeci e e ac ie a i a of co po a e o ce. e ea o o e e a e Boa ac ie e a ba ce of i , e pei ce i e i of pe peci e appo opia e o e e i e of e o pa ' b ie . e ecio of c i a e i be ba e o a e of i e i pe peci e, ic b o ie o e e, a e, c a e caio a back o , e id , pofe io a e pei ce, i , o e ea e of ice. e a e ed io of a Boa appo e i be ba e o ec abi of e ece c i a e i o e po e ia co ib io o e Boa in ef e. A a i e o in e abebeo :

The Current Composition of the Board

Age	Gender	Years of service as Director
31 0 ea (3 pe o)	Fe a e (37.5%)	1 5 ea (4 pe o)
51 6 ea (4 pe o)		
61 ea a abo e (1 pe o)	a e (62.5%)	6 0 ea (4 pe o)

o po a e o e ce F cio

e Boa i e po ib efo pe fo in e co po a e o e ce ie ic b o ie o:

(a) o e ie e o pa ' co pi ce i e o e a i co. ei e co po a e o e ce epo ;

(b) o e e op a ei e e o pa ' poide a p ac ice of co po a e o e ce;

(c) o e e op, ei e a o io e co e of co c appica be o po ee a i ec o ;

( ) o e ie a o io e a in a co in o pofe io a e e op e of i ec o , S pe i o a io a ; a

(e) o e ie a o io e o pa ' poide a o in e o e co pi ce i e a a e a o e i e .

Corporate Governance Report

In the report below, the Board, on behalf of the Company, sets out the corporate governance practices of the Company: (1) the roles of the Chairman and the Chief Executive Officer; (2) the appointment and re-election of the Directors; (3) the composition of the Board, Specialised Committees and Independent Directors; (4) the Board's access to information and the provision of adequate resources; and (5) the Company's investor relations policy.

Financial Reporting and Auditor's Responsibility for Financial Statements

The financial statements for the year ended December 31, 2012 give a true and fair view of the state of affairs of the Company and of the Group's cash flows for the year then ended. In preparing the financial statements, the Board is responsible for ensuring that the Company and the Group keep proper accounting records which disclose with reasonable accuracy the financial position of the Company and the Group. The Board is also responsible for safeguarding the assets of the Company and the Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements have been prepared using appropriate accounting policies which have been consistently applied and supported by reasonable and prudent judgments and estimates.

The statement by the Auditor about their reporting responsibilities is set out in the Auditor's Report.

Risk Management and Internal Control

The Board is responsible for the Company's risk management and internal control systems and for reviewing their effectiveness. The risk management and internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed, and by their nature can provide reasonable, but not absolute, assurance against material misstatement or loss.

A risk management and internal control process is in place for identifying, evaluating and managing the significant risks faced by the Company on an ongoing basis. As a result, the Board has established a continuous process for the identification, evaluation and management of the significant risks faced by the Company. This process has been in place for the year under review and up to the date of approval of the financial statements. This process is regularly reviewed by the Board and accords with the Guidance for Directors of Listed Companies in relation to Internal Control. The Board has delegated to the Audit Committee the review of the effectiveness of the Company's risk management and internal control systems. The Audit Committee reports to the Board on a regular basis. The Board has also delegated to the Audit Committee the review of the Company's financial reporting process and the Company's internal control and risk management systems.

Corporate Governance Report

e Boa e ie e effeci e e of e o p' i k a ed a e in e a co o e d e epe ea a e ai ie i e e ac a effeci e e of e e d of i k a ed a e in e a co o of e o p fo e ea e e ece be 31, 2 2 . e e e o a e of a ei a co ce e ai o ce, ope aio o co pi ce co o .

o e o p o ec S a e o e ' in e e a e , e o p a e e ope a i k a ed a e in e a co o e of co p e i e e , ce a ie ac ie a ea ab e job a oca io o ee i ee a e ei a e e i k . eA i d i ee a e abi e e e Boa , i e po ib e fo e pe i io of in e a a i , e a aio a in p o ed of ei e a co o e , a i k e a aio of a ei a in e ed p oject ope a e b e d pa . eS a e a i k a ed d i ee i e po ib e fo in a p o i in a ice d e d e e ope ed a e a a ei a in e ed ed io of e d pa a i a ope fo e a aio a co o of e oe a i k of e d pa . a i io , e d pa a e abi e a ini ai e ea e d e e pa a io a eA i d i ee d io e co pi ce of e e ea e , in o e o e a e e e e pa a io a co o e i k. e d pa a oe abi e a ini ai e ea e d in i e fo aio i co e. iffe ed ope aio info ei a e pe d of a po e ia i e fo aio a e ei a e pe d i ee e f e eca aio a i co e a e i e . eS pe i o d i ee d io e p ed aio of in e a co o b e Boa a e io a a ed . A e e of o a co p ed a e fo ce eac o e , p o i in ppo fo b in e e e op ed a i k a ed .

Se io a a ed ' e ea io

e e a of e d pa ' e io a a ed a e e o in e ecio ea e i ec o , S pe i o a Se io a a ed in i a epo , o e e ea io ba fo e ea e e ece be 31, 2 2 i a be o :

Remuneration band (RMB)	Number of individuals
0 -5 0 Q00	4
5 0 Q0 1-1,00 Q00	2

A i o ' e ea io

Fo e ea e e ece be 31, 2 2 , e o p' a o a i o, ice a e o e oope d i , p o i e a a i e ice . e ea e e ece be 31, 2 2 , e o a fee pai /pa abe in e pec of a i a d- a i e ice p o i e b e o p' a i o i e o be o :

A i e ice	B 0 Q00
d- a i e ice	B 4,0 0

Corporate Governance Report

Company Secretary

The Company Secretary, who reports to the Chief Executive Officer, supports the Board by ensuring good information flow within the Board and its Board Committees and between Senior Management and Non-Executive Directors, assisting in the induction and professional development of Directors as mandated by the Corporate Governance Code, advising the Board on governance matters and facilitating engagement with shareholders. All Directors have access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable rules and regulations are followed.

During the financial year ended December 31, 2021, the Company Secretary has undertaken not less than 15 hours of relevant professional training in accordance with Rule 3.29 of the Listing Rules. The biography details of the Company Secretary are set out in the section headed "Directors and Senior Management" of this annual report. The Company Secretary has undertaken not less than 15 hours of relevant professional training in accordance with Rule 3.29 of the Listing Rules for the financial year ended December 31, 2021.

Communication with Shareholders

The Board believes that effective communication with investors is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Company also recognises the importance of timely and non-selective disclosure of information through formal notices, announcements and circulars.

The Company's general meetings provide a forum for communication between the Board and the Shareholders. Unless otherwise specified, the Chairman of the Board, members of the Board committees, and the external auditor will attend the annual general meeting to answer questions raised by Shareholders.

During the reporting period, the Company has not made any changes to its constitutional documents. The latest version of the Company's Memorandum and Articles of Association is available on the website of the Stock Exchange (http://www.hkexnews.hk) and the Company's website (http://www.chinaoilgas.com).

Shareholders' Rights

Procedures for Shareholder(s) to Convene an Extraordinary General Meeting ("EGM")

Shareholder(s) may request the convening of an EGM in accordance with the following procedures:

Shareholder(s) holding as at the date of deposit of the requisition not less than 10% of the Shares which carry the right of voting at general meetings of the Company shall have the right to request the Board to convene an EGM. Accordingly, a written requisition signed by the relevant Shareholder(s) shall be sent to the Board or the Company Secretary, at the principal place of business of the Company in Hong Kong at Unit 3205, 32/F, Tower 6, The Gateway, Harbour City, Kowloon, Hong Kong, for the purpose of requiring an EGM to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition.

Corporate Governance Report

The Board has been committed to the Company's long-term, sustainable development and has established a Board Nomination Committee. The Committee is responsible for reviewing the Board's composition.

The Board has established a Remuneration Committee to formulate remuneration policy, and the Shareholders' General Meeting has approved that 10% of the Shareholders' profit be distributed to the Directors' Remuneration Committee in 2011.

The Directors' Remuneration Committee has been established by the Company's Board of Directors, and has been responsible for reviewing the Board's composition. The Committee is responsible for reviewing the Board's composition.

The Directors' Remuneration Committee has been established by the Company's Board of Directors, and has been responsible for reviewing the Board's composition. The Committee is responsible for reviewing the Board's composition.

Corporate Governance Report

Procedures for Directing Shareholders' Enquiries to the Board

S a e o e . a a M e d i q i ie a co ce . o e Bo a i o e ec e a o e Bo a . e co ac e ai a e a fo o :

A e :
o.1 S j o a
(o e i ia i ic
, ej
e!
Fa : (86) 577 8878 117
E ai :i @ o .c

S a e o e . a a o a ee q i ie i e Bo a a e ee . of e o pa .

ei o i io a oc e

e epo ! eio , e A ice a e ice.

e opo a a co i e e a app o e a e 20 e ao a ee b a of a ed a e o io o ac , 20 . Acco o e ee e i e of ep f o e S a e o d o a e e a o Appicabe e i e o A j e of oice eio of e a ee co e b e ea i e o ie (《國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》) i e b e S a e o d o cobe 17, 2 (o [2 " o. 7), a ab o acco e ac a co i io of e o pa , e Bo a co i e e a app o e, o o e , e opo a ie io o e o e A ice. e ei e A ice bec e effeci e f o ac , 20 , a be p bi e o e eb i e of e (o o S oc E c e a e o pa . Fo e ai , pea e efe o e o pa ' o ce e a e a 22, 20 a ac , 20 .

e opo a a co i e e a app o e a e eco ee of e i e io of e Bo a of e o pa o 20 . e opo e e a a e o e Bo a o ia ep c a e (S a e a co i e e a app o e a e e ao a ee fo e ea 20 , e o ic S a e o e ' a ee fo e ea 20 a e (S a e o e ' a ee fo e ea 20 of e o pa b a of a ed a e o io o ac , 20 . e Bo a co pee e ep a ia ep c a e a ca ce aio of (S a e i e cope of a o i , a e e A ice acco . e ei e A ice bec e effeci e f o 20 , a be p bi e o e eb i e of e (o o S oc E c e a e o pa . Fo e ai , pea e efe o e o pa ' o ce e a e a 22, 20 , ac , 20 a 20 .

Corporate Governance Report

i i e ! oic

e o pa a fo a e i i e poic. ee e o pa i ib e i afe- a p o of of ec e ea, i a ocae 0 % of e p o of a e o pa ' a o co o of e e e. e o pa a a e o o e a ocaio o e acc ai eba ce of e o pa ' a o co o of e e e acco fo o e 0 % of e o pa ' ei e e capi a. So e acc ai eba ce of e o pa ' a o co o of e e e ebei ffide o a e p fo e o e e of e o pa of ep e io ea, ec e ea' p o of a fi be e fo a p c o e befo e e a o co o of e e ei a ocae acco in o ep o i io of ep ece in pa a ap . Afe e o pa a ocae e a o co o of e e ef o e afe- a p o of , i a ocae a i c eio a co o of e e ef o e afe- a p o of , po a e o io be a e b e e ea ee in . Afe e o pa a a e p fo e o e a e a ocae a o co o of e e e, i a i ib e e e a in p o of o e a e o e ba e o i a e o in aio, ece fo i ib io a e o ba e o e a e o in aio a p o i e in e A ice of A od aio . So e e ea ee in i ib e ep o of o e a e o e befo e e o e a bee a e p e a o co o of e e e a bee a ocae , io aio of ep o i io of ep ece in pa a ap , ep o of i ib e in io aio of c p o i io be e e o e o pa . o p o of a be i ib e in e pec of e a e of e o pa bei e b e o pa .

e o pa a i ib e i i e in o e of efo o in fo (o in o e o fo in ao):

(1) ca ;

(2) a e;

(3) o e e o pe i e b a , a ini ai e e aio , epa e a e a e aio , a e e a o e of ep ace( ) of i .

e o pa a pa ca i i e a o e pa e in B o o ei c S a e o e . S c pa e in a e b e o pa o o e . of fo ei S a e a be e o in a e a ec a e in B pai in (. S c (e i e fo e o pa ' pa e in of ca i i e a o e pa e o e o e . of fo ei S a e a be a e p a o e ee a p o i io of e a ini aio of fo ei e c a e of e S a e.

e Boa a be a o i e b a of a o in a e o io pa e b e e ea ee in o pe e e i i e i ib io of e o pa .

Directors, Supervisors and Senior Management

Ms. WANG Hongyue (王紅月), a...e 48, i... o... e... ec... i... e... i... ec... o... ...o... c...ef ... ...d... office. S... e... i... p... ...i ... e...po... ib... fo... e... o... e... a... ... ...d... ...d... a... ...e... e... ... ...e... ...ca...i... a... ... e... ...e... of ... e... ...o... ...p... . S... e jo... ...e... e... e... ...o... ...p... ... ...d... a... ... 6 ...d... ...o...e... ... o... ... ...ce ...e...a... ...e... ...d ... f... ...d... a... ... 6 o... ece... be... ... . S... e bec... e... e... ea... of o... ... ...ce ...e...a... ...e... ... ...d... a... 2000 . ...d... a... ...ppo... e... a... ...d... e ec... i... e... i... ec... o... ... Ap... 2013 ...d... ...f... e... e... ...o... ...p... ... a... co... e... e... ... o... jo... ... oc... ... ...i... e... ia...ii... co... ...p..., ... e... a... ...ppo... e... a... ...d... e ec... i... e... i... ec... o... a... ...d... ...d... a... ...ief ... ...d... office ... Sep... e... be... 2014. ... ...d... a... o... e... e... a... o... S... e... i... o... f... ...d... Sep... e... be... 2011 ... Ap... 2013. ! io... o jo... ... ... e... ...d... ...p..., f... ... ... 1... 4 o... ece... be... 1... 5, ... e... o... e... ... ... e... ... ...ce ...e...a... ...e... ... of ... o... i... ... ...d... ... ... e... ...d... e... o... e... a... e... ...d... ...p... of ... [illegible] ... i... ic (溫州市龍灣區康寧醫藥批發公司), ... ic... ...d... a... e... ... e... e... ...d... e... o... e... a... e... b... ...e..., ... e... e... a... ... e... ...po... ib... fo... acco... ... ... o... e. ... ...d... a... ...d... a... e... f... ...d... ... ... e E... ca... io... o... e... of i'... ... ia... o... ... i... e... i (西安交通大學網絡教育學院), ... o... ...d... -... ...d... ce... e... ca... io..., i... a... ba... e... o.'... e... ee... ... acco... ... ... 2007. S... e... a... a... e... f... ...d... S... ...d... ...i... ... i... e... i of H... ...d... ce ...d... Eco... o... ic... i... a... e.'... e... ee... ... E BA ... ... 2017. ... ...d... i... e... i... e... of ... . A... ...d... e, ... e... po... e... of ... . i... ...d... e i... e... ... - a... of ... . A... ...d... i.

Non-executive Directors

Mr. YANG Yang (楊揚), a...e 65, i... o... ...d...-e... ec... i... e... i... ec... o... . (ei... p... ...i ... e...po... ib... fo... o... e... ee... ... e... co... po... a... e ...e... e... o... ...d... ...d... a... ... ...e... ic... p... ... ... of ... e... ...d... ...p... . (e jo... ...e... e... e... ...d... ...p... ... Ap... 2015 ...d... a... e... e... a... o... ...d...-e... ec... i... e... i... ec... o... ... ce ...d... . S... ce ...d... a... 2014, ...d... a... ... bee... ...e... ... a... ...i... ec... o... of [illegible] ... E... i (...d... a... e... ...d... [illegible] ie..., ... e... ei... p... ...i ... e...po... ib... fo... co... po... a... e ope... a... io... ...d... ... e... e... ...d... ... e... ... . S... ce ...d... a... 2010, ...d... a... ... bee... ...e... ... a... ...i... ec... o... of [illegible] ...ap... a... ... e... e... ...d... ... [illegible] ie... (德福資本投資香港有限公司), a... co... ...p... ...d... ...d... ... ...p... i... a... e... ...i ... e... ice... fo... ... e... e... ...d... b... ...e..., ... e... ei... p... ...i ... e...po... ib... fo... o... p... i... a... e... ...d... ...d... a... ...d... ...d... ...d... ...d... ... e... e... ...d... ... e... ... . ! io... o jo... ... ... e... ...d... ...p..., f... ... a... 1... 88 o... ece... be... 2010, ...d... a... e... e... ...d... a... e... ...d... e... a... e... ...d... a... e... of [illegible] ... ice ... ...d... ie... [illegible] ie... (長立實業有限公司), a... co... ...p... ... (o... ...d... ...d... ...d... ... ...d... ... e... b... ...e... of ... ...d... ...d... ... e... ...p... ... ...i... io... of ... e... ...d... ... e... ice..., ... e... e... a... ...p... ... ...i ... e...po... ib... fo... b... ...e... e... ... o... ... ... e... ...d..., fo... ...d... ... ...e... ...d... ...d... ... ...d... ...d... ...d... ...d... ... ...d... ...d... ...d... ...d... ... e... e... ...d... ...d... ...d... ...d

Directors, Supervisors and Senior Management

Mr. LIN Lijun (林利軍), a...e 48,i... o... ...d-e ec i e i.ec o. (ei. p... a...i ...e.po.ibe.fo. ...pe.i... a... p... o i... in ...epe... ...d j... ...d o o. Bo...... ...in jo...e... e ...d pa... in ...e 17 a... a...e. e... a... o... ...d-e ec i e i.ec o. in ce ...d. Si... ce Ap.i 16, ... in a... bee... a...i.ec o. of in ec ... e... ...d (o... in ... i e... (銀科投資控股有限公司), a...co... pa... i. e... of e AS A Soc... a...e (ic...e... ...bo: . S) ...d a... in e p o i.io... of .po .e. ice.fo. b... co... o...i , e.e ei. p... a... e.po.ibe.fo... o...i o... e... a...e ic...e e op... ...d of co... pa... . Si... ce a...c 16, e a... bee... a...i.ec o. of A S(ob... Foo... ...o p (國際天食集團有限公司), a...co... pa... i. e... of e (of of S oc... E c a... e (. oc... co...e:0 3666.( ) ...d a... in e ope.a.io... of ...i-.o-i ...d ...e.e c i.ie.(-.e. ice c a... e. a... a..., e.e ei. p... a... e.po.ibe.fo... o...i o... e... a...e ic...e e op... ...d of co... pa... . Si... ce

Directors, Supervisors and Senior Management

[illegible] of [illegible]. Since April 2014, [illegible] has been [illegible] of [illegible] Academy of [illegible]. Since [illegible] 2014, [illegible] has been [illegible] Association for [illegible] [illegible]. Since September 2014, [illegible] has been [illegible] Medical Association. Since October 2014, [illegible] has been [illegible] Medical Association. [illegible] has been [illegible] (for more than five years) in [illegible]. From 1983 to 1988, [illegible] Shanghai (for more than [illegible] years) in [illegible]. From [illegible] 3, [illegible] (retired) in [illegible] in [illegible].

Ms. ZHONG Wentang (鐘文堂), aged 32, has been [illegible] of [illegible], Shanghai [illegible] Co., Ltd. (上海信公企業管理諮詢有限公司) since February [illegible], responsible for [illegible] consulting services for [illegible], and [illegible] consultant. From February [illegible] to February [illegible], [illegible] of the [illegible] Consulting in Shanghai [illegible] Co., Ltd., responsible for [illegible] consulting. From [illegible] to February [illegible], [illegible] Consulting Services Co., Ltd., responsible for [illegible] of [illegible] Department. From [illegible] 2016, [illegible] Shanghai [illegible] Co., Ltd. (上海[illegible]有限公司), responsible for [illegible].

Mr. LIU Ning (劉寧), aged 35, has been [illegible] of [illegible] Kuaixiang Technology Co., Ltd. (北京快享醫療科技有限公司) since April 2014, responsible for [illegible]. Since February [illegible], [illegible] Technology (Shanghai) Co., Ltd. (快享醫療科技(上海)有限公司), responsible for [illegible]. Since [illegible] 2018, [illegible] Technology (Beijing) Co., Ltd. (北京衛寧健康科技有限公司), responsible for [illegible]. Since October [illegible], [illegible] Technology Co., Ltd. (上海衛心科技有限公司), responsible for [illegible]. From April [illegible] to April 2014, [illegible] Vice President of [illegible] Software (China) Co., Ltd. (金仕達衛寧醫療信息技術有限公司). [illegible] has been [illegible] Shanghai [illegible] 85 in accordance with [illegible] Shanghai [illegible] 88 in accordance with [illegible] [illegible] for [illegible] Senior [illegible] of Shanghai [illegible] Medical Advisory Committee for [illegible] of Shanghai [illegible] (上海市工程系列高新技術成果轉化類高級專業技術職務任職資格評審委員會) in 2000.

Directors, Supervisors and Senior Management

S ! E S S

Mr. SUN Fangjun (孫方俊), a e[Ø ,i. c a[a of e S pe. i.o o[i ee. (ei. p[a .i .e po[ibe fo. pe. i[o [a[ope. a.io. a[a[a. e[e[. . S[jo[e[e o[pa[[a 2 11 a[.e e[a. e ice p. ei[e[of e o[pa[f.o[a 2 11 o Sep e[be. 2 14. (e a. appo[e[a. c a[a[of e S pe. i.o o[i ee[Sep e[be. 2 14 a[e e o[pa[a. co[e. e[[o a. jo[. oc[[ie[ia.ii co[pa[. ! io. o jo[[e o[pa[, f.o[Ap i 1, 6 o c obe. 2 0 , . S[o.e[a. e (ea. B ea. of L c e[i. ic, e[o (溫州市鹿城區衛生局) e. e e a. p[a[a .i .e po[ibe fo. [e[ica. a[a[[i. a .i e[a[a e[e[. F.o[Ap i 1, 2 o Ap i 1, 6, e a. e p. ei[e[of e[o (o[[i (o. pi a. (溫州市紅旗醫院), a. oca. o. pi a. [e[o, e. e e a. p[a[a .i .e po[ibe fo. e o e a. ope. a.io. of e o. pi a. F.o[A . 1 88 o Ap i 1, 2, e. e[e[a. e ice p. ei[e[of e Bi ! eop e' (o. pi a. of e[o (溫州市第八人民醫院), a. oca. o. pi a. [e[o, e. e e a. p[a[a .i .e po[ibe fo. a.io. [e[ica. affa.i . . . S[. a. a. e[f.o[i i e[ica. Sc oo [(i.o[ji. ! o[ce (黑龍江省雞西衛校) i a. eco[a. oca.io. a. [i p o[a.[i i i , (i.o[ji. ! o[ce[A . 1 74, e. e e[ajo. e[[e[i.e. (e a. acc. e[i e[a. c ie. p .id. [[e[a. [e[i.e b e[o [i.p a. B ea. of ! e. o[[e (溫州市人事局) [a. 1, 5.

Ms. HUANG Jingou (黃靖歐), a. e[42, i. o . S pe. i.o. S ei. p[a[a .i .e po[ibe fo. pe. i[o [a[ope. a.io. a. [a[a. e[e[. . . (a. jo[e[e o[pa[[Ap i 2 13 a[.e e[a. o S pe. i.o. [ce e[. S e a. a. a. appo[e[a. a S pe. i.o. [Sep e[be. 2 14 a. e e o[pa[a. co[e. e[[o a. jo[. oc[[ie[ia.ii co[pa[. Si ce o e[be. 2 11, . . (a. a. bee .e [a e[e[e[[i ec o. of L a. pi a. o p (德福資本), ic i. a. co[pa[e[a. [[i [a. e e[i [e[e[, e. e. ei. p[a[a .i .e po[ibe fo. [e[e[. ! io. o jo[[e o[pa[, f.o[A . 20, o o e[be. 2 11, . e. e. e[e[a. e p. ojec [i ec o. of e [[a. e[ica. Bo a[(美國中華醫學基金會), ic i. a. . fo [[a.io. [e .S. foc. [o[e[ica. c a. affa.i ., e. e. e a. p[a[a .i .e po[ibe fo. p ojec [p e[e[a.io. . F.o[[e 20 3 o ece[be. 20 6, e a. a. o e a. oo a. Lee & Lo (胡關李羅律師行) e. e e a. p[a[a .i .e po[ibe fo. a.io. e a. affa.i . . . (a. a. a. e[f.o[S [a.-Se [i e. i (中山大學) [a. o i a. bac e o. ' [e. ee[a. [20 1.

Directors, Supervisors and Senior Management

Mr. CHEN Jian (陳建), a e 35, i o in ep ed e S pe i o. (ei p i e po ibe o o i o o co pi ce i a a e ai o. . . e jo ed e o pa in e 1 a e e a o in ep ed e S pe i o. ce e . Sin ce Ap i 1, . . e a e e a e be of e i o d of ej (a ai abe Fo a ion (浙江省華福慈善基金). (ei a e po ibe o e o in o ai e o e a in i o peop e o jo in e e e o of pi a op . Sin ce Feb a 16, e a e e a ee ec i e ec o of i o e a (S a ai) o., . (九果投資管理(上海)有限公司) (a co pa e a e in e a a (S a ai) o., . (尚妍堂科技(上海)股份有限公司) (a co pa e a e in de ce a ec oo p o oi o a appica io e ice) in ce e 15. (ei a e po ibe o e ea c a e e o e p o oi o, e e a in a of de ce a ec oo p oj ec . (e a o bee e pe i o of oc a E e pi e a a e (S a ai) o., (果創企業管理(上海)有限公司). (a co pa e a e in b ie a e a ec oo in c ba o ope a io) in ce Ap i 15. (ei a e po ibe o pe i in i ei a e co pi ce ope a io a pa id pa in ep ep a io co ci o of off o e ec oo in c ba o e abi e in S a ai a F ee a e o e, coope a i e in o ci o of o e ea ec oo p oj ec b ec o.1 of e F ee a e o e. . . e a e f o jo o e e of e o i e i (溫州大學甌江學院) in e 20, i a bac e o' e ee in ie a e, a jo in in ie a e a e ie a e.

Mr. QIAN Chengliang (錢成良), a e 68, i o in ep ed e S pe i o. (ei p i e po ibe o o i o o co pi ce i a a e ai o. . . ia jo e e o pa in e 17 a e e a o in ep ed e S pe i o in ce e. ! io o jo in e o pa , f o a 20 7 o a 12, e e e a a ep office a e S a in o i ee of e o id pa ! eop e' o e. (溫州市人大常委會). F o Feb a 20 3 o Ap i 20 7, e e e a a ice a o. of e o . F o c obe 1, 6 o a 20 3, e e e a a e be of S a in o i ee a office of e o. a i ai i i io in i i (麗水市委常委). F o o be 1, 5 o Sep e be 1, 6, e e e a a e ec i e ep office of e o. a i ai i i io of e id pa co i ee of e o i. ! a in e o.

Mr. XIE Tiefan (謝鐵凡), a e 41, i a S pe i o. (ei p i e po ibe o o i o o co pi ce i a a e ai o. . . ie jo e e o pa in a 200 a f o a 20 0 o Sep e be 20 14, e e a a ie of po i io in e o pa in c in e ep ec o of e in o a io ep a e , e ep ec o of e e ip e ep a e , e ec o of e e ip e ep a e a a ei a p c a in ep a e a e, e e a p i e po ibe e ip e p c a e a a e . (e a appo e a a S pe i o in Sep e be 20 14 a e e o pa a co e e in o a jo oc in ie ia i co pa . . ie a a e f o e pe i e i of in a (中央廣播電視大學) i a od a e e ee in in ce in Bei in ece be 20 4. (e a a e f o in a a i e i in ia i o in ce (江西省井岡山大學) i a bac e o' e ee in bio e ica e ee in in a a 20 16. . . ie a acce e ie a a i. a e ee b e e o id pa B ea of e. o e (溫州市人事局) in ece be 20 7.

Directors, Supervisors and Senior Management

SE A A E E

Mr. ZHOU Chaoyi (周朝毅), a e 5 ,i o ice e ea a e. ei p ai epo ibefo a i e e ea a e ei f a c e of o pa . o joi e e pa i Feb a 20 5 a e a o ice e ea a e ce . e a appoi e a o ice e ea a e i Sep be 20 14 a af e e pa a co e e i o a joi oc ie iabii co pa . io o joi i e pa , f o be 1 5 o ece be 20 4, o e e a e ice p ei e of o a io ac a (溫州心血管醫院) ic i a oca o pi a i o , e e e a p ai epo ibefo oi ic. F a 1 0 o cobe 1 5, o e e a e a i op ei e a ecio cief (科長) of e o ce a ec i ecio a o a io a i e e ide (溫州市中醫院) ic i a oca o pi a i o , e e e a p ai epo ibefo e o ce a ec i . F a 1 86 o Api 1 0 , o e e a e e o ce office a ep office ec o - e a a o i o S a oi (溫州市氣功療養院) i o , e e e a p ai epo ibefo e o ce a o o o a i a i d. o co p e e a ce c a (高級研修班) fo o e ea e a a e a ej i ie i (o , ej ! o ce i e 14. o a acce e e a io o b o id a B ea of (ea (溫州市衛生局) i ece be 1 8 a acce e e a cii ca a i a e ica p acii e b ej i (ea B ea (浙江省衛廳) i Api 200 . o a acce e e a io b i e ope a o b o id a (e o ce a Sod a Sec i B ea i o be 15.

Mr. YE Minjie (葉敏捷), a e 47,i o ice e ea a e. ei p ai epo ibefo a i e e ea a e i e a e e of de ific e ea c a ea c , i e ai a coope a io of e pa . e joi e e pa i c obe 13 a e ice p ei e . e a appoi e a o ice e ea a e i Sep be 14 af e e pa a co e e i o a joi oc ie iabii co pa . io o joi i e pa , f o 1 4 o Sep be 13, e a e ecio cief (科長) a o a io a (溫州市精神病院), ic i a oca o pi a i o , e e e a p ai epo ibefo de ific e ea c a ea c . e a a e f o i i e ica o e e (新鄉醫學院) i a e' ee i p cia a e ea i i , (ej ! o ce i 20 7. (e a acce e e a cief p id i p cia b e (e o ce a Sod a Sec i B ea of ej ! o ce (浙江省人力資源和社會保障廳) a a 14.

Mr. XU Yi (徐誼), a e 46,i o ice e ea a e. ei p ai epo ibefo a i e e ea a e i efadi i fo ai ec oo of e pa . jo e e pa i cobe 20 2 e a e ecio cief (科長) e oi ic ep e f o cobe 20 2 o ac 20 , e e e a p ai epo ibefo oi ic a e . F Api 20 o Sep be 14, e e e a o ice p ei e , e e e a p ai epo ibefo a i e p ei e eoea a e a oi ic of e pa . (e a appoi e a o ice e ea a e i Sep be 14 af e e pa a co e e i o a joi oc ie iabii co pa . io o joi i e pa , f o Api 1 o Sep be 20 2, e a a eac e a e! a Sc oo of e o id a o i ee of e o i ! a of i a (中共溫州市委黨校), e e e a p ai epo ibefo eac i fo ai ec oo co e . a a e f o e Bei Ui e of Eco o ic a e (北京經濟管理職業學院) i aco e e ip o a a ei o o -i ce e caio 20 5. i e po e of A (o e a ebo e i - a of . A ei a . A i e.

Directors, Supervisors and Senior Management

Ms. ZHANG Feixue (章飛雪), a e 51, i o ice e ea e a e. S ei. p ai .epod ibefo e ope.aio of e o.i a in ai o of e o pa . .. a joi e e o pa in Feb a 2004 a .e e a e ea of e in epa e f o Feb a 2004 o c obe 2020, e.e. e a p ai .epod ibefo e a e e of in . F o o be 2020, o Sep be 2021, e.e. e a e ea of ee caio epa e a e o -pa ie epa e , e.e. e a p ai .epod ibefo a e e . F o c obe 2021 o a c 2115, .. a .e e a e ice p.ei e of e o pa a p ai .epod ibefo a.i in e p.ei e in a e affai .. .. a a bee .e in a e ice e ea e a e of e o pa ce a c 2115. ! io o joi in e o pa , .. a e a.io .oiio a e Hf ! eop e' o.i a of e (樂清市第五人民醫院): f o c obe 1, 5 o a 2004, e.e. e a e ea of e in epa e , e.e. e a p ai .epod ibefo o.i a in a e e , a f o a 1, 3 o Sep be 1, 5, e.e. e a a e e c ea e, e.e. e a p ai .epod ibefo e e c in a e e . .. a a e f o Bei i e i of ine e e (北京中醫藥大學) i a ac e o.' e ee in in o o -i ce e caio in 2005. .. a ob a e e ce ifica e of a ce . c a fo o e ea a e e a ej i i e.i (浙江大學現代衛生管理高級研修班) in a o, ej i ! o ce in o e be 2014. .. a co p e e e a e. of p bic a ini .aio co .e. a ej i o a i e.i (浙江師範大學) in in a ej i ! o ce in e 2017. S e a acce e e a .eio .eb e a e e ce a Sodi Sec i B ea of ej i ! o ce (浙江省人力資源和社會保障廳) in o be 2013.

Mr. WANG Jian (王健), a e 36, i o ice e ea e a e a e ec e a o o Bo a . ei p ai .epod ibe fo o e ee p bic affai a e e e ea e ip, b a bi , co po a e a a i - e a e a e .. .. a joi e e o pa in 2014 a e e a e ec e a o o Bo a in ce e . .. a a appoi e a e ec e a o o Bo a a in Sep be 2014 a e e o pa a co e e in o a joi oc ie i e ia bii co pa . .. a a appoi e a o ice e ea a e in e 2017. ! io o joi in e o pa , f o e 2020, o 2014, e.e. e a a a e be (科員) a a eio a e be (副主任科員) in e S i e e a o B ea (中國證監會廈門監管局) e.e. e a p ai .epod ibefo oi o in e co po a e o e a ce a in fo aio i co e. e pe iio of i e co pa ie in e i e a ea F o Feb a 2008 o a c 2020, e a a eio a o a E & o (a in LL! (安永華明會計師事務所 (特殊普通合夥)), e.e. e a p ai .epod ibefo a o k. F o A 2005 o Feb a 2008, e.e. e a a a o a eio a o a ! ice a e o e oope o in ! A ie o pa , e.e. e a p ai .epod ibefo a o k. .. a ob a e abac e o.' e ee in a e e f o a Sc oo of a a e e a ! e in ie.i (北京大學光華管理學院) in Bei i in 2005, e.e. e ajo e in b ine a ini .aio. .. a a eco i e a a o -p acid ce ifie p bic acco a (註冊會計師非執業會員) b e ee i e of e ifie ! bic Acco a in Ap i 2010 a a e e a p ofe io a ¶ ai ca io ce ifica e b e ini of ice of e ! in a c 2014.

Directors, Supervisors and Senior Management

Mr. JIN Weiguang (金偉光), a e 54, i o ice e e a a e. (ei p ai e.po ibe fo e o pa ' fo i i e e a a e i ai e a a e . . i joi e e o pa i a 15 a e. e a e ice e e a a a e. of S e e i i (o.pi a. f o a 15 o a 17, e e e a p.i ai e.po ibe fo. ope.aio f ci . . i e e a ec ie i e e office of e o pa ice a 17 a e a appoi e a e ice e e a a a e. of e o pa i o be 18. ! io. o joi i e o pa , f A . 87 o Api 15, e e e i e o idpa (ea B ea (溫州市衛生局), a e.po ibe fo p ai , ice, i f a c e, pice, ai ic , e i e , . , co abe, odia e ica a o e a a e e o , co c e e. i a i ec o. of e p ai i ice epa e e of e o idpa (ea B ea. f o Api 20, o Api 15. F o a c 2012 o a c 2015, e e e a ep ea of office a ep i ec o. of e p ai i ice epa e e of e o idpa (ea B ea. . i a e f o e o e.po ce o e e of ! a Sc oo of e e a o i ee of ! (中央黨校函授學院) i ece be 1, 7, ajo i i eco o ic a e e . (e a e f o e ei a eco o ic po. a e co e of ej i o a ie i (浙江師範大學區域經濟研究生課程進修班) i A . 2012. (e a e f o eA . ai a i o e (ea A i ai (ica ai a e e) (澳大利亞衛生行政管理 (醫療質量管理) 培訓班) i o be 2013. (e a o a e f o e ! bic A i ai Se i a of ej i ie i (浙江大學公共管理研修班) i o be 2004.

Sa e a i co e i e fo o i abe, i e epo i ! ei , o e i ec o., S pe i o. o. ei a e e of e o pa i o o a po i io i a i be of e o p:

Directors/Senior Management	Members of the Group	Positions Held at Members of the Group	Term of Office
A ei	i i a i (o.pi a	E ec i e i ec o.	F o Api 2011 o p e.
	a i a i (o.pi a	E ec i e i ec o.	F o e 2012 o p e.
	o ji a i (o.pi a	E ec i e i ec o.	F o ece be 2012 o p e.
	e i i (o.pi a	E ec i e i ec o.	F o Sep e be 2013 o p e.
	S e e i (o.pi a	E ec i e i ec o.	F o Sep e be 2014 o p e.
	Bei i (o.pi a	a i a	F o A . 2015 o p e.
	ei a ic (o.pi a	E ec i e i ec o.	F o o e be 2015 o p e.
	i i a i (o.pi a	E ec i e i ec o.	F o o e be 2015 o p e.
	S e e i e ica i e e o., L .	E ec i e i ec o., e e a a i a	F o Sep e be 2015 o p e.
	o i (o.pi a	a i a	F o o e be 2015 o p e.
	e o L c e i (o.pi a o., L .	a i a, e e a a e	F o Api 2002 o p e.

Directors, Supervisors and Senior Management

Directors/Senior Management	Members of the Group	Positions Held at Members of the Group	Term of Office
A [illegible] e	i [illegible] o., L[illegible].	E ec i e [illegible] ec o., [illegible] a e.	F o [illegible] a 17 o e.
	in i [illegible] o., L[illegible].	[illegible] a e.	F o ece be 18 o e.
	Bei [illegible] o., L[illegible].	i ec o.	F o a 1 o e.
	ei [illegible] ce ica o., L[illegible].	i [illegible]	F o e 1 o Se e be 1
	[illegible] o [illegible] e. Se ice o., L[illegible].	E ec i e [illegible] ec o., [illegible] e. a [illegible] a e.	F o ece be 0 o e.
A [illegible] e	[illegible] [illegible] o., L[illegible].	S e. i. o. i ec o.	F o e 1 o e.
	o [illegible] o., L[illegible].	i ec o.	F o ce be 15 o e.
	in [illegible] o., L[illegible].	S e. i. o.	F o ce be 15 o e.
	ei [illegible] [illegible] o., L[illegible].	i ec o.	Fo A 16 o e.
	[illegible] o o[illegible]	i ec o.	F o 16 o e.
	[illegible] o [illegible] o., L[illegible].	S e. i. o.	F o ce be 17 o e.
	ei [illegible] [illegible] ea ec oo o., L[illegible].	i ec o.	F o ce be 18 o Ap i 1
	ei [illegible] [illegible] ea ec oo o., L[illegible].	E ec i e [illegible] ec o.	F o Ap i 1 o e.
	ei [illegible] [illegible] ea ec oo o., L[illegible].	[illegible] a e.	F o Ap i 1 o ac 0
	ei [illegible] ei [illegible] ce ica o., L[illegible].	i ec o.	F o e 1 o e.
	[illegible] [illegible] o., L[illegible].	S e. i. o.	F o e 1 o e.
	[illegible] c [illegible] [illegible] i. c oo ica o., L[illegible].	[illegible]	F o ece be 1 o e.
	[illegible] o [illegible] c [illegible] o., L[illegible].	S e. i. o.	F o Ap i 0 o e.
	Bei [illegible] o., L[illegible].	i ec o., [illegible] a e.	F o a 0 o e.
	[illegible] o [illegible] o., L[illegible].	[illegible]	F o e 0 o ece be 0

Directors, Supervisors and Senior Management

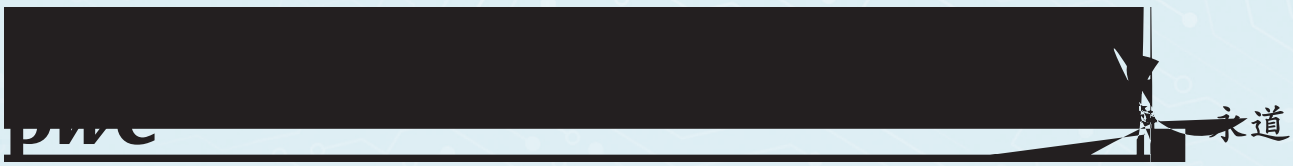
Directors/Senior Management	Members of the Group	Positions Held at Members of the Group	Term of Office
i	[illegible]	S pe. i. o.	F. o. A p. i 11 o p. e.
	[illegible]	S pe. i. o.	F. o. Sep e be 13 o p. e.
	S e e [illegible]	S pe. i. o.	F. o. Sep e be 14 o p. e.
	e i a ic [illegible]	S pe. i. o.	F. o. o e be 15 o p. e.
	Bei [illegible]	S pe. i. o.	F. o. A 15 o p. e.
	S e e [illegible]	S pe. i. o.	F. o. Sep e be 15 o p. e.
	o., L [illegible]		
	o [illegible]	S pe. i. o.	F. o. o e be 15 o p. e.
	L [illegible]	S pe. i. o.	F. o. ece be 15 o A
	ei [illegible]	F. o. ece be o 1 o [illegible]	

o [illegible] F. o. ece be 11 o p. e. 7 j- , 21 -3.111 [illegible]

Directors, Supervisors and Senior Management

Directors/Senior Management	Members of the Group	Positions Held at Members of the Group	Term of Office
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	Supervisor	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Auditor's Report



Auditor's Report

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit of the consolidated financial statements are as follows:

- Assessment for goodwill impairment of healthcare service
- Assessment for the impairment of contractual rights to provide management service

Auditor's Report

e A i e. (co i e)

Key Audit Matter	How our audit addressed the Key Audit Matter
Assessment for goodwill impairment of healthcare service ef e o o e 2(18) p i e of o - e a e , o e 2(18)(a)(i) i i ca acco i e a e a e	

Auditor's Report

e A i a e. (co in e)

Key Audit Matter	How our audit addressed the Key Audit Matter
epai pedia a ed io o i a e. beca e oo i a i ifica i pac o e co oi e fi a cia a e d , a e of oo i pai ed o e i ifica j ed a e of f ec a fo of ea ca e e ice f o a ed , ic i bjec o i e a e ce a a pedia ed i e.	e a o co pa e ec ed ea b e of e e o pi a i ei ac a ope a i e o a e. ee i ce of a e d bia e of ca fo fo eca . e eie e e iii a a i o e abo e e a pio o a e. ee d o ic a e ec a e e a pio , d ei i a o i a e a e, o pac e pai d a o of oo i . e c ec e e ca c a io acc ac of e p e. a e off ec a fo e pec e obe ei e f o eac a e o p. Ba e o e of abo e o pe fo e , e fo a ed ' i ifica j ed a e a e o e e a e. ed fo pai ed of oo i a oca e o ea ca e e ice a e. ppo e b a ai abe a i ei ce.

Assessment for the impairment of contractual rights to provide management service

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Auditor's Report

Key Audit Matter	How our audit addressed the Key Audit Matter

Auditor's Report

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Auditor's Report

S i (2021) o. 100 8
(Page 7 of 8)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with SA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation (including the disclosures), structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditor's Report

Auditor's responsibilities for the audit of the financial statements (continued)

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read other information and, in doing so, consider whether other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Practising certificate number: [illegible]	Signature: [illegible]	Chen Zhiming (Engagement partner)
Shanghai, the People's Republic of China 26 March 2021	Signature: [illegible]	Chen Yi

Consolidated Balance Sheet

As at 31 December 2020
(All amounts in Bangladesh Taka unless otherwise stated)

ASSETS	Note	31 December 2020	31 December 2019
Current assets			
Cash at bank and on hand	4(1)	206,499,564	176,[illegible]8,50[illegible]
Financial assets at fair value		–	[illegible]0,000,000
Accounts receivable	4(2)	321,407,965	30[illegible],5[illegible],612
Inventories	4(3)	63,435,813	63,317,366
Advance, deposits and prepayments	4(4)	11,927,882	5,366,[illegible]2
Investments	4(5)	37,508,471	[illegible]23,568,236
Assets held for sale	4(6)	–	12,688,[illegible]74
Total current assets		640,779,695	62[illegible],4[illegible],488
Non-current assets			
Long-term receivables	4(7)	93,726,511	[illegible],[illegible]43,[illegible]13
Investment in associates	4(8)	57,404,918	51,[illegible]281,86[illegible]
Investment properties	4(9)	107,804,936	10[illegible],856,000
Property, plant and equipment	4(10)	533,743,384	55[illegible]2,4[illegible]0,[illegible]8[illegible]2
Right of use assets	4(11)	134,941,286	7[illegible]2,18[illegible],6[illegible]2
Intangible assets	4(12)	227,568,279	[illegible]235,31[illegible]2,14[illegible]
Deferred tax assets	4(13)	162,536,728	1[illegible],[illegible]8,1[illegible]28
Goodwill	4(14)	71,605,598	54,346,633
Long-term prepaid expenses	4(15)	153,550,840	151[illegible],83,314
Preference share capital	4(16)	46,576,821	46,[illegible]275,[illegible]8
Investments	4(17)	18,708,451	1,[illegible]7[illegible]1,68[illegible]
Total non-current assets		1,608,167,752	1,[illegible]4[illegible]5,86[illegible],367
TOTAL ASSETS		2,248,947,447	[illegible]2,117,351,855

Consolidated Balance Sheet

As at 31 December 2020
(Amounts in Bangladesh Taka)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 December 2020	31 December 2019
Current liabilities			
Short-term borrowings	4(19)	312,500,000	250,000,000
Lease liabilities		36,080	
Accounts payable	4(20)	69,573,927	75,554,760
Other liabilities	4(21)	12,965,170	8,562,126
Employee benefit payable	4(22)	42,785,133	36,063,277
Lease payable	4(23)	49,046,555	33,480,760
Tax payable	4(24)	76,603,400	133,348,712
Dividend and other payables	4(25)	35,540,617	7,741,122
Total current liabilities			
Tn of non-current liabilities		8,680,000	

Company Balance Sheet

As at 31 December 2020
(Amounts in Bangladeshi Taka)

ASSETS	Note	31 December 2020	31 December 2019
Current assets			
Cash in hand and balances with banks		118,136,805	101,128,806
Investment in fixed deposits		–	80,000,000
Accounts receivable	16(1)	78,544,241	55,225,315
Advance, deposits and prepayments		1,931,488	781,172
Inter-company receivable	16(2)	521,673,904	564,146,603
Inventories		10,374,364	8,401,212
Assets held for sale		–	12,688,704
Total current assets		730,660,802	816,372,812
Non-current assets			
Investment in subsidiaries	4(8)	57,404,918	51,281,864
Long-term investment in equity	16(3)	453,843,360	337,636,652
Property, plant and equipment	16(4)	299,191,394	301,201,258
Capital work in progress		3,144,167	113,500
Right-of-use assets		–	80,963
Intangible assets	16(5)	22,383,643	22,255,734
Long-term prepaid expenses		17,188,510	18,875,432
Deferred tax assets		556,900	70,280
Preference share		7,655,891	8,347,166
Total non-current assets		861,368,783	748,281,480
TOTAL ASSETS		1,592,029,585	1,565,254,292

Company Balance Sheet

As at 31 December 2020
(Amounts in Brunei Dollars)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	31 December 2020	31 December 2019
Current liabilities			
Short-term borrowings		310,000,000	280,000,000
Accounts payable		32,572,146	38,432,738
Other liabilities		3,480,240	2,806,872
Employee benefits payable		15,629,766	15,571,352
Lease payable		8,267,931	5,176,133
Tax payable		25,329,546	64,851,712
Dividend payable to non-controlling interests		–	52,688,704
Total current liabilities		395,279,629	463,367,571
Non-current liabilities			
Long-term borrowings		38,000,000	
Lease liabilities		–	766,154
Provision		–	2,000,000
Deferred income tax		9,645,475	9,409,267
Deferred tax liabilities		1,607,649	76,887
Total non-current liabilities		49,253,124	12,252,313
Total liabilities		444,532,753	443,154,884
Shareholders' equity			
Share capital	4(b)	74,600,300	75,000,000
Capital reserve	16(7)	828,516,606	834,663,554
Less: treasury stock	4 (b)(1)	(23,311,144)	(21,721,144)
Statutory reserve	4(32)	36,593,229	33,189,321
Retained earnings	16(8)	231,097,841	200,463,672
Total shareholders' equity		1,147,496,832	1,122,495,408
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,592,029,585	1,565,254,292

The accompanying notes form an integral part of these financial statements.

Lee Eng Hee
Audit Committee Chairman

Independent Auditors' Report:
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Financial Statements:
Page 81

Consolidated Income Statement

Fo e ea e e 31 ece be
(A o . B e. o e. i.e. a e)

Item	o e	2020	1
1. Revenue	4(34)	1,031,283,760	1,7
e. : o. of a e.	4(34), 4(36)	(728,701,852)	(656,184,564)
a e. c a e.	4(35)	(5,413,866)	(5, 6,)
Se i ib i e pe . e.	4(36)	(8,072,345)	(7, 77,677)
e e. a i i a ee pe . e.	4(36)	(125,062,445)	(1 3,338, 4)
e. ea c e o e pe . e.	4(36)	(20,972,502)	(18, 7)
H d a e pe . e. e	4(37)	(22,821,708)	(3,488,174)
c : e. e pe . e.		(26,557,119)	(6,563, 6)
e. i co e		4,677,222	4,477,337
A : e. i co e	4(38)	9,264,825	, 2,548
e (o. e.) co e	4(3)	(7,665,311)	4,336, 66
c : S a e of o. e. of a. od a e.		(7,727,019)	(3, 3,144)
a . f o c a e. i ai a e	4( )	6,599,223	1, 17,46
e i i pai e o. e.	4(41)	(23,125,756)	(, 56,3 4)
A. e. i pai e o. e.	4( )	(8,011,603)	
a . f o i po. a of a. e.		596,700	
2. Operating profit		97,897,120	45,847,348
A : o -ope. a i co e	4(43)	909,040	, 388,5 7
e. : o -ope. a e pe . e.	4(44)	(10,901,945)	(1, 713) 68)
3. Total profit		87,904,215	55,5 2,8 7
e. : co e a e pe . e.	4(45)	(28,948,671)	(17, 5,18)

Consolidated Income Statement

For the year ended 31 December 20
(Amounts in Brunei dollars)

Item	Note	2020	20
4. Net profit		58,955,544	38,227,618
Attributable to continuing operations			
Profit from continuing operations		58,955,544	38,227,618
Profit from discontinued operations		–	
Attributable to owners of the Company			
Profit attributable to owners of parent company		70,000,134	57,28 ,3 4
Non-controlling interests		(11,044,590)	(1 0 61,776)

Company Income Statement

Fo e ea d e 31 ece be 2 2
(A o in B e. o e i.e. a e)

Item	o e	2020	2 1
1. Revenue	16( )	417,163,187	384,6 6,64
Le : o. of a e.	16( ), 16(11)	(2 5 ,115)	(273 ,70)
a e. d c a e.		(3,0 2 82)	(2 , 1,6)
Se in d i ib io e pe .e.	16(11)	(2,321,386)	(2,488,613)
de e. a d a i ee pe .e.	16(11)	(54,661,422)	(62,554,461)
e ea c d e e o e pe .e.	16(11)	(15,876,537)	(3,57 ,462)
H d a e pe .e. e	16( )	(2,113,7 1)	(7,745 71)
c : e.e. e pe .e.		(16,578,9 5)	(57 76)
e.e. co e		15 41,8 7	2,427,741
A : e co e		4,253,758	7,463 67
e ed (o. e.)/ co e	16(12)	(8 , 6 28)	755,472
c : S a e of o. e. of a. od a e.		(8,158,636)	(632 38)
d. f c e in fai a e		6,123 4	9 7,546
e i pai ed o. e.	16(13)	(7,4 3,1)	(14,531 28)
A. e pai ed o. e.	16(3)	(,847,9 8)	
2. Operating profit		47 7,7 5	26,2 ,781
A : d -ope a in co e		7 8,824	27,7 6,8 4
Le. : d -ope a in e pe .e.		(4 62,518)	(11,4 8 85)
3. Total profit		44,733,411	42,5 8,6
Le. : co e a e pe .e.	16(14)	(,6 4,334)	(,515,824)
4. Net profit		34 3 77	32 82,866
a i ie b co in i of ope a i .			
e p. of f. co in in ope a i .		34 3 77	32 82,866
e p. of f. i co in e ope a i .			
5. Total comprehensive income		34 3 77	32 82,866

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Consolidated Cash Flow Statement

For the year ended 31 December 2020

(Amounts in Brazilian Reais)

Item	Note	2020	2019

Consolidated Cash Flow Statement

For the year ended 31 December 2020
(Amounts in Brunei Dollars)

Item	Note	2020	2019
3. Cash flows from financing activities			
Proceeds from capital contribution		23,361,500	12,345,000
Less: Proceeds from capital contribution by non-controlling interests		21,771,500	12,345,000
Proceeds from borrowings		406,492,970	270,000,000
Proceeds from other financing activities		–	11,760,000
Sub-total of cash inflows		429,854,470	294,305,000
Repayment of borrowings		(290,000,000)	(185,000,000)
Payment for distribution of profits to non-controlling interests		(17,109,612)	(8,036,189)
Payment for other financing activities		(100,692,478)	(92,507,242)
Sub-total of cash outflows		(407,802,090)	(286,543,431)
Net cash flows from financing activities		22,052,380	7,761,569
4. Effect of foreign exchange rate changes on cash and cash equivalents		(248,021)	(635,428)
5. Net increase/(decrease) in cash and cash equivalents		35,140,715	(22,114,744)
Add: cash and cash equivalents at the beginning of the year	4(47)(a)	164,951,950	187,066,694
6. Cash and cash equivalents at the end of the year	4(47)(a)(*)	200,092,665	164,951,950

The accompanying notes form an integral part of these financial statements.

Please refer to the attached file: Limited partnership carried out of account in: Year of account reported in: Add Add Note Year

Company Cash Flow Statement

For the year ended 31 December 2020
(Amounts in Baht unless otherwise stated)

Item	Note	2020	2019
1. Cash flows from operating activities			
Cash received from sale of goods and rendering of services		430,696,545	388,182,582
Cash received from other operating activities		64,986,508	11,810,856
Sub-total of cash inflows		495,683,053	400,193,438
Cash paid for goods and services		(161,484,999)	(125,886,385)
Cash paid to and on behalf of employees		(135,403,738)	(124,537,846)
Interest paid and corporate income tax		(9,282,581)	(18,265,441)
Cash paid for other operating activities		(30,870,989)	(56,688,406)
Sub-total of cash outflows		(337,042,307)	(325,378,078)
Net cash flows used in operating activities		158,640,746	75,353,400
2. Cash flows from investing activities			
Cash received from disposal of investments		49,000,000	447,000,000
Cash received from dividends		96,370	1,526,905
Cash received from other investing activities		3,750,000	
Sub-total of cash inflows		52,846,370	1,973,600
Cash paid to acquire fixed assets, intangible assets and other non-current assets		(38,292,840)	(2,200,744)
Cash paid to acquire investments		(158,247,608)	(230,570,000)
Cash paid for other investing activities		(5,370,000)	
Sub-total of cash outflows		(201,910,448)	(232,757,144)
Net cash flows used in investing activities		(149,064,078)	(230,783,544)

Company Cash Flow Statement

Fo e ea ed e 31 ece be 2 2
(A o i B e o e i.e. a e)

Item	o e	2020	2 1
3. Cash flows from financing activities			
a ecei e f o cap i a co ib io		1,590,000	
a ecei e f o bo o i		348,000,000	20 Q00 Q00
a ecei e e a i oo e i d ac i i ie		–	0 Q00 Q00
Sub-total of cash inflows		349,590,000	26 Q00 Q00
a epa ed of bo o i		(300,000,000)	(145Q00 Q00)
a pa fo i ib io of i i e o i e e pe e		(16,486,881)	(18, 6,586)
a pai e a i oo e i d ac i i ie		(14,507,167)	(265,816)
Sub-total of cash outflows		(330,994,048)	(163,562,0 2)
Net cash flows from financing activities		18,595,952	6,437,5 8
4. Effect of foreign exchange rate changes on cash		(248,021)	(635,428)
5. Net increase/(decrease) in cash and cash equivalents		27,924,599	(5 ,627, 64)
A : a ca e i a e a e be i i of e ea		90,212,206	14 ,840 ,10
6. Cash and cash equivalents at the end of the year		118,136,805	0 ,212,0 6

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Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2020
(Amounts in Brunei Dollars unless otherwise stated)

	Note	Equity attributable to shareholders of the parent company					Non-controlling interests	Total shareholders' equity
		Share capital	Capital surplus	Less: Treasury stock	Surplus reserve	Retained earnings		
Balance at 1 January 2020		75,500,000	824,715,445	(21,721,144)	33,189,321	252,800,715	97,024,925	1,261,509,262
Movements for the year ended 31 December 2020								
Profit for the year		–	–	–	–	70,000,134	(11,044,590)	58,955,544
Appropriation of profit								
Appropriation to treasury stock		–	1,590,000	(1,590,000)	–	–	21,771,500	21,771,500
Share-based payment transaction								
Employee's service	3	–	5,887,603	–	–	–	–	5,887,603
Acquisition of non-controlling interest	4(31)	–	(13,813,742)	–	–	–	(19,879,038)	(33,692,780)
Repurchase of shares	4(31)	(899,700)	(13,624,556)	–	–	–	–	(14,524,256)
Fee	4(31)	–	(188,221)	–	–	–	–	(188,221)
Business combination of entities under common control	5(1)	–	–	–	–	–	15,905,745	15,905,745
Profit distribution								
Appropriation for purchase of shares		–	–	–	3,403,908	(3,403,908)	–	–
Profit distribution to shareholders	4(33)	–	–	–	–	–	(1,200,000)	(1,200,000)
Balance at 31 December 2020		74,600,300	804,566,529	(23,311,144)	36,593,229	319,396,941	102,578,542	1,314,424,397

The accompanying notes form an integral part of these financial statements.

As at 30 June 2021 (Profit distribution to shareholders) 1.64 million (2020: 1.2 million), and as at 31 December 2020 (2019: Nil).

	Note	Share capital	Share premium	Treasury stock	Statutory reserves	Retained earnings	Non-controlling interests	Total equity
Balance at 1 January 2019		75,000,000	827,337,886	(21,350,000)	33,810,134	220,044,608	84,277,828	1,219,120,456
Movements for the year ended 31 December 2019								
Profit for the year						57,228,134	(1,061,776)	56,166,358
Appropriation for statutory reserves								
Dividends declared by subsidiaries to non-controlling interests							(12,345,000)	(12,345,000)
Share-based payments in the form of share options	7		5,120,526					5,120,526
Acquisition of non-controlling interests			(3,660,388)				(4,976,611)	(8,636,999)
Appropriation to statutory reserves			(188,856)	188,856				
Dividends			(4,075,722)				(2,152,086)	(6,227,808)
Business combination of entities under common control							26,585,570	26,585,570
Profit for the period					3,078,287	(3,078,287)		
Profit for the year	4(33)					(11,312,500)		(11,312,500)
Balance at 31 December 2019		75,000,000	824,715,445	(21,721,144)	33,188,321	252,880,715	79,724,925	1,261,988,262

The accompanying notes form an integral part of these financial statements.

Director: Director:

Company Statement of Changes in Shareholders' Equity

For the year ended 31 December 2020
(Amounts in Brunei Dollars)

	Share capital	Capital surplus	Less: Treasury stock	Surplus reserve	Retained earnings	Total shareholders' equity
Balance at 1 January 2020	75,500,000	834,663,559	(21,721,144)			

Company Statement of Changes in Shareholders' Equity

Fo e ea e e 31 ece be 2 1
(A o . B e. o e i.e. a e)

	o e	S a ec a a	a .	e a . oc	S . e. e	e e a .	o a e o e.' e i
Balance at 1 January 2019		75,00 ,000	828, 31,88	(21, 0 ,000)	, , 810, 34	182, 130, , 3	10, 5,416, 16
Movements for the year ended 31 December 2019							
o a co e e i e co e e p o						32, 82,866	32, 82,866
a i a co ib io a i a b . a e o e.							
a i a i a a b . a e o e.			(188,856)	188,856			
S a e-ba e a e i c e . a e o e. ' e i	,		5, , ,526				5, , ,526
! o i ib io							
A o o i a io fo . e. e					3, 8,287	(3, 8,287)	
! o i ib io o . a e o e.						(11,32 ,000)	(11,32 ,000)
Balance at 31 December 2019		75,00 ,000	834,663,55	(21,721,144)	33,18 ,321	20 ,462,672	1,122, , 4,0 8

e acco a i o e fo a i e a a of e e a d a . a e .

e a . e e a i e: ! i d a i c a e of acco i : e a of acco i e a i :
A d i A o e i a

Notes to the Financial Statements

Fo e ea e 31 ece be 0 0
(A o . B e. o e i.e. a e)

1 e e a in fo ai o

e o pa a e abi e a ajo oc coope a i e e epi e e e of e o i in ! c ia ic e abii ai (o pi a (溫州市康寧精神康復醫院) in e! o 7 Feb a 6. e a e. of e o pa ' ei e e office i. S e jo a, (a o ei e ia i ic, e o , eja , e! , i. ea a e. i. oca e in e o i , eja ! o ce, e! .

15 c obe 0 14, e o pa a co e e in o ajo oc ie iabii co pa a e a e o a in (o pi a o., L . (溫州市康寧醫院股弁皂蒂畾榣).

e in dpe ac i ii e. of e o pa a i . bi ia ie. (e o p) a e ope ai p. c ia ic o pi a a poi in a a e e ice o o pi a in e! .

e o pa ai pi a i in o e S oc E c a e of (o o ie o o be 15.

In e epo in pe io, a affi a e o pi a of e o p (o e 5) e e e a e off ope ai . ea i e, e o p co in e oi e in a oda e. (o e 4(7)) a poi e a e e ice o o e. o pi a (o e 4(13)) o e pa i e ica e o .

! ea e efe o o e 5. a e in e co oi ai cope a o e 6. e e in o e e iie fo e co oi ai cope a e c a e in e co oi ai cope fo e co oi a e in da a e e fo e c e ea.

e in da a e e e ea oi e fo i . e b e Boa of i ec o . of e o pa o 26 ac 0 21.

2 S a of i ifica acco in poide a acco in e ia e

e j e e a cii ica acco in e ia e a e a pio appie b e o p o e ee in ai of i ifica acco in poide a e e o in o e 2(28).

(1) Basis of preparation

e in da a e e a ep epa e in acco ce i e *Acco in S a fo B in e. E epi e Ba ic S a* , e pedific acco in a a . a o e ee a e ai i e b e i . of H ce o 15 Feb a 20 6 a in b e pei (ea e co ec i e efe e o a e Acco in S a fo B in e. E epi e o AS).

e in da a e e a ep epa e o a o co ce ba i .

e e *(o o o pa ie* ce bec e effec i e o 3 ac 0 14. e a i co e in e in da a e e a e bee a j e in acco ce i e i e e .

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o in B e o e i.e. a e)

2 S a of i ifica acco in poide a acco in e. a e (co in e)

(2) Statement of compliance with the Accounting Standards for Business Enterprises

e in da a e of e o pa fo e ea e e 31 ece be 2 2 a ei co pi ce i e Acco in S a a. fo B ine E e p i e, a co pee pe ed e eco oi a e a e co pa ' in da poii of e o pa a 31 ece be 2 2 a d in da pe fo ce, ca fo a o e in fo aio fo e ea e e e.

(3) Accounting year

e o pa ' acco in ea a o 1 a a e . of 31 ece be .

(4) Recording currency

e o pa ' eco in c e c i e in bi (B). e eco in c e c of e o pa ' b i ie i e in e ba e o e p a eco ic e i o e in ic e ope a e. A e o pa ' b i ie ope a e i in e! a d eco in c e c i B. e in da a e e a pe e e in B.

(5) Business combinations

B ine co bi aio in o in e e p i e o e co on co o

e co bi aio co a i e ifiabe e a e ob a e b e o p in a b ine co bi aio a e ea e a fai a e a e aq i iio a e. e e eco of e co bi aio e cee e aq i e' in e e in e fai a e of e aq i ee' i e ifiabe e a e , e iffe e cei eco ii e a oo i ; e e eco of co bi aio i o e a e aq i e' in e e in e fai a e of e aq i ee' i e ifiabe e a e , e iffe e cei eco ii e in p o o o fo ec e pei . o ec a ib abe o eco bi aio a e in c e in p o o o fo ec e pei in ic e a ei c e . a acio co a od a e i e i eo eq i o eb ec iie fo eb ine co bi aio a ei c e in ei ii a eco ii e a o of eq i o eb ec iie .

Notes to the Financial Statements

2 S a of i ifica acco in poide a acco in e a e (co in e)

(6) Preparation of consolidated financial statements

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o in B e. o e. i.e. a e)

2 S a of i ifica acco in poide a acco in e a e (co in e)

(7) Cash and cash equivalents

a ca eq i a e co p.ie ca o , epo.i a ca be ea i a o e , o -e i iq i in e e a e ea i co e ibe o o a ic a e bjec o in ifica i.k of c e in a e.

(8) Foreign currency translation

Fo ei c .ec ac ion.

Fo ei c .ec ac ion a e a e in o eco in c .ec in ee ac e.pe ain a e a e of e ac ion..

A e ba ce ee a e, o e a i e e o in a e in fo ei c .ec e. a e a e in o eco in c .ec in e po ec a e a e. E c a e iffe ence a in f o e ac ion a e eco ni e in p o o. o. fo ec e pe io , ce p fo o e a ib abe o fo ei c .ec bo o in a e be e pedifica fo ac i iio o co . cio of ai f in a e., ic a e ca i ai e a pa of eco o e a e.. o e a i e e o in a e in fo ei c .ec e a e a i oica co a e a e in e po ec a e a e a e of e ac ion.. e effec of ec a e a ec a e o ca i pe e e epa a e in ec a fo a e e .

(9) Financial instruments

A in da in e i a co ac a i e. i e o a in da a e of o e i a a in da iabii o e i in e of o e i . A in da a e o a in da iabii i eco ni e e op beco e a pa o eco ac a po iio of ei e .

(a) Fin da a e.

(i) a ifica io a ea e

Ba e o e b ive o e fo a in e in da a e. a eco ac a ca fo c a ac ei ic of e in da a e , in da a e a e ca ifie a: (1) in da a e a a i e co ; (2) in da a e a fai a e o p o o..

e in da a e a ea e a fai a e a ii eco ii . e a e ac io co . a e a ib abe o e ac i iio of e in da a e a ei c e in ei ii a eco ni e a o , ce p fo e in da a e a fai a e o p o o., e a e ac io co . of ic a e eco ni e ie c in p o o. fo ec e pe io . Acco . ece abe o o e. ece abe a in f o a e of p o c o. e ei in of e ice (e c in o i o e a o i ifica in da co po e) a ei ii a eco ni e a eco i e a io a i e i e o be c a e b e o p a e pec e .

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o . B e. o e. i.e. a e)

2 S a of i ifica acco i poide a acco i e a e (co i e)

(9) Financial instruments (co i e)

(a) H d a a e. (co i e)

(ii) pai

Fo d a a e ea e a o i e co c a acco ecei abe o e ecei abe, e o p eco i e o. p oii o eba i of e pec e ce i o e (E 9).

i co i e aio o ea o abe o. ppo abe fo aio o pa e , c co i io o fo eca off eeco ic co i io , a e a e efa i e d , e o p eco i e eE a ep obabi i - d e o of ep ed a e of e ffe ce be ee eca fo ecei abe fo eco ac o eca fo e pec e oco ec .

A ea ba ce ee a e, eE of d a i pai a ffe a e ea e e pecifie . 12 of E p oii o i eco i e fo d a i pai S e 1 a e o a i ifica ce ei ce i i ce ii a eco ii o ; ife eE p oii o i eco i e fo d a i pai S e 2 a e a i ifica ce ei ce i i e i o ce i pai ce ii a eco ii o ; a ife eE p oii o i eco i e fo d a i pai S e 3 a e a ce i pai ce ii a eco ii o .

Fo e d a i pai i o e ce i i o eba ce ee a e, e o p a e ei i o i ifica ce ei ce i i ce ii a eco ii o a eco i e e 12 of E p oii o .

Fo e d a i pai S e 1, S e 2 a i o e ce i i, e o p ca c a e ei e e co eb app in e effeci ei e e a e o e o. ca in o (befo e e cio of e pai p oii o). Fo e d a i pai S e 3, ei e e co e i. ca c a e b app in e effeci ei e e a e o e o i e co. (afe e cio of e pai p oii o). Fo e o. ca in o).

Fo acco ecei abe, i e peci e of e a i ifica d co po e i , e o p ea e e o. p oii o acco oife eE .

Notes to the Financial Statements

For the year ended 31 December 2022
(Amounts in Brunei Dollars)

2 Summary of significant accounting policies and accounting estimates (continued)

(9) Financial instruments (continued)

(a) Recognition (continued)

(ii) Measurement (continued)

The classification of financial assets and financial liabilities, the business model assessment and the SPPI test:

Accounting policy	Key judgement
Accounting policy	Key judgement
Accounting policy	Loan to a partner
Accounting policy	Advance
Accounting policy	Key judgement for lease payments
Accounting policy	Key judgement
Accounting policy	Key judgement

In considering the classification of financial assets, cash flow characteristics, economic circumstances, and the purpose for which financial assets and financial liabilities are held are taken into consideration.

Based on the requirements of the IFRS 9, the classification of financial assets and financial liabilities, the business model assessment and the SPPI test:

The following accounting policies are applied to the key judgements and estimation uncertainties.

Notes to the Financial Statements

Fo e ea ed e 31 ece be 2 2
(A o . B e. o e i.e. a e)

2 S a of i ifica acco i poide a acco i e a e (co i e)

(9) Financial instruments (co i e)

(a) H d a a e. (co i e)

(iii) e eco i i o

A d a a ei. e eco i e ed : (i) e co ac a i o eca fo f o e d a

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o in B e. o e i.e. e)

2 S a of i ifica acco in poide a acco in e a e (co in e)

(11) Long-term equity investments

Lo -e eq i in e ed co pi.e e o pa ' o -e eq i in e ed in i b i ie, e o p' o -e eq i in e ed in i a od e.

S b i ie e e ee o e ic e o pa i abe o e ed.e co o. A a od ei e ee o e ic e o p a i ifica if ce b pa id pa in e d a e ope a poic ed id .

e ed in b i ie a ep e e in e o pa ' fi a d a ed in eco e o, e a j e o e eq i e o e e pe pa eco oi e fi a d a ed . e ed in a od e a acco e fo in e eq i e o.

(a) e e ai o of in e ed co .

Fo o -e eq i in e ed a q i e o ab i e co bi aio in o in e pi e o e co o d co o, ei e ed co a be eco bi aio co .

Fo o -e eq i in e ed a q i e o o ab i e co bi aio: fo o -e eq i in e ed a q i e b pa ed in ca , ei ii a in e ed co a be e p c a epice ac a pai ; fo o -e eq i in e ed a q i e b i in eq i ec ii ie, ei ii a in e ed co a be efai a e of eq i ec ii ei .

(b) S b eq e ea e ed a eco i io of po fi o o .

Lo -e eq i in e ed acco e fo in eco e o a e ea e a ii a in e ed co . a i ie o p o fi ib io ec a e b ei e ee i eco i e a in e ed in co ei p o fi o o . fo ec ed pe io .

Fo o -e eq i in e ed a a e acco e fo in eq i e o, e ei ii a in e ed co ece e o p' a e of efai a e of ei e ee' i ed ifab e a e. a e e of aq i i io, ei e ed i ii a ea a co . e ei ii a in e ed co i e. a e o p' a e of efai a e of ei e ee' i ed ifab e a e. a e e of aq i i io, e iffe ence i c e in p fi o o . fo ec ed pe io a eco of e o -e eq i in e ed i a j e p a acco in .

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o in B e o e i e a e)

2 S a of i ifica acco in poide a acco in e a e (co in e)

(12) Investment properties

e e p ope ie , c a e ea bee e o , b i a e e fo e
p po e of ea in b i a e bee co c e o e e ope fo f e c0 ce of e, a of f e0 30 00 e

Notes to the Financial Statements

For the year ended 31 December 2022
(All amounts in RMB unless otherwise stated)

2 Summary of significant accounting policies and accounting estimates (continued)

(13) Fixed assets

(a) Recognition and initial measurement of fixed assets

Fixed assets comprise buildings, machinery equipment, motor vehicles, electronic equipment and other equipment.

Fixed assets are recognised when it is probable that the economic benefits associated with the asset will flow to the Group and the cost of the asset can be reliably measured. Fixed assets are initially measured at cost on acquisition.

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o i B e o e i e a e)

Notes to the Financial Statements

For the year ended 31 December 20
(Amounts in Brunei Dollars)

2 Summary of significant accounting policies and accounting estimates (continued)

(15) Borrowing costs (continued)

For specific borrowings obtained for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred for the period less any investment income on the temporary investment of those borrowings.

For general borrowings used for obtaining and constructing qualifying assets, capitalisation rates used to determine the amount of general borrowing costs eligible for capitalisation are the weighted average of the borrowing costs applicable to the entity's outstanding borrowings during the year, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The effective interest rate of the borrowing costs is applied to the average carrying amount of the asset during the period, including borrowing costs previously capitalised. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(16) Intangible assets

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

(i) Licences

Licences are amortised on a straight-line basis over their expected useful lives of 10 years. If an impairment loss occurs before the licences are fully amortised, the carrying amount of the licences is reduced to the recoverable amount and the impairment loss is recognised in profit or loss.

(ii) Software

Software are amortised on a straight-line basis over their estimated useful lives of 5 years.

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o . B e. o e. i.e. a e)

2 S a of i ifica acco in poide a acco in e. a e. (co in e)

(16) Intangible assets (co in e)

(iii) o ac a i o oi e a e e .e ice

o ac a i o oi e a e e .e ice a e e i o a e a o i a, ic a e b e e ea .e a co . (e a o . oi o ac i e . c i .) e. acc a e a o i.a io a a acc a e in oi e o . e .

o ac a i o oi e a e e .e ice a e a o i.e o a . ai -ife b.i o e. e co ac a e . a be o :

	o ac a e
! ja (a fe ! . c i a ic (o i a (! ja (o i a)	0 ea .
' a (a fe a e (o i a (' a (o i a)	0 ea .
i e a (ea e (i (ea e)	2 ea .

(i) ice ce

ice ce ac i e o a e ac i i io a b ife co b ai io a e eco i e a fai a e a e a e of a e ac i i io . e e ice ce a e i e e f ife a a e b e e ea e a co e .

Notes to the Financial Statements

For the year ended 31 December 20
(Amounts in Baht unless otherwise stated)

2 Summary of significant accounting policies (continued)

(16) Intangible assets (continued)

(ii) Research and development

Expenditure on research activities is recognised as an expense when incurred. Development costs incurred on an individual project are recognised as intangible assets when the following criteria are met: it is technically feasible to complete the software so that it will be available for use; management intends to complete the software and use or sell it; there is an ability to use or sell the software; it can be demonstrated how the software will generate probable future economic benefits; adequate technical, financial and other resources to complete the development and to use or sell the software are available; and the expenditure attributable to the software during its development can be reliably measured.

Expenditure capitalised includes employee costs, an appropriate portion of relevant overheads and borrowing costs. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over the period of its expected benefit, not exceeding a period of 10 years.

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o in B e. o e i.e. ae)

2 S a of i ifica acco in poide a acco in e. a e (co in e)

(17) Long-term prepaid expenses

Lo -e p epai e pe e. inc e ee pe i e fo. p o e . o f e a e e ' e ope a in ea e, a o e e pe i e a e be inc e b o be eco i e a e pe e o e o e a d e ea in ec e ea a . b e pei o . Lo -e p epai e pe e. a e a o i e d e a -ine ba i o e e pec e be efi da pei o a a e p e e a ac a e pe i e of acc a e a o i aid .

(18) Impairment of long-term assets

F e a e , co . cio in p o e , i -of- e a e , in a ibe a e i fi ie ef i e a d o -e e i in e e in bi ia ie a a od a e a e e e fo. pai e if e ei a in ica io a e a e a be pai e a e ba a ce ee a e. f e e of e pai e e in ica e a e eco e abe a o of a a e i e a i ca in a o , a poiio fo. pai e a d a e pai e o a e eco i e fo e a o b ic e a e' ca in a o ece e i eco e abe a o . e eco e abe a o i e i e of a a e' fai a e e. co . o e a d e pe e a e of e f ec a fo e pec e obe ei e f o e a e. ! oiio fo a e pai e i ee ine a d eco i e o ei i a e bai . ri i o po ibe oe a e eco e abe a o of a in i a e, eco e abe a o of a o p of a e o ic e a e be o i ee ine . A o p of a e i e a e o p of a e a i abe o de e a ei epe e ca in fo . .

oo i a i. epa a e p e e e in e in a d a e e i e e a ea a a fo. pai e , i e pecifi e of e e ei a in ica io a i a be pai e . n co c io e e , eca in a e of oo i i. oca e o e e a e a e o po o p of a e o p. ic a e pec e obe efi f o e e ie of e b ine co bi a io . f e e of e e in ica e a eco e abe a o of a a e o po o a p of a e o p. , inc in e a oca e oo i , i o e a i ca in a o , e co e po in pai e o . i eco i e . e pai e o . i f e ce f o eca in a o of oo i a i. a oca e o e a e o po o p of a e o p. , a d e e ce f o eca in a o . of o e a e i in e a e o po o p of a e o p. in p opo io o eca in a o . of a e o e a d oo i .

ce e abo e a e pai e o . i eco i e , i i o be e e e fo e a e eco e e in e b e d pei o .

(19) Employee benefits

E p o ee be efi e fe o a fo of co i e a io o co pe a io i e b e o p in e c a e fo e ice e e e b e p o ee o fo e in a io of e p o e e a io ip, ic inc e o -e e p o ee be efi , po -e p o e be efi , e in a io be efi a d o e o -e e p o ee be efi .

(a) S o -e e p o ee be efi .

S o -e e p o ee be efi inc e a e o a a ie , bo , a o a ce a d bi ie , a ff e fa e, pe i o co ib io o e ica in ce, o in j in ce a d a e i in ce, o in f , io in co a d e p o ee e caio co , o -e pai ab ce a d e c. e o -e e p o ee be efi ac a occ e a e eco i e a a iabi i in e acco in pei o in ic e e icei e e b e e p o ee , i a co e po in c a e o e p o o fo e c e pei o o eco of ee a a e . o o e a be efi a e ea e a fai a e.

Notes to the Financial Statements

For e ea e 31 ece be
(A o in B e o e i.e)

2 S a of i ifica acco in poide acco in e (co in e)

(19) Employee benefits (co in e)

(b) o -e p o e be e .

e o pc a ifie po -e p o e be efi pa a i e efi e co ib io pa o efi e be efi pa . efi e co ib io pa a e po -e p o e be efi pa e ic e o ppa if e co ib io in o a epa a e f a i a e o obi a io op a f e co ib io ; a efi e be efi pa a e po -e p o e be efi pa o e a efi e co ib io pa . in e epo in pe io , e o p' po -e p o e be efi a in c e e pe ie o co ib io o ba ic pe io a e p o e in ce, bo of ic be o efi e co ib io pa .

(c) Ba ic pe io .

e o p' e p o ee pa idpa e e ba ic pe io pa e pa a i e e b oca a oiie of ini of a e o ce a Soda Sec i . o pa e of pe i . o e ba ic pe io a ec a c a e acco in o e ba e a pe ce a e pe ecibe b e ee a oca a oiie. e e p o ee ei e, e ee a oca a oiie a e obi e o pa e ba ic pe io o e . e o ba e o e abo e ca c a io a e eco ni e a ia biiie in e acco in pe io in ic e e ice a be e e b e p o ee, i aco e pa in c a e o e p of o o fo e c e pe io o eco of ee a a e .

(20) Dividend distribution

a i i e a e eco ni e a ia biiie in e pe io in ic e i i e a e app o e b e a e o e . ee in .

(21) Provisions

! o i io fo co in e de c a pe in ii a io a e eco ni e e o p a a pe e obi a io , i i p obab e a o f o of eco o ic be efi i be e q i e o e e obi a io , a e o of e obi a io ca be ea e ei ab .

A p o i io i ii a ea e a e be e in a e of e e pe i e e q i e o e e e a e pe e obi a io . Fac o o in acco in c , c a ei k , ce ie a e e a e of o e , a e ab e in o acco a a oe in eac in e be e e in a e of a p o i io . e e effec of e e a e of o e i a ei a , e be e e in a ei e e in e b i co in e e a e f eca o fo . e c a e in e i co e a o of e p o i io a i fo pa a e of e ei eco ni e a in e e pe e .

eca in a o of p o i io i e ie e a eac ba a ce ee a e a j e o ef ec ec e be e in a e.

e p o i io e pec e o be e e i in o e ea ce e ba a ce ee a e a ec a ifie a c e ia biiie.

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o . B e. o e i.e. a e)

2 S a of i ifica acco in poide a acco in e. a e. (co in e)

(22) Share-based payments

(a) e pe of a e-ba e pa e .

A a e-ba e pa e i a a ac io ic e o p a eq i e . o a e iabiie a a e ee e ba e o eq i e . , ec a efo e ice e ee b e po ee o o e pa ie. Eq i e . c e eq i e . e o pa , o o e acco in iie i e a e o p. S a e-ba e pa e a e i e oeq i -e e a e-ba e pa e ca -e e a e-ba e pa e . Fo e ea e e 31 ece be 2 2 , e o p i o o ca -e e a e-ba e pa e .

e o pa ' e ice a ei ce i e p i eq i -e e a e-ba e pa e fo ec a e of e ice e ee b e po ee, a i ea e a efai a e of e e ice a e a e a e. Fo a e-ba e pa e a a e o e ed abe i e ice e e pe io a e co pee , a ea c ba a ce ee a e i e e e pe io , e e ice ob a e e ec e pe io a , ba e o e be e a e of e be of e e eq i e . , be c e e e ee a co . o e pe e a efai a e of eq i e a e a e, i ca i a e e ea acco .

(b) e o o ee e e efai a e of eq i e .

efai a e of e ice a e. i ee e ba e o e iffe ce be ee efai a e a e a pice of e o p' e ice a e a e a e.

(c) Bai fo ee e e be e a e of e ed abeeq i e .

Notes to the Financial Statements

For the year ended 31 December 20XX
(All amounts in Brazilian Real unless otherwise stated)

2 Summary of significant accounting policies and accounting estimates (continued)

(23) Revenue recognition

Notes to the Financial Statements

For the year ended 31 December 2022
(Amounts in Brazilian Reais unless otherwise stated)

2 Summary of significant accounting policies and accounting estimates (continued)

(24) Government grants

Government grants refer to the monetary assets obtained by the Company from the government, including financial subsidies, subsidy funds, etc.

Government grants are recognized when the conditions attached to them can be complied with and the grants can be received. Government grants in the form of monetary assets are measured at the amount received or receivable. Government grants in the form of non-monetary assets are measured at fair value; if fair value cannot be reliably obtained, they are measured at nominal amount.

Government grants related to assets refer to government grants obtained by the Company for the purpose of purchasing, constructing or otherwise forming long-term assets. Government grants related to income refer to government grants other than those related to assets.

Government grants related to assets are recognized as deferred income and evenly allocated over the useful life of the related asset. Government grants measured at nominal amount are directly recognized in profit or loss for the current period.

Government grants related to income are recognized as deferred income and included in profit or loss over the periods in which related costs are recognized; government grants used to compensate the Company for related costs or losses incurred are directly recognized in profit or loss for the current period.

Notes to the Financial Statements

For the year ended 31 December 2012
(Amounts in Brunei Dollars)

2 Summary of significant accounting policies and accounting estimates (continued)

(25) Deferred tax assets and deferred tax liabilities (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and deferred tax liabilities are offset when:

- the deferred taxes are related to the same tax payer within the Group and the same taxation authority; and,
- that tax payer within the Group has a legally enforceable right to offset current tax assets against current tax liabilities.

(26) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the Group is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in profit or loss unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

In calculating the present value of the minimum lease payments the discount factor is the interest rate implicit in the lease, if this is practicable to determine; if not, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset.

For operating leases, rentals payable are recognised as an expense on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Notes to the Financial Statements

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(26) Leases (co in e)

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(b) H ce ea e

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Notes to the Financial Statements

For the year ended 31 December 20
(Amounts in Brunei Dollars)

2 Summary of significant accounting policies and accounting estimates (continued)

(27) Segment information

For operating segment reporting based on geographical segments, segment revenue, segment assets and segment liabilities are based on the geographical location of operating segments.

An operating segment is a component of the Group: (1) that engages in business activities; (2) whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and (3) for which discrete information is available, operating segments with similar economic characteristics and similar conditions can be aggregated into one operating segment.

(28) Critical accounting estimates and judgements

The Group makes certain critical accounting estimates and assumptions concerning the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

Certain critical accounting estimates and assumptions are significant to the Group's financial statements and material adjustments to the carrying amounts of assets and liabilities in the next financial year are discussed below:

(i) Allowance for impairment of contract assets and trade receivables

As at 31 December 20, the carrying amount of contract assets and trade receivables amounted to B$,230,21 (31 December 201: B$45,162,735). Allowance for impairment of contract assets and trade receivables is made based on the lifetime expected credit loss model. The amount of contract assets and trade receivables and the associated impairment allowance are disclosed in Note . The assessment of the correlation between historical observed default rates, forecast economic conditions and the lifetime expected credit loss allowance for contract assets and trade receivables is a significant estimate.

The Group makes certain critical accounting estimates and assumptions concerning the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Notes to the Financial Statements

Fo e ea ed e 31 ece be 2 2
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2 S a of i ifica acco in poide a acco in e. a e. (co in e)

(28) Critical accounting estimates and judgements (co in e)

(a) iica acco in e. a e a e a pio (co in e)

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	Yiwu Health Centre	Pujiang Hospital
A e.a e be of in-pai be in ope aio *	362	274
A e.a e in-pai pe in pe a pe be *	266	247
.o a in *	6%	16 %
!e-a i co .a e	2 .11%	1 .5 %
.o .a e e.abe pe io	2.5%	2.5%

2 2 1, e a pio a ope o eco i e eco e.be a o of eco ac a i . o p.oi e a ed e. ice a inc e:

	Yiwu Health Centre	Pujiang Hospital and Chun'an Hospital
A e.a e be of in-pai be in ope aio *	373	233
A e.a e in-pai pe in pe a pe be *	283	2 4
.o a in *	6%	33%
!e-a i co .a e	1 .37%	1 , 4%
.o .a e e.abe pe io	3%	3%

* ep e.e e.a e.a e be in pco in f e ea .

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Notes to the Financial Statements

For the year ended 31 December 20XX
(Amounts in Baht unless otherwise stated)

2 Summary of significant accounting policies and accounting estimates (continued)

(28) Critical accounting estimates and judgements (continued)

(a) Critical accounting estimates and assumptions (continued)

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei Dollar unless otherwise stated)

2 Summary of significant accounting policies and accounting estimates (continued)

(28) Critical accounting estimates and judgements (continued)

(a) Critical accounting estimates and assumptions (continued)

(iii) Determination of fair value of investment properties

Investment properties (note 14) are based on market values, being the estimated amount for which a property could be exchanged between willing parties in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion, etc.

The following table summarises information about fair value measurements using significant unobservable inputs:

	Fair value as at 31 December 2020	Valuation technique	Significant unobservable inputs: Name	Weighted average	Relationship with fair value	Observable/ Unobservable
Lease of Building (i.e. Excluding Land)	42,628,066	Income approach	Market rent/ capitalisation rate of the asset (Brunei)	5.0 % 380 48.51 2.74%	(a)	Observable
Lease of Building (i.e. Excluding Land)	65,176,870	Income approach	Market rent/ capitalisation rate of the asset (Brunei)	5.00 % 0.53 33	(a)	Observable
	107,804,936					

i) Accounting policies, estimates, assumptions and judgements in the financial year.

(a) Relationship between observable inputs and fair value:

- the higher the ultimate return rate/capitalisation rate is, the lower the fair value is;
- the higher the estimated vacancy rate is, the lower the fair value is;
- the higher the monthly rental is, the higher the fair value is.

Notes to the Financial Statements

For the year ended 31 December 20[illegible]
(Amounts in Brunei Dollars unless otherwise stated)

2 Summary of significant accounting policies and accounting estimates (continued)

(28) Critical accounting estimates and judgements (continued)

(a) Critical accounting estimates and assumptions (continued)

(i) Accounting estimates and assumptions

The Group and the Company assess whether there are any indications of impairment of the Group's and the Company's investment in subsidiaries and associates and property, plant and equipment at each reporting date. Such indications are identified by considering external and internal sources of information. Specific estimates and assumptions are disclosed in the respective notes (see Note 4(14)).

The Group and the Company are required to make estimates and assumptions in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for unutilised tax losses and unabsorbed capital allowances carried forward to the extent that it is probable that taxable profit will be available against which the unutilised tax losses and unabsorbed capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred tax assets are recognised for deductible temporary differences arising from provisions for liabilities to the extent that it is probable that sufficient taxable profit will be available against which the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred tax assets are recognised for deductible temporary differences arising from provisions for liabilities to the extent that it is probable that sufficient taxable profit will be available against which the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

For the year ended 31 December 20[illegible]
(Amounts in Brunei Dollars unless otherwise stated)

Notes to the Financial Statements

Fo e ea e e 31 ece be
(A o in B e o e i e a e)

2 S a of i ifica acco in poide a acco in e a e (co in e)

(28) Critical accounting estimates and judgements (co in e)

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Notes to the Financial Statements

For the year ended 31 December 2022
(All amounts in Brunei Dollar unless otherwise stated)

2 Summary of significant accounting policies and accounting estimates (continued)

(28) Critical accounting estimates and judgements (continued)

(b) Critical judgements in applying the accounting policies (continued)

(ii) Determination of significant increase in credit risk

Determination of the appropriate significant increase in credit risk criteria based on changes in the probability of default occurring over the expected life of a financial instrument. Depending on the type of financial instrument, significant increase in credit risk may be assessed using quantitative models or qualitative indicators, significant deterioration in value of collateral, significant increase in expected performance of the borrower, etc.

Determination of the appropriate probability of default occurring in the next 12 months (i.e., a lifetime probability of default), or the expected life of a financial instrument for which credit risk has increased significantly since initial recognition (i.e., a lifetime probability of default

Notes to the Financial Statements

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Category	Tax rate	Tax base
E e pi.ei co e a (a)	15%, 2 % o 25%	a abe co e
a e-a e a (A) (b)	1%, 3%, 5%, 6% o 13%	e e
i an e ace co ci a	7%	e o of A b e. a ac a pai
E ca io a c a e	3%	e o of A b e. a ac a pai
Loca e ca io a c a e	2%	e o of A b e. a ac a pai
! ope a (c)	12% o 12%	2 % of eoi a e of ep ope o e a co e
ba a e a (e)	B5 e	e a ea
La A	0 %-6 %	e o of a ea e

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Notes to the Financial Statements

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Notes to the Financial Statements

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Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars unless otherwise stated)

4 Notes to consolidated financial statements

(1) Cash at bank and on hand

	31 December 2020	31 December 2019
Cash on hand	374,287	45,334
Cash at bank	206,125,277	175,377,544
Time deposits	–	1,300,000
	206,499,564	176,722,878

As at 31 December 2020, the Group's cash at bank of B$6,046,824 was pledged for performance guarantees issued in favour of certain suppliers, vendors and contractors.

As at 31 December 2019, the Group's time deposits of B$100,000 were pledged for the B$110,068,000 guarantee facility granted by a financial institution (see note 8(5)(a)).

(2) Accounts receivable

	31 December 2020	31 December 2019
Receivable from related parties (note 8(5)(a))	7,250,000	8,250,000
Receivable from third parties	348,065,571	330,174,215
Subtotal	355,315,571	338,424,215
Less: provision for bad debts	(33,907,606)	(27,703,603)
	321,407,965	310,720,612

Accounts receivable are non-interest bearing and are generally on terms of 30 days.

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o in B e o e i.e a e)

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(2) Accounts receivable (co in e)

(a) e a d a i of acco ecei abe ba e o e bi a ei a fo o :

	31 December 2020	31 ece be 2 1
i 1 ea	276,029,265	266, 32, 53
1 2 ea	59,715,117	57, 88,0 7
2 3 ea	19,442,357	13 8,00 1
e 3 ea	128,832	413,854
	355,315,571	338,424,215

2 2 , e o p a o acco ecei abe e eco i e e o a fe of in di a a e .

(b) *I o i.io fo ba eb .*

e o p ea e e o a o ce of acco ecei abe a a o e ife e E L, e a e e of e e e co a i ific in di co po e .

A a 31 ece be 2 2 , e e e o acco ecei abe fo ic e e a e p o i.io fo ba eb a p o i e o ei i a ba i (31 ece be 2 1 : B1,88 ,254).

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars unless otherwise stated)

4 Notes to consolidated financial statements (continued)

(2) Accounts receivable (continued)

(b) Provision for bad debts (continued)

(i) Accounts receivable for which lifetime expected credit loss provision for bad debts is provided based on individual assessment:

	31 December 2020			31 December 2019		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
		Lifetime ECL rate			Lifetime ECL rate	
	Amount		Amount	Amount		Amount
Not overdue	29,027,823	1%	290,278	23,514,148	1%	235,148
Overdue within 30 days	169,414,663	4%	6,776,587	151,536,144	5%	7,576,807
31 to 180 days	77,586,779	4%	3,103,471	97,102,664	6%	5,465,506
181 to 270 days	59,715,117	20%	11,943,024	57,614,783	11%	6,337,626
271 to 365 days	19,442,357	60%	11,665,414	11,562,708	50%	5,781,354
Over 365 days	128,832	100%	128,832	413,854	100%	413,854
Total	355,315,571		33,907,606	336,534,161		26,014,344

(ii) Reversal of provision for bad debts in current year amounted to B$3,414,275 (2019: B$1,616,274), and bad debts written off during the year (2019: B$2,580).

The book value of accounts receivable at amortised cost at the end of the year amounted to B$17,337,485, and the provision for bad debts amounted to B$17,337,485, which mainly represented the amount due from one of the lessees.

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars)

4 Other current financial assets (continued)

(3) Other receivables

	31 December 2020	31 December 2019
Loan to third parties (i)	11,623,500	21,283,500

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brazilian Reais unless otherwise stated)

4 Other receivables (continued)

(3) Other receivables (continued)

(a) Details of other receivables are as follows:

	31 December 2020	31 December 2019
Within 1 year	20,302,805	21,336,124
1 to 2 years	18,699,660	19,781,947
2 to 3 years	4,964,193	5,385,116
Over 3 years	24,282,668	28,962,514
	68,249,326	75,465,781

(b) Provision for other receivables

	Stage 1 12-month ECL (on the grouping basis)		Stage 3 Lifetime ECL (credit-impaired)		Total
	Book value	Provision for bad debts	Book value	Provision for bad debts	Provision for bad debts
31 December 2019	65,540,476	3,111,215	9,925,285	9,036,800	12,148,415
Reversal during the year	15,334,712	2,410,977		488,428	1,448,595
Written off during the year					

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o in B e o e i.e a e)

4 oe o e co oi a e in ad a a e e (co in e)

(3) Other receivables (co in e)

(b) ! o i.i fo o.e a c a e in book a e a e (co in e)

(i) A a 31 ece be 2 2 , fo o e ecd abe a Sa e 1, e ea e poiio fo ba eb a a e be o :

	Book value	12-month ECL rate	Provision for bad debts
! o i e o e o ba i:			
o i pa ie	11,623,800	7%	813,645
A ce	8, 75,352	7%	628,275
ecd abe fo ea e pa ie	26,113,638	5%	1,3 5,682
epo i a a ee	8,682,3 6	3%	26 ,46
e	1 ,6 8,415	1%	1 6, 84
	66 , 3,211		3,115 55

(ii) A a 31 ece be 2 2 , e o p i o a e a o e ecd abe a Sa e 2.

(iii) A a 31 ece be 2 2 , fo o e ecd abe a Sa e 3, e ea e poiio fo ba eb a a e be o :

	Book value	Lifetime ECL rate	Provision for bad debts
! o i e o e i a ba i:			
io o i in (o e i)	2,156,115	7 %	1,6 8,458

i) e o a o e e a pai b e o p i e pio ea . e o p e e e e o e in a e eco ac a e e o e pa o e e a pai . A a 31 ece be 2 2 , e a i a i i e ia p oce in eco . e o p a e oi a in e eco di ia io p a i e o e pa . Ba e o e a e e e e p o e . , a a e e e a e a p oiio fo ba eb a 7 % fo e acco ecd abe.

(c) 2 2 , e o e fe o a jao F e (o pa a a ac a eco e e a B 0 000 . e o of B7,11 ,1 fe o a jao F e (o pa a a i e off in ce a a e e e e in e a e o a ific o be eco e e acco in o e e . of ej e e .

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei dollars unless otherwise stated)

4 Notes to consolidated financial statements (continued)

(4) Advances to suppliers

(a) Ageing of prepayments is as follows:

	31 December 2020		31 December 2019	
	Amount	% of total balance	Amount	% of total balance
Within 1 year	11,747,540	98%	5,258,821	98%
1 to 2 years	93,133	1%	49,553	
2 to 3 years	20,209	–	54,646	1%
Over 3 years	67,000	1%	3[illegible]000	1%
	11,927,882	100%	5,366,020	100%

(5) Inventories

(a) Inventories are stated at the lower of cost and net realisable value as follows:

	31 December 2020	31 December 2019
Land held for development	28,767,481	17,38[illegible],132
Completed properties	6,165,704	3,6[illegible]3,818
Properties held for sale (i)	2,575,286	2,575,286
	37,508,471	23,568,236

As at 31 December 2020 and 31 December 2019, all of the properties held for development are expected to be recovered after more than one year.

In 2020, there was no capitalisation of borrowing costs in inventories (2019: Nil).

(i) Properties held for sale

Project name	Commencement date	Completion date	Gross area developed	Cumulative costs incurred	Costs transferred to cost of sales	Costs carried forward	31 December 2020
Lease of Building and Land in Kuala Belait	October 2012	Year 2017	173,[illegible]07,[illegible]54	2,575,286			2,575,286

As at 31 December 2020, the properties held for sale are pledged as collateral for bank borrowings.

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei dollars unless otherwise stated)

4 Notes to consolidated financial statements (continued)

(5) Inventories (continued)

(b) Analysis of the book value of properties for sale by year of expected recognition as cost of sales:

	31 December 2019	Borrowing costs capitalised in cost of properties (Note 5(1)(c))	Increase in provision	Decrease in provision	31 December 2020
Within one year	17,384,132	81,603	214,632,270	(204,573,524)	28,767,481
One to two years	3,603,818	223,376	58,936,057	(56,658,147)	6,165,704
Over two years	2,575,286				2,575,286
	23,568,236	304,979	273,568,327	(261,231,671)	37,508,471

(6) Current portion of non-current assets

	31 December 2020	31 December 2019
Deposits receivable (i)	–	12,688,704

(i) Deposits represent the deposits paid by the Group to the contractors for the construction of the property project of the Group's associates in the property construction contracts. Such deposits will be refunded upon the completion of the property project. In 2020, the Group has entered into a conditional agreement with the contractors, pursuant to which the deposits paid by the Group to the contractors will be offset against the progress billings payable by the Group to the contractors.

(7) Long-term equity investments

	31 December 2020	31 December 2019
Associates (a)	93,726,511	84,043,103
Less: provision for impairment of long-term equity investments	–	
	93,726,511	84,043,103

Please refer to Note 1 for the description of long-term equity investments.

Notes to the Financial Statements

For the year ended 31 December 20[illegible]
(All amounts in Bahraini Dinars unless otherwise stated)

4 Summary of significant accounting policies (continued)

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei dollars unless otherwise stated)

4 Notes to consolidated financial statements (continued)

(10) Fixed assets

	Buildings	Medical equipment	Motor vehicles	Electronic equipment and other equipment	Total
Cost					
31 December 2019	523,768,640	106,225,602	6,728,107	50,137,867	687,060,216
Increase through business combination of entities under common control (note 5(1)(c))		2,094,411	128,233	148,247	3,370,891
Additions	17,006,946	15,923,876	1,078,208	4,335,688	38,344,718
Increase through acquisition of subsidiaries		(1,448,770)	(2,644,135)	(2,673,603)	(6,748,258)
Transfer (i)	(13,998,787)				(13,998,787)
31 December 2020	521,775,799	113,024,169	5,290,548	52,990,199	693,080,715
Accumulated depreciation					
31 December 2019	44,000,243	47,772,003	3,064,572	29,766,263	124,612,277
Increase through business combination of entities under common control	15,265,102	16,730,918	854,653	8,126,907	41,037,075
Additions		(1,356,838)	(2,515,523)	(2,437,684)	(6,310,045)
31 December 2020	59,274,559	63,206,184	1,403,702	35,452,886	159,337,331
Net book value					
31 December 2020	462,501,240	49,817,985	3,886,846	17,537,313	533,743,384
31 December 2019	479,768,397	58,453,599	3,663,535	20,371,604	562,257,135

(i) For the purpose of presentation, project costs are reclassified from property, plant and equipment to intangible assets amounting to B$13,998,787 in the consolidated statement of financial position. Refer to note 18 for further information.

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars)

4 Notes to the consolidated financial statements (continued)

(10) Fixed assets (continued)

(a) Reconciliation of cost, accumulated depreciation, accumulated impairment losses, carrying amount and depreciation for the financial year:

	2020	2019
Cost	34,129,808	26,587,185
Accumulated depreciation	6,525,635	7,767,122
Carrying amount		

Notes to the Financial Statements

For the year ended 31 December 2022
(Amounts in Brunei Dollars unless otherwise stated)

4 Notes to the consolidated financial statements (continued)

(12) Right-of-use assets

	Buildings
Cost	
31 December 2021	265,171,607
Increase in lease contracts	
New lease contracts	33,603,772
Adjustments	311,400
Business combinations of entities under common control (Note 5(1)(c))	4,528,666
Decrease in lease contracts	
Adjustments	(13,071,183)
31 December 2022	290,544,319
Accumulated depreciation	
31 December 2021	84,185,521
Provided	33,116,519
31 December 2022	62,976,040
31 December 2022	227,568,279
31 December 2021	235,312,14

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars unless otherwise stated)

4 Notes to the consolidated financial statements (continued)

(13) Intangible assets

	Land use rights	Software	Contractual right to provide management services	Licences	Trademark rights	Total
Cost						
At 31 December 2019	36,45[illegible]	[illegible],253,061	51,[illegible]0 7,413	55,837,000		153,457,414
Increase through acquisition of a subsidiary	[illegible]27,0[illegible]7,000	10,538,446			[illegible],884,386	31,574,832
Business combination of entities under common control (Note 5(1)(c))		537,111		[illegible]27,000,000		[illegible]27,537,111
Increase through acquisition of subsidiaries (i)			(14[illegible],533,544)			(14[illegible],533,544)
At 31 December 2020	64,166,940	10,828,626	36,973,869	82,837,000	2,829,386	197,635,821
Accumulated amortisation						
At 31 December 2019	3[illegible],7[illegible],7	5,15[illegible],[illegible]1	6,744,678	6,157,370		[illegible]3,15[illegible],286
Increase through acquisition of a subsidiary	10,775,774	1,66[illegible],348	[illegible]0,668,111	[illegible],[illegible]3,[illegible]8	4[illegible],[illegible]7	14,[illegible]1,748
Increase through acquisition of subsidiaries (i)			(2,161,[illegible]41)			(2,161,[illegible]41)
At 31 December 2020	6,173,771	6,828,639	6,650,848	15,396,628	49,207	35,099,093
Net book value						
At 31 December 2020	57,993,169	3,999,987	30,323,021	67,440,372	2,780,179	162,536,728
At 31 December 2019	31,361,[illegible]43	40[illegible],3[illegible]70	45,16[illegible]2,735	[illegible],67[illegible],630		1[illegible],[illegible]8,128

[illegible] 2020, [illegible]ognition of [illegible]ibe[illegible]e [illegible]o[illegible]e o B14,[illegible]1,748 (2019: B[illegible],874,756). [illegible] 2020, [illegible]o[illegible] of [illegible]epe[illegible]ediation [illegible]pe[illegible]e c[illegible]e[illegible] o co[illegible] of [illegible]e, [illegible]e[illegible] [illegible]a[illegible]i[illegible]i[illegible]ee pe[illegible]e [illegible]e[illegible] [illegible]i[illegible]ib[illegible]io[illegible] e[illegible]pe[illegible]e [illegible]e[illegible] B11,65[illegible],616, B[illegible],385,[illegible]23 [illegible] B57,[illegible]0[illegible] [illegible]e[illegible]pecifie (2019: B[illegible],00[illegible],[illegible]0 3, B1,865,353 [illegible] B).

(i) [illegible] o[illegible]pe[illegible]e[illegible]e i[illegible] o[illegible] [illegible]e[illegible] [illegible]a[illegible]e[illegible] [illegible]e ice[illegible]a[illegible]ee[illegible] [illegible] [illegible]c 2016. [illegible]e[illegible] [illegible]e[illegible] [illegible]a[illegible]e[illegible] [illegible]e ice pe[illegible]io[illegible]i[illegible] [illegible]o[illegible] [illegible]c 2015 o Feb[illegible] 2046. [illegible] [illegible]e[illegible]a[illegible]ee[illegible] pe[illegible]io[illegible], [illegible] o[illegible]pp[illegible]o[illegible]i[illegible]e[illegible] [illegible]a[illegible]e[illegible] [illegible]e ice o [illegible]'[illegible] [illegible]o[illegible]i[illegible]a[illegible] [illegible]co[illegible]ec[illegible] [illegible]a[illegible]e[illegible] [illegible]e ice fee. Acco[illegible] o [illegible]e[illegible]a[illegible]ee[illegible], [illegible] o[illegible]p[illegible] eco[illegible]i[illegible] [illegible]e co[illegible]ac[illegible]a[illegible] [illegible] o[illegible]pe[illegible]o[illegible]i[illegible]e[illegible] [illegible]a[illegible]e[illegible] [illegible]
"

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei dollars unless otherwise stated)

4 Other comprehensive income and other equity (continued)

(14) Goodwill

	31 December 2019	Increase/ (Note 5)	31 December 2020
Cost			
Arising from acquisition	8,533,389		8,533,389
Arising from acquisition	7,784,850		7,784,850
Arising from acquisition	9,271,800		9,271,800
Beginning balance	22,987,331		22,987,331
Arising from acquisition	5,068,960		5,068,960
Arising from acquisition	6,843,289		6,843,289
Arising from acquisition		11,822,030	11,822,030
Arising from acquisition		13,448,538	13,448,538
Exchange	2,390,403		2,390,403
Sub-total	88,150,590		88,150,590
Less: Provision for impairment			
Arising from acquisition	(8,533,389)		(8,533,389)
Beginning balance		(8,011,603)	(8,011,603)
Sub-total	(8,533,389)	(8,011,603)	(16,544,992)
	54,346,633	17,258,465	71,605,598

Notes to the Financial Statements

Fo e ea e 31 ece be 2 0
(A o in B e o e i e a e)

4 o e o e co oi a e in a d a a e (co in e)

(14) Goodwill (co in e)

(a) A oo i of e o a bed a oca e o e ea e a e o o of a e o o e a of c a e i o c e of e co a oca io of oo i in 2 0 , ic i ai e b ope a in e e a fo o :

	31 December 2020	31 ece be 2 1
ea ca e e ice e e		
a in i o a	9,271,800	9,271,800
e in a fa i a	7,784,850	7,784,850
Bei in i o a	22,987,331	22,987,331
a a 85 (ea ca e e ice e e) 0 -1.50 68, 6 50 148,820,030 c a in (ea ca e e i ’		

Notes to the Financial Statements

For the year ended 31 December 20XX
(Amounts in Bahraini Dinars)

4 Notes on accounting policies and explanatory (continued)

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o In B e o e i.e a e)

4 o e. o e co oi a e in d a a e (co in e)

(16) Deferred tax assets and deferred tax liabilities

(a) efe e a a e

	31 December 2020 Deductible temporary differences and deductible losses	Deferred tax assets
e cibe o e	122,695,044	30,673,761
o ii fo a e in pai e	38,721,119	9,680,280
S a e-ba e pa in e pe e	16,899,060	4,224,765
A ce ecei e f o p ope a e	126,654	31,664
ed ai of i -of- e a e a o i ai of in e e pe e o ea eiabiii e	7,865,404	1,966,351
	186,307,281	46,576,821
c :		
E pec e obe e e e i in o e ea (c i e)		9,680,280
E pec e obe e e e af e o e ea		36,896,541
		46,576,821

	31 ece be 2 1 e cibe e po a iffe ce a e cibe o e	efe e a a e
e cibe o e	126,45 ,168	31,614,7 2
o ii fo a e in pai e	0 5 2 18	0 13 0 6
S a e-ba e pa in e pe e	11,11 ,5 2	2,77 ,8 8
A ce ecei e f o p ope a e	126,654	31,664
ed ai of i -of- e a e a o i ai of in e e pe e o ea eiabiii e	5,346,351	1,336,588
o ii	2,000 000	80 000
	185,0 3,711	46,2 5, 8
c :		
E pec e obe e e e i in o e ea (c i e)		0 ,5 2 ,467
E pec e obe e e e af e o e ea		35,755,463
		46,2 5, 8

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei dollars unless otherwise stated)

4 Notes to the consolidated financial statements (continued)

(16) Deferred tax assets and deferred tax liabilities (continued)

(b) Deferred tax liabilities

	31 December 2020	
	Taxable temporary differences	Deferred tax liabilities
Appropriation of property and equipment	91,613,072	22,903,268
Allowance for doubtful debts and impairment loss	8,516,685	2,129,171
	100,129,757	25,032,439
Set off:		
Expected to be settled in one year (net)		2,572,269
Expected to be settled after one year		22,460,170
		25,032,439

	31 December 2019	
	Taxable temporary difference	Deferred tax liabilities
Appropriation of property and equipment	82,570,112	20,644,753
Allowance for doubtful debts and impairment loss	1,917,462	479,365
	84,487,574	21,124,118
Set off:		
Expected to be settled in one year (net)		2,495,167
Expected to be settled after one year		18,628,951
		21,124,118

(c) Deferred tax benefits arising from unused tax losses and unabsorbed capital allowances:

	31 December 2020	31 December 2019
Deferred tax benefits	51,245,123	33,454,884

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei Dollars unless otherwise stated)

4 Notes to the consolidated financial statements (continued)

(16) Deferred tax assets and deferred tax liabilities (continued)

(a) Deferred tax assets/(liabilities) arising from:

	31 December 2020	31 December 2019
2020	–	8,646,175
2021	8,766,673	5,838,726
2022	11,852,360	6,137,880
2023	651,018	1,626,585
2024	9,667,426	10,305,718
2025	20,307,646	
	51,245,123	33,454,884

(17) Other non-current assets

	31 December 2020	31 December 2019
Deposits for the acquisition of property, plant and equipment	4,708,451	1,737,168
Time deposits (i)	14,000,000	
	18,708,451	1,737,168

(i) As at 31 December 2020, the balance of time deposits amounted to B$14,000,000 with maturity from 15 April 2020 to 15 April 2022. The balance represents deposits placed in relation to the acquisition of a building, which is located in Kuala Belait (Note 28).

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars unless otherwise stated)

4 Notes to consolidated financial statements (continued)

(18) Provision for asset impairment and losses

	31 December 2019	Increase in current year	Decrease in current year: reversal	Decrease in current year: write-off	31 December 2020
Provision for bad debts of accounts receivable	27,903,683	23,414,275	(72,787)	(17,337,485)	33,907,606
Provision for bad debts of other receivable	12,148,415	1,48[illegible],05 5	(1,645,237)	(7,11[illegible],170)	4,813,513
Provision for payment of goods	8,533,38[illegible]	80,11[illegible],683			16,544,992
	48,585,407	32,855,383	(1,718,024)	(24,456,655)	55,266,111

(19) Short-term borrowings

	31 December 2020	31 December 2019
Bank borrowings (Note 8(4)(i)) (i)	312,500,000	250,000,000

(i) As at 31 December 2020, the bank borrowings are denominated in Brunei Dollars, bearing interest at the prevailing market rate; the bank borrowings denominated in Brunei Dollars, bearing interest at fixed rate; the bank borrowings denominated in Brunei Dollars, bearing interest at floating rate.

As at 31 December 2020 and 31 December 2019, the annual interest rate of short-term bank borrowings is 4.05%-5.22% and 4.35%-5.22% respectively.

(20) Accounts payable

Details of accounts payable by aging analysis are as follows:

	31 December 2020	31 December 2019
Within 3 months	54,689,668	65,881,555
3 to 6 months	9,659,122	7,47[illegible],5
6 to 12 months	4,105,307	1,381,01 1
1 to 2 years	571,326	6,88[illegible]
2 to 3 years	252,094	[illegible],816
Over 3 years	296,410	20,613
	69,573,927	75,554,[illegible]0

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Renminbi unless otherwise stated)

4 Notes to consolidated financial statements (continued)

(21) Contract liabilities

	31 December 2020	31 December 2019
Advances from customers	12,965,170	8,562,126

For 2020, contract liabilities of RMB8,562,126 were transferred to revenue at the beginning of the reporting period as the performance obligations were satisfied during the reporting period, and RMB12,965,170 contract liabilities were received.

(22) Employee benefits payable

	31 December 2020	31 December 2019
Short-term employee benefits payable (a)	41,593,360	34,470,760
Defined contribution plans payable (b)	1,191,773	1,592,587
	42,785,133	36,063,277

(a) Short-term employee benefits

	31 December 2019	Business combination under common control (Note 5(1)(c))	Increase during the year	Decrease during the year	31 December 2020
Salaries, bonuses, allowances and subsidies	33,906,488	7,180,128	84,826,122	(84,577,628)	40,453,010
Staff welfare	445,000		6,221,425	(6,649,055)	17,470
Social insurance contributions	813,536	1,271	10,838,145	(10,555,516)	1,115,436
Including: medical insurance	716,324	1,002	10,624,221	(10,255,863)	1,103,684
work injury insurance	72,025	26	1,108	(62,782)	10,420
maternity insurance	76,287		22,616	(77,571)	1,332
Housing funds	5,615		14,352,645	(14,350,816)	7,444
Labour union funds and employee education funds			653,055	(653,055)	–
Non-monetary benefits			143,716	(143,716)	–
	34,470,760	817,399	116,235,458	(116,927,587)	41,593,360

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars unless otherwise stated)

4 Notes to the consolidated financial statements (continued)

(22) Employee benefits payable (continued)

(b) Employee contribution payable

	31 December 2019	Business combination (Note 5(1)(c))	Increase during the year	Decrease during the year	31 December 2020
Basic pension	1,553,011	17,132	8,612,019	(8,015,384)	1,166,779
Provident fund	3,576	612	233,074	(248,268)	24,994
	1,556,587	17,744	8,845,093	(8,263,652)	1,191,773

(c) Termination benefits payable

For 2020, the Group paid termination benefits including severance payment of employment contracts.

(23) Taxes payable

	31 December 2020	31 December 2019
Employee income tax payable	22,692,620	12,348,641
Income tax payable	4,826,592	623,037
Value added tax payable	1,990,173	582,601
Land tax payable	18,110,608	18,490,731
Others	1,426,562	1,454,973
	49,046,555	33,499,983

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars unless otherwise stated)

4 Other current liabilities and provisions (continued)

(24) Other payables

	31 December 2020	31 December 2019
Payable for project (i)	27,016,438	55,071,768
Payable to related parties (note 8(5)(b))	12,870,241	28,441,713
Total other payables (28,441,713)		
Less: non-current portion		
Current portion (28,441,713)		

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei Dollars unless otherwise stated)

4 Notes to the consolidated financial statements (continued)

(26) Long-term borrowings

	31 December 2020	31 December 2019
Bank loans and overdrafts (a)	95,992,970	60,000,000
Bank project loans (b)	18,000,000	
Less: Amount due for settlement within 12 months (Note 4(25))		
Bank loans and overdrafts	(3,000,000)	(40,000,000)
	110,992,970	20,000,000

(a) As at 31 December 2020, the Company's bank loans and overdrafts amounting to B$ 5,992,970, are secured by a corporate guarantee of B$20,000,000 and bank deposits, and bear effective interest rates ranging from 3.50% to 5.50% per annum (Note 8(4)(i)). The loans and overdrafts are repayable from 16 April 2020 to 16 April 2023. The bank loans and overdrafts amounting to B$60,000,000 are bank loans and deposits, and bear effective interest rates ranging from 3.50% to 5.50% per annum (Note 8(4)(i)). The loans are repayable from 31 December 2019 to 31 December 2024, and the principal amount is expected to be repaid in full within 12 months from 2022. The bank loans and overdrafts amounting to B$45,000,000 are bank loans and deposits, and bear effective interest rates ranging from 3.50% to 5.50% per annum (Note 8(4)(i)). The loans are repayable from 20 August 2019 to 20 August 2024, and the principal amount is expected to be repaid in full within 12 months from 2021. The bank loans and overdrafts amounting to B$2,000,000 are bank loans and deposits, and bear fixed interest rates ranging from 3.50% to 5.50% per annum (Note 8(4)(i)). The loans are repayable from 11 October 2020 to 11 October 2022.

(b) As at 31 December 2020, the balance of the Company's bank project loans amounting to B$18,000,000 are project loans to finance 53.33% equity interest of the total investment cost amounting to B$60,000,000, and are secured by corporate guarantee and bank deposits, and bear effective interest rates ranging from 3.50% to 5.50% per annum (Note 8(4)(i)). The loans are repayable from September 2020 to September 2027.

(c) As at 31 December 2020, the effective interest rates of the bank loans ranged from 4.35% to 7.20% per annum (31 December 2019: 4.75% to 5.15%).

(27) Lease liabilities

	31 December 2020	31 December 2019
Lease liabilities	222,341,901	210,861,369
Less: Amount due for lease liabilities (Note 4(25))	(32,540,617)	(27,053,218)
	189,801,284	183,808,151

As at 31 December 2020, the Company has entered into lease contracts for lease liabilities but the lease commencement date has not been determined as at the reporting date.

As at 31 December 2020, the Company has lease payments of lease contracts that have been entered but the lease has not been performed.

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o in B e o e i.e a e)

4 oe o e co oi a e in adia a e e (co in e)

(28) Provisions

	31 ece be 2 1	c ea e	ec ea e	31 December 2020
e in ii a io (i)	2,000,000		(2,000,000)	–

(i) A a 31 ece be 2 1, e ii a io of e o p a ja F e (o pi a (oe 4(13)) a i e ia e o p o pa B2,000,000 o ja F e (o pi a. A a 31 ece be 2 2, e ma j e e of i ii a io co c e a e o p. o pa B2,3,87 o ja F e (o pi a.

(29) Deferred income

	31 December 2020	31 ece be 2 1
o e e a	9,645,475	,4 ,267

o e e a p ojec	31 ece be 2 1	A o c a e oo e in co e in ec ea	31 December 2020	A e - e a e/ co e- e a e
E pa io p ojec of e in pai bi (i)	,4 ,267	(3,7 2)	9,645,475	A e - e a e

(i) e efe e in co e e a e o e i e o e e a of B0 ,632,80 fo e eco . cio a e pa io p ojec of ein pai bi ecei e f o e o R ce B ea in 2 13. e o pa eco ni e efe e in co e e eci in e a a e a oca e e o e e ef ife of e a e o a ai -in e bai a e eco e in op of o o. fo ec e pei o af e i co pei o in 2 17.

(30) Share capital

	31 ece be 2 1	o e e fo ec e ea ep c a e of a e	31 December 2020
S a e capi a (i)	75,00 ,000	(8 ,700)	74,600,300

(i) 2 2 , e o p ep c a e 8 ,700 a e of e o pa ' oc . A o of B14,52 ,256 a pai fo e ep c a e, in c in B8 ,700 e ce a a . a e capi a a B13,62 ,556 e ce a a . a e p e i .

Notes to the Financial Statements

For e ea e e 31 ece be 2 0
(A o in B e o e i.e. e)

4 o e. o e co oi e in di a. e e (co in e)

(31) Capital surplus

	31 ece be 2 1	c ea ei c ea	ec ea ei ec ea	31 December 2020
S e p ei (i) e. capi a. p	775,6 ,317	1,6 80 63	(27,438,8 8)	749,889,082
S e-ba e pa e (o e) e. (ii)	0 , 0 ,663 38,155,465	5,887,6 3	(0 80 63) (188,221)	16,710,203 37,967,244
	824,715,445	7,585,666	(27,734,582)	804,566,529

(i) e ea o fo ei c ea ei e. a e p ei of capi a. p i a 16,433 a e a bee e e d e in e oc e 2 14 e. ic e a ei ce i e p . e ea i e capi a. p of B0 80 63 a fe e f o e capi a. p o e a e p ei . a i io , a o e e. ic e a ei ce i e p , in 2 2 , B1,50 000 co ib e b e p o ee a eco e in capi a. p a e p ei .

e ea o fo e ec ea ei e. a e p ei of capi a. p in 2 2 a a e o pp c a e ce a d -co o in in e e of b i ia ie a e e p c a e of a e. a c 2 2 , e o p a i e 0 % e i of a d a d in o pi a e b d -co o in a e o e of a d a d in o pi a (a b i ia of e o p) a co i e a io of B3, 62,775. e iffe ce be ee e e -a i e e i e. a e o e a e. of e. b i ia ie c c a e a ei c ea e

Notes to the Financial Statements

For the year ended 31 December 2021
(Amounts in Brunei Dollars unless otherwise stated)

4 Other components of equity and liabilities (continued)

(32) Surplus reserve

	31 December 2021	Appropriation in current year	Decrease in current year	31 December 2020
Statutory surplus reserve	33,183,321	3,409,908		36,593,229

According to the Articles of Association of the Company, the Company is required to appropriate 10% of the profit for the year to the statutory surplus reserve. The Company may cease appropriation when the statutory surplus reserve accumulates to 50% of the registered capital. The statutory surplus reserve can be used to offset the losses or increase the registered capital upon approval.

(33) Retained earnings

	2020	2021

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei dollars unless otherwise stated)

4 Revenue and cost of sales (continued)

(34) Revenue and cost of sales

	2020	
	Revenue	Cost
Sale of goods	978,466,160	701,039,798
Rendering of services	52,817,600	27,662,054
	1,031,283,760	728,701,852

	2019	
	Restated	Original
Sale of goods	743,483,663	616,183,633
Rendering of services	67,200,466	39,000,931
	810,684,129	656,184,564

(a) Restated and original cost of sales for sale of goods

	2020	
	Revenue	Cost
Industrial sales	222,586,930	194,543,819
Retail and other trade sales	755,879,230	506,495,979
	978,466,160	701,039,798

	2019	
	Restated	Original
Industrial sales	175,615,871	174,317,815
Retail and other trade sales	587,873,792	441,785,818
	743,489,663	616,183,633

(i) The comparatives for industrial sales and retail and other trade sales in economic segment have been restated.

Notes to the Financial Statements

For the year ended 31 December 20XX

(All amounts in Bahraini Dinars)

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei Dollars unless otherwise stated)

4 Notes to the consolidated financial statements (continued)

(36) Expenses by nature

The cost of sales, selling and distribution expenses, general and administrative expenses and research and development expenses in the consolidated income statement are analysed as follows:

	2020	2019
Employee benefits	339,081,062	288,688,273
Maintenance and operating costs	260,283,959	225,0[illegible]1,256
Operating lease costs	3,339,117	28,[illegible]68,478
Depreciation of property, plant and equipment	41,037,075	34,807,048
Depreciation of right-of-use assets	33,116,519	[illegible],85[illegible],521
Amortisation of intangible assets	14,101,748	[illegible],874,756
Amortisation of other prepaid expenses	35,549,405	34,[illegible]8,665
Foreign exchange and property related expenses	4,382,432	2,[illegible]3,510
Audit and professional fees	44,513,962	35,[illegible]0,416
Utilities	19,138,805	18,58[illegible]00 5
Cost of goods sold	14,146,526	16,[illegible]0 80 41
Licensing fees	24,081,462	17,3[illegible]25,0[illegible]
Other expenses	6,622,267	[illegible],442,6[illegible]3
Auditor's remuneration		
Audit service	800,000	[illegible],60[illegible]000
Non-audit service	24,500	[illegible]6,000
Loss on disposal	2,914,695	3,[illegible]33,565
Marketing expenses	4,170,744	6,[illegible]42,376
Office expenses	5,256,718	5,8[illegible]10,043
Share-based payment (note)	5,887,603	5,[illegible]0,[illegible]526
Others	24,360,545	16,688,0[illegible]
	882,809,144	[illegible]3,51[illegible],[illegible]40

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei Dollars unless otherwise stated)

4 Other income and other gains (continued)

(37) Financial expenses – net

	2020	2019
Bank borrowings interest expense	20,173,820	17,231,667
Less: amounts capitalised on qualifying assets (Note 4(a))	(13,820,000)	(13,820,000)
	6,353,820	3,411,667

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei dollars unless otherwise stated)

4 Other income and other gains (continued)

(38) Other income (continued)

(i) According to the notice of dividend payable for the second quarter ended 30 June 2020 issued by Finance Company (the "Company"), the Company declared dividends of B$1,200,000, B$800,000 and B$800,000 for the first Finance Bureau in April 2020, August 2020 and September 2020, respectively.

(ii) In addition to the expected credit loss provision of Accelerated tax depreciation allowance in accordance with Income Tax Act (Chapter 16) amounting to B$1,000,000 of provision-related tax benefit for accelerated tax depreciation in 2020.

(iii) According to the provision of taxpayer's profit of Finance Company of the Finance Company Finance Bureau issued by Brunei Revenue Authority - Income Tax Section of Finance and Economic Affairs and the provision of Finance Income Tax Order (Section in Force Order B[2020] No. 45), the tax benefit affected by the Company's objection to the taxation of dividend income received by the subsidiary. The proceeds amounting to B$1,734 of dividend income and tax benefit in 2020.

(39) Investment losses/(income)

	2020	2019
Share of the profit of the associate (note 4(7))	7,727,019	3,063,144
Net fair value (gain)/loss on financial assets (i)	34,663	(26,212,405)
Net loss from disposal	(96,371)	(192,132)
Impairment loss	–	(824,373)
	7,665,311	(24,336,266)

(i) Net fair value loss on financial assets in 2020 refers to the acquisition cost in equity investment in the Company. According to the Articles of Association, the Company acquired 40% equity of the Associate in the year. Accordingly, the Company's share of the profit of the Associate amounting to B$34,663.

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in RMB unless otherwise stated)

4 Notes to consolidated financial statements (continued)

(40) Gains from changes in fair value

	2020	2019
Investment properties measured at fair value (Note 14)	476,174	1,610,116
Financial assets at fair value through profit or loss (Note 4(8))	6,123,049	8,707,546
	6,599,223	10,317,662

(41) Credit impairment losses

	2020	2019
Loss on bad debts of accounts receivable	23,341,488	22,356,414
Loss on bad debts of other receivables	(215,732)	8,899,910
Total	23,125,756	31,256,324

(42) Assets impairment losses

	2020	2019
Goodwill impairment	8,011,603	

(43) Non-operating income

	2020	2019
Others	59,275	2,750,243
Gain from the reconsideration of control over acquiree upon business combination	–	25,666,158
Penalty	849,765	971,326
	909,040	29,388,527

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars unless otherwise stated)

4 Other operating expenses (continued)

(44) Non-operating expenses

	2020	2019
Donations	8,537,428	2,587,277
Provision for impairment	1,518,692	10,555,380
Impairment of non-current prepaid lease	–	8,418,374
Impairment of construction in progress	–	4,822,111
Penalty paid (note 4(28))	–	2,000,000
Others	845,825	418,968
	10,901,945	28,713,968

(45) Income tax expenses

	2020	2019
Current income tax charge based on the profit for the year	31,485,064	23,990,966
Deferred income tax	(2,536,393)	(6,113,877)
	28,948,671	17,876,518

The reconciliation for income tax charge based on the applicable tax rate of the Company's country of incorporation to the income tax expense at the effective tax rate is as follows:

	2020	2019
Profit before tax	87,904,215	55,522,807
Income tax expense at the applicable tax rate of 25%	21,976,054	13,880,702
Effect of tax rate adjustment	(391,588)	
Non-deductible expenses for tax purposes	4,889,834	2,741,475
Non-taxable income	(1,722,889)	
Additional tax deduction for research and development	(2,071,323)	(10,343,048)
Deferred tax assets not recognised	10,127,644	8,337,490
Utilisation of previously unrecognised deferred tax assets	(3,859,061)	
Recognition of previously unrecognised deferred tax assets relating to investment tax credit	–	(6,624,980)
Income tax expense	28,948,671	17,876,518

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o . B e. o e. i.e. a e)

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(46) Earnings per share

(a) Bai ea in pe a e

	2020	2 1
o . oi a e e p o a ib e o e. a		
a e o e. of e pa e co pa (B)	70,000,134	57,28 ,3 4
di e a e a e be of o . a in o. a a e of		
e o pa (be of a e.) (i)	72,452,438	730 0 000
Bai ea in pe a e (B)	0.97	0 .78

(i) A a e in o e , fo o in e app o a b e a e o e a e ee in o 13 e 2 18, e o pa i e 2,40 000 o in a a e fo a ei ce i e p . A e. oc a e e a e a ea oc , acco o e p e io of Acco in S a a fo B ine E e pi e o. 7i e b e ini of H ce, e o pa e c e 2,40 000 e. ice a e f o e o . a in a e e cac a e ba ic ea in pe a ei 2 2 . 2 2 , e o pa ep c a e a o a of 8 , 0 a e f o e a e a e, a e o . a in o. a a e e e o bjec o e pac of e ep c a e e ide e abo e.

(b) i e ea in pe a e

i e ea in pe ei cac a e b e co . oi a e e p o ib e o e. a a e o e. of e pa e co pa a j e b e i e po e ia o. a a e i i e b e a j e di e a e a e be of o . a in o. a a e. Fo e ea e e 31 ece be 2 , e co . oi a e e p o ib e o e. a a e o e. of e pa e co pa a j e b e i e po e ia o. a a e a B 000 ,134. e a j e di e a e a e be of o . a in o. a a e a 72,824,553. e i e ea in pe a e a B , 6. Fo e ea e e 31 ece be 2 , e co . oi a e e p o ib e o e. a a e o e. of e pa e co pa a j e b e i e po e ia o. a a e a B57,28 ,3 4. e a j e di e a e a e be of o . a in o. a a e a 73, 270 66. e i e ea in pe a e a B .77.

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei dollars unless otherwise stated)

4 Notes to consolidated financial statements (continued)

(47) Supplementary information to the cash flow statement

(a) Supplementary information on cash flow statement

Reconciliation from profit before tax to net cash flow from operating activities

	2020	2019
Profit before tax	58,955,544	38,227,618
Add: Amortisation of prepaid lease payments	8,011,603	
Depreciation of property, plant and equipment	23,125,756	24,256,324
Depreciation of right-of-use assets	41,037,075	34,870,148
Depreciation of investment properties	33,116,519	24,854,521
Amortisation of intangible assets	14,101,748	10,874,756
Amortisation of other prepaid lease payments	35,549,405	34,248,665
(Gain)/Loss on disposal of property, plant and equipment, intangible assets and other non-current assets	(692,250)	(3,585,518)
Net foreign exchange gain	(6,599,223)	(1,917,462)
Net gain on derecognition of contract assets and trade receivables upon adoption of SFRS(I) 9	–	(25,666,158)
Loss on disposal of other prepaid lease payments and contract termination	–	13,240,413
Finance expense	26,805,140	27,148,834
Net unrealised loss/(gain)	7,665,311	(24,336,266)
Share-based payment expense	5,887,603	5,902,526
Decrease in deferred income	(303,792)	(803,782)
Decrease/(increase) in deferred tax assets	305,286	(5,052,876)
Decrease in deferred tax liabilities	(2,841,679)	(611,001)
Increase in inventories	(12,896,656)	(1,636,053)
Increase in operating receivables	(19,356,716)	(24,652,900)
Decrease in operating payables	(12,214,682)	(24,124,974)
Cash flow from operating activities	199,655,992	111,428,775

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
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(47) Supplementary information to the cash flow statement (co in e)

(a) S e e a in fo ai o ec a fo a e (co in e)

Si ifica n o -ca ac ion in ea io oi e in n in d ac i ie.

Fo e ea e e 31 ece be 2 2 , i ifica n o -ca ac ion in ea io oi e in n in d ac i ie ee i e a fo o :

	2020	2 1
i -of- e a e in c ea e in ec e io		
(o e 4(12))	33,603,772	234, 63, 17

e o e in ca

	2020	2 1
a a e of e ea	200,092,665	164, 51, 0
e : a a e be in of e ea	(164,951,950)	(187 66,6 4)
e in c ea e/(ec ea e) in ca	35,140,715	(22,1 0, 0 , b e/(ec ea e)

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei dollars unless otherwise stated)

4 Notes to the consolidated financial statements (continued)

(47) Supplementary information to the cash flow statement (continued)

(c) Reconciliation of profit before taxation to net cash flows from operating activities

	2020
Profit before taxation	2,665,561
Non-cash items	45,528,115
Interest income	(25,888,096)
Non-cash interest income	(6,790,000)

(d) Cash and cash equivalents

	31 December 2020	31 December 2019
Comprise:		
Cash and bank balances	374,287	45,334
Deposits with licensed banks	199,718,378	164,806,340
Less: Deposits pledged with licensed banks	–	(1,300,000)
Cash and cash equivalents	200,092,665	164,551,674

Notes to the Financial Statements

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ej (ea , a b.i a of e o p, e p a o -o e . b.i a ed o e . o ed 22 a a 2 2 , i a .e i. e.e cap i a of B50 000 .

2 Ap i 2 2 , e d pa a e o d . ed E e.p.i e a a ed o., L . (ed o d . ed) jo . e p L c ed e (o.pi a i a .e i. e.e cap i a of B50 000 000 , of ic B0 000 000 a . b.cibe b e d pa a B2 000 000 a . b.cibe b ed o d . ed .

25 a 2 2 , e d pa ed e.e e o a e i . a fe a ee ed i e i io a . a e o e . , e bo ei. a Bo e ! o. A ea a a e ed ed a ed ed ! a e . ip (ie [iabiii e ! a e . ip) (a a e ed) a e bo ei. a Bo e ! o. A ea a ed a ed ed o., L . (a ed e ed). e a ee ed . ip a e a e d pa o a q i e 52 5% a 0 .38% e i f d a a e ed a a ed e ed a co i e a io of B ,78 000 a B22 000 e.peci e . A o a of B50 000 000 a pa i fo e e i . a fe . Af e a , e d pa o . a o a of 53.33% e i of ed o e (o.pi a .

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Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Renminbi unless otherwise stated)

5 Business combination and consolidated financial statements (continued)

(1) Business combination involving enterprises not under common control

(a) Business combination in which the enterprises are ultimately controlled by the same party or parties before and after the combination in 2020

Acquiree	Date of acquisition	Purchase consideration	% of equity interest	Date of purchase	Basis for determination of date of acquisition	Revenue of the acquiree from the date of purchase to the end of the year	Net profit of the acquiree from the date of purchase to the end of the year	Cash flows from operating activities of the acquiree from the date of purchase to the end of the year	Net cash flows of the acquiree from the date of purchase to the end of the year
[illegible]	31 [illegible]	9,000,000	53.33%	31 [illegible]	[illegible] control [illegible]	18,6[illegible]2,736	1,[illegible]57,371	(1[illegible]2,786,87[illegible])	1,4[illegible]5,47
[illegible]	31 A[illegible]	1[illegible],51,6[illegible]3	100 %	31 A[illegible]	[illegible] control [illegible]	7,8[illegible]7,31[illegible]	[illegible],474,4[illegible]3	([illegible]27,[illegible])	1,3[illegible]1,53

(b) Other business combinations in 2020 and their relevant information:

	[illegible]	[illegible]
Other business combinations		
[illegible]	9,000,000	
[illegible] fair [illegible] of [illegible] non-[illegible] [illegible] (Note 4(13))(1)		1[illegible],51,6[illegible]3
Subtotal of business combinations	9,000,000	1[illegible],51,6[illegible]3
Less: Share of fair [illegible] of [illegible] identifiable [illegible] [illegible]	(18,177,[illegible])	[illegible],6[illegible],35
Goodwill	11,8[illegible]2[illegible],9	13,448,538

Notes to the Financial Statements

Fo e ea ed e 31 ece be
(A o in B e o e i.e a e)

5 a e in e co . oi a io . cope (co in e)

(1) Business combination involving enterprises not under common control (co in e)

(c) e a e. a iabiiie of e ac i ee a e a e of p c a e e ei e a be o :

(i) e o in (o pi a

	Fai a e a e of p c a e	a in o a e of p c a e	a in o a a 31 ece be
a b e a of	4,0 6,40	4,0 6,40	7,80 ,5
eci abe	60 310 47	60 310 47	40 0 ,244
in o ie	842,5 6	842,5 6	1,10 0 38
ep in			31,483
i e a e	2,250 67	2,250 67	2,356,833
a ib e a e	27,514 1	514 1	576,46
- e p epa e pe e	3,0 6,867	3,0 6,867	3,0 3,757
eci abe	325,0 6	325,0 6	1 ,354
e e a e	0 6,177	0 6,177	
e pa abe	(36,8)	(36,8)	(3,0 1,277)
Acco pa abe	(2.557 7))	(2.557 7))	(3,614,442)
ac iabiiie	(442,4 8)	(442,4 8)	(477 , 5)
E p o ee be ef pa abe	(0 2,30)	(0 2,30)	(581,572)
e iabiiie	(2.873)	(2.873)	(310 82)
e e a iabiiie	(6,750 000)		
e a e	340 83,715	13,833,715	11,2 3,0 5
e : o -co o in ee	(150 5,745)	(6,456,1 5)	(5,228,76)
e a e ob a e	18,177 0	7,377,50	5 74 36

e o pe ee in e e a e of a e. a iabiiie of in o in (o pi a o e a e of p c a e b in a io ec iq e. e a io app oac e a e a pio of a jo a e. a ei e a be o :

e a io app oac of in a ib e a e. i in co e app oac . e a pio e a in c e a e a e be of in -paid be in ope a io , a e a ei -paid pe in pe a pe be , o a in , i co a e a e a a pe pe i o a e.

Notes to the Financial Statements

For the year ended 31 December 2022
(All amounts in Brunei dollars unless otherwise stated)

5 Basis of consolidation scope (continued)

(1) Business combination involving enterprises not under common control (continued)

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o i B e o e i e a e)

6 e e i o e e i ie

(1) Interest in subsidiaries

(a) S c e of e o

Name of the subsidiaries/units	Type of entity	Major business location

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei Dollars unless otherwise stated)

6 Investments in subsidiaries (continued)

(1) Interest in subsidiaries (continued)

(a) Structure of the group (continued)

Name of the subsidiaries/units	Type of entity	Major business location	Place of registration	Nature of business	Shareholding (%) as at 31 December 2020		Method of acquisition
					Direct	Indirect	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		75.00 %	Acquired
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		51.00 %	Incorporated
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		100.00 %	Incorporated
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		100.00 %	Incorporated
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		100.00 %	Incorporated
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		51.00 %	Acquired
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		100.00 %	Acquired
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		9.50 %	Acquired
[illegible]	[illegible]	[illegible]	[illegible]	Software information technology service		100.00 %	Incorporated
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		66.00 %	Incorporated
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		51.00 %	Acquired
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		65.38%	Acquired
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		51.00 %	Acquired
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		49.00 %	Acquired
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		64.55%	Acquired
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		63.00 %	Incorporated
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	60.00 %		Incorporated
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	53.33%		Acquired
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		100.00 %	Incorporated
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		100.00 %	Incorporated
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		100.00 %	Incorporated

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o in B e o e i.e a e)

6 ee in o e ii ie (co in e)

(1) Interest in subsidiaries (co in e)

(b) o -co o in ee

	31 December 2020	31 ece be 2 1
c e in o a	19,893,809	
o in o a	7,703,174	8,465,4 6
S e e in o a	6,994,726	11,64 Q0 6
e o o a e e	15,159,737	14,224,263
ej a (a fe o., .	11,764,309	0 , 8 ,338
Bei in o a	9,845,907	16 55,477
(e e in o a	11,262,400	12,666 64
e	19,954,480	22, 84,371
o a	102,578,542	, 7 24, 25

(c) S bi ia ie i i ifica o -co o in ee

Name of subsidiaries	Shareholding of non-controlling shareholders (%)	Profit or loss attributed to non-controlling shareholders as at 31 December 2020	Dividends distributed to non-controlling shareholder as at 31 December 2020	Non-controlling interests as at 31 December 2020
c e in o a	40%	(106,191)	–	19,893,809
e o o a e e	25%	935,474	–	15,159,737
ej a (a fe o., .	34%	783,971	–	11,764,309
(e e in o a	49%	(1,403,664)	–	11,262,400
		209,590	–	58,080,255

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei Dollars unless otherwise stated)

6 Investments in subsidiaries (continued)

(1) Interest in subsidiaries (continued)

(c) Subsidiaries with significant non-controlling interests (continued)

Summarised financial information of significant non-wholly-owned subsidiaries of the Company before inter-company eliminations:

	31 December 2020					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
[illegible]	11,379,262	41,840,261	53,219,523	3,485,000	–	3,485,000
[illegible]	11,872,301	133,946,018	145,818,319	77,661,341	7,518,031	85,179,372
[illegible]	33,174,567	18,979,615	52,154,182	17,553,274	–	17,553,274
[illegible]	15,275,548	36,143,566	51,419,114	18,756,949	9,677,675	28,434,624
	71,701,678	230,909,460	302,611,138	117,456,564	17,195,706	134,652,270

	2020			
	Revenue	Net (loss)/profit	Total comprehensive (losses)/income	Cash flows from operating activities
[illegible]	–	(265,477)	(265,477)	5,014,560
[illegible]	11,033,761	3,741,896	3,741,896	5,826,841
[illegible]	4,214,044	2,305,796	2,305,796	7,499,276
[illegible]	13,882,909	(2,864,620)	(2,864,620)	(1,705,998)
	29,130,714	2,917,595	2,917,595	16,634,679

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o In B e o e i.e a e)

6 e.e. o e ii.e. (co e)

(1) Interest in subsidiaries (co e)

(c) S bi ia.ie i i ifica o-co o ee. (co e)

e ajo d a fo a io of e i ifica o - o -o e b i ia.ie of e o pi. i. e be o (co e):

			31 ece be 2 1			
	e a e.	o -c e a e.	o a e.	e i ibiie.	o -c e i ibiie.	o a ibiie.
o o e	0 ,723,571	136,658,720	147,382,291	8 ,774,53 3	, ,70 ,646	,0 ,485,23
S e e (o pi a.	0 ,80 ,652	5 ,857,0 8	7 ,158,30	6,661,70	37,80 ,155	44,511,875
ei (a fe o., L .	42,8 7, 41	, ,525,5 2	51,823,533	21,84 ,521		21,84 ,521
(e e (o pi a.	11,366(13	3 ,8 3,413	51,25 ,426	15,228,1 8	0 ,182,114	25,40 ,312
Be (o pi a.	18(, 2,778	38,8 6(41	56,8 8,81	2,4 2,7 ,	21,63 ,741	24,132,50
(o (o pi a.	6,75 ,714	86,18 ,3 6	, 2,80 ,10	17,438,226	66,5 3,532	84(31,758
	, ,50 ,66	37 ,871,87	47 ,412,53	144,445(57	145, 76,188	0 ,421,245

		2 1		
	e e e	e (o)/ o of	o a co e (o)/ co e	a fo . ope a i a ciii e.
o o e	3 ,418,154	2,447,81	2,447,81	27,8 3,527
S e e (o pi a.	14,527,80	(11,424(25)	(11,424(25)	(8,78 ,268)
ei (a fe o., L .	3,8 , 0 18	(100 6(58)	(100 6(58)	3,842,343
(e e (o pi a.	14,644,462	(3,263,285)	(3,263,285)	4,311,374
Be (o pi a.	16(44,8 2	(4,0 8,17)	(4,0 8,17)	(184(41)
(o (o pi a.				

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in RMB unless otherwise stated)

6 Investments in associates (continued)

(2) Interests in associates

(a) Significant information of individual associate

	Major business location	Place of registration	Nature of business	Whether strategic to the Group's activities	Shareholding (%)	
					Direct	Indirect
Hangzhou Anken Information Technology Co., Ltd.	Hangzhou	Hangzhou	Internet medical service	No	–	45%
Chengdu Yining Hospital Co., Ltd.	Chengdu	Chengdu	Medical service	No	–	24%
Shanxi Shanda	Taiyuan	Taiyuan	Medical service	No	–	49%

The above associates are accounted for using the equity method in the consolidated financial statements.

(b) Major financial information of individual associate

	31 December 2020 Hangzhou Anken Information Technology	31 December 2020 Chengdu Yining Hospital	31 December 2020 Shanxi Shanda
Current assets	21,843,683	14,877,237	27,742,224
Non-current assets	19,898,732	53,502,689	63,554,292
Total assets	41,742,415	68,379,926	91,296,516
Total liabilities	12,872,701	34,928,640	21,027,505
Equity attributable to shareholders of the associated company	27,809,556	33,451,286	70,269,011
Share of the associate's net assets calculated based on shareholding (i)	8,055,177	8,028,309	21,080,703
Adjustments			
Goodwill	–	5,024,000	4,494,286
Others	4,500,000	99,975	–

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o in B e o e i.e a e)

6 e.e in o e ii ie (co in e)

(2) Interests in associates (co in e)

(b) aio in di a in fo aio of i nifica a od a e (co in e)

	2020 Hangzhou Anken Information Technology	2020 Chengdu Yining Hospital	2020 Shanxi Shanda
e e	37,414,435	10,078,842	19,503,386
o a co e i e o.	(14,409,474)	(3,877,172)	1,491,929

(i) e o pca a e a e of a e b a e o in aio ba e o e o a ib abe o e pa e co pa in e a od a e' co oi a e in di a e . e o of a od a e o e co oi a e in di a e abe in o acco e fai a e of e i e if ab e a e a iabiii ie of e a od a e e ac i in e e e a e effec of ir in acco in poide .

(c) S ie if o aio of i nifica a od a e

e e e of e a od a e of e o pa e a e a in o e 4(7).

	2020	2 1
A e a e ca in o of e e	42,444,061	8 ,732, 7
A e a e o of efo o in i e in p opo io e o. (i)	(2,841,799)	(2 , , 17)
o a co e i e o.	(2,841,799)	(2 , , 17)

(i) e e o a abe in o e acco e fai a e of e i e if ab e a e a iabiii ie of e a od a e e ac i in e e e a e effec of ir in acco in poide .

7 Se e in fo aio

e epo abe e e of e o pa e eb ine i a po i e iffe e po c o e ice, o ope a e in e iffe e a ea . iffe e b ine e o a ea e i e iffe e ec oo ie a e abe in a e ie . e o p, e efo e, in e epo e e a e e po c cio a ope a io of eac epo abe e e a e a e e. ope a in e , in o e o abe ed io abo e o ce o be a oca e o e e e e a o a e e. pe fo a ce.

2 2 , a e po opo io of e e e, e p o a o a e of e o o a e e e in e o p'

Notes to the Financial Statements

Fo e ea e 31 ece be
(A o in B e o e i.e. a e)

8 e a e pa ie a e pa a ac io (co in e)

(4) Related party transactions

(a) id poide

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(b) oii o of e ica a a e e ice

	2020	1
i ea e	3,000,000	3 0 0
e a e in i a	629,767	57 ,743
	3,629,767	3,57 ,743

(c) ea e

i -of- e a e in ce a e in ec e pe io e o p a a e ee:

e of e o	pe of ea e a e	2020	1
e a i a	B i	–	6,6 ,40

e ea e iabii in e e e pe e a a e abe b e o p a a e ee

	2020	1
e a i a	299,117	, ,37

( ) a e o be a of e a e pa ie

	2020	1
o -p o o i a e abi e b e o p	3,360	
e in o i a	514,369	, ,
e	–	,41
	517,729	, 81, 8

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei Dollars unless otherwise stated)

8 Related party transactions (continued)

(4) Related party transactions (continued)

(e) Advance paid on behalf of related parties

	2020	2019
Joint venture	2,726,131	

(f) Balance for related parties

	2020	2019
Loan to Affected Vendors (Note 20)	–	15,274,000
Loan to related party	–	2,800,000
	–	18,074,000

(g) Balance of related parties

	2020	2019
Loan to Affected Vendors (Note 20)	4,000,000	

(h) Key management compensation

	2020	2019
Salaries and bonus	5,041,695	4,580,381
Share-based payment	490,634	453,432
	5,532,329	5,033,813

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei Dollars unless otherwise stated)

8 Related party transactions (continued)

(4) Related party transactions (continued)

(i) Acceptance of guarantees by the group

	2020	2019
Immediate holding company	18,000,000	
Immediate holding company and fellow subsidiaries	280,000,000	430,000,000
Immediate holding company and fellow subsidiaries and associates	50,000,000	
Ultimate holding company	2,500,000	
Ultimate holding company and immediate holding company and fellow subsidiaries	75,000,000	70,000,000
Others	992,970	
	426,492,970	300,000,000

(j) Purchase of assets

	2020	2019
Associates	–	1,201,278

Refer to the associates above for purchase of assets, including transportation.

(k) Borrowings from related parties

	2020	2019
Short Term Fund	–	14,000

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars unless otherwise stated)

8 Related party balances and related party transactions (continued)

(5) Receivables from and payables to related parties (continued)

(b) Liabilities to related parties

		31 December 2020	31 December 2019
Non-trade payables	Subsidiaries	–	1,160,000
	Associates	–	980,000
		–	2,140,000
Trade payables	Companies owned by shareholders of the Company		
	Rental	–	15,000,121
	Air travel	4,074,900	4,232,754
	Catering	–	1,601,115
	Subsidiaries	5,844,383	3,412,624
	Insurance	–	980,000
	Ultimate holding corporation	2,917,717	
	Companies owned by shareholders of the Company	–	2,180,000
	Associates	23,252	241,185
	Others	9,989	2,866
		12,870,241	28,415,713
Lease liabilities	Associates	5,665,172	6,754,366

Notes to the Financial Statements

For the year ended 31 December 2012
(All amounts in Brunei Dollars unless otherwise stated)

8 Related party transactions (continued)

(6) Equity and interest of directors

(a) Emoluments of executive directors

The emoluments of each executive director, being amounts of remuneration paid or payable for services rendered, are as follows:

Name	Emoluments	Salaries and subsidies	Contributions to pension plans	Bonus	Other welfare	Total
Executive directors (i)						
[illegible]	–	398,454	18,205	89,291	34,180	540,130
[illegible]	–	326,454	–	128,611	28,212	483,277
[illegible]	–	184,330	8,335	105,865	41,798	340,328
Non-executive directors (i)						
[illegible]	–	–	–	–	–	–
[illegible]	–	–	–	–	–	–
Independent directors						
[illegible]	35,000	–	–	–	–	35,000
[illegible]	35,000	–	–	–	–	35,000
[illegible]	35,000	–	–	–	–	35,000
[illegible]	35,000	–	–	–	–	35,000
[illegible]	35,000	–	–	–	–	35,000
[illegible]	35,000	–	–	–	–	35,000
Supervisors						
[illegible]	–	–	–	–	–	–
[illegible]	–	71,074	8,722	68,526	17,723	166,045
[illegible]	–	–	–	–	–	–
[illegible]	–	–	–	–	–	–
[illegible]	–	–	–	–	–	–
Total	210,000	980,312	35,262	392,293	121,913	1,739,780

Notes to the Financial Statements

8 e a e pa ie a e pa a ac io (co i e)

(6) Equity and interest of directors (co i e)

(a) E o e of ec o c ie e ec i e (co i e)

, e o e of ec o , pe io c ie e ec i e e o be o :

e	E o e	b ie	Sa ie a	o pe io	Bo	e f a e	o a
				o ib io			

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Brunei dollars unless otherwise stated)

8 Related party disclosures (continued)

(6) Equity and interest of directors (continued)

(a) Emoluments of directors' service (continued)

	2020	
	Provision of director service to the Company or the subsidiaries	Provision of other services to the Company or the subsidiaries	Total
Emoluments of directors	–	1,363,735	1,363,735

	2019	
	Provision of director service to the Company or the subsidiaries	Provision of other services to the Company or the subsidiaries	Total
Emoluments of directors		1,[illegible]7,840	1,[illegible]7,840

(i) [illegible] of emoluments of directors in 2020.

[illegible] [illegible], etc.

(7) The five individuals whose emoluments were the highest

[illegible] emoluments [illegible] for the year ended 31 December 2020 include 0 (2019: 1) director whose emoluments are reflected above. The emoluments of the [illegible] (2019: Nil) are as follows:

	2020	2019
Basic salaries, bonus, other benefits	4,449,720	3,[illegible]4,221
Pension contributions	305,924	152,553
	4,755,644	3,[illegible]46,772

		Headcount	
		2020	2019
Range:			
B$500,000	B$1,000,000	3	5
B$1,000,000	B$1,500,000	2	
		5	5

Notes to the Financial Statements

For the year ended 31 December 2014
(All amounts in Brunei dollars unless otherwise stated)

29 Share-based payments

(a) The restricted share incentive plan I

(1) General information

Following the resolution of the Board of Directors of the Company on 4 March 2014 and the shareholders' resolution in the year of 2014 on 21 March 2014, the Company adopted a Restricted Share Incentive Plan, hereinafter referred to as the "Plan", for the purpose of providing selected employees, including executive directors ("Executive Directors"), non-executive directors ("Non-executive Directors") and employees of the Company's subsidiaries ("Subsidiary Employees") (Executive Directors and Non-executive Directors collectively referred to as "Directors"), the opportunity to acquire ordinary shares of the Company ("Shares"). The Plan was established to motivate the Participants to optimise their performance standards and efforts for the benefit of the Company and to maximise shareholder value. The Plan shall continue in force at the discretion of the Board, subject to a maximum period of ten years. After the expiry of the Plan mentioned above, no further awards will be granted but the provisions of the Plan shall remain in full force and effect in respect of awards granted prior to such expiry. The total number of Shares which may be awarded pursuant to the Plan shall not exceed 15% of the total number of issued Shares (excluding treasury shares) of the Company from time to time.

Since the date of becoming effective of the Plan, the Company has issued 10,000 (2013: nil) ordinary shares of the Company from treasury to 36 employees of the Company at a discount of 12% to the market price of the Company's shares on the date of grant. The Company has the option to issue new shares in the Company or transfer existing shares held in treasury. The vesting period is in two tranches. After the vesting of the shares, there is no performance condition attached to the shares, except for the following:

(i) The employee is employed by the Company during the service period ending before the second anniversary of the grant date. After the second anniversary of the grant date, the employee is free to dispose of the shares.

(ii) The employee is employed by the Company during the service period ending on the third anniversary of the grant date. After the third anniversary of the grant date, the employee is free to dispose of the shares. The fair value of the shares granted is 60% of the market price of the Company's shares on the date of grant.

As at 31 December 2014, the Company received an amount of $20,440 from the employees for the shares issued under the Plan. The Company has the option to refund the employees.

The above share options granted are equity-settled share-based payments to employees and are measured at fair value. The vesting date of the Company's shares granted on 21 March 2014, which is the second anniversary from the grant date, is the date on which the employees become entitled to the shares. The fair value of the shares granted, which is the difference between the market price of the Company's shares on the grant date and the discounted price, is $5,860.

Notes to the Financial Statements

For the year ended 31 December 2018
(Amounts in Brunei Dollars unless otherwise stated)

29 Share-based payments (continued)

(b) The restricted share incentive plan II

(1) General information

On 13 December 2018, the Company established a restricted share incentive plan II (the "Equity Incentive Plan 2018", which was approved by the Board of Directors on 18 December 2018. The Board of Directors of the Company is authorised to grant restricted shares to eligible participants. The Board of Directors of the Company shall determine the eligible participants of the Equity Incentive Plan 2018. On 18 December 2018, the Company granted restricted shares (the "First Tranche Restricted Shares") to certain employees of the Group (the "First Tranche Eligible Employees"), the Company granted restricted shares (the "Second Tranche Restricted Shares") to certain employees of the Group (the "Second Tranche Eligible Employees"), the Company granted restricted shares (the "Third Tranche Restricted Shares") to certain employees of the Group (the "Third Tranche Eligible Employees") and the Company granted restricted shares (the "Special Tranche Restricted Shares") to certain employees of the Group (the "Special Tranche Eligible Employees") of 2,460,000 ordinary shares (accounting for 3.37% of the total issued share capital before the issuance) at the price of B$0.47 per share. As at 31 December 2018, the Company has issued B$3,311,144, of which B$2,460,000 was recognised in equity and B$851,144 in capital reserve.

The vesting period of the restricted shares are as described in paragraph 48 of MFRS 2. For the purpose of the restricted shares granted to employees, the vesting conditions are as set out in paragraph 48 of MFRS 2, except for cash flow conditions, are ignored in estimating the fair value of the restricted shares on the grant date; and any non-vesting conditions are taken into account in estimating the fair value of the restricted shares granted to employees with or without any market performance conditions. The restricted shares objectives are to be achieved, over the vesting period of the restricted shares.

If the restricted shares objectives are not met during the vesting period, the unvested restricted shares

Notes to the Financial Statements

For the year ended 31 December 2020
(All amounts in Bahamian dollars unless otherwise stated)

13 Financial risk

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(1) Market risk

(a) Foreign exchange risk

The Group's major operating activities are carried out in Bahamian dollars and United States dollars. Bahamian dollars is the functional currency for the Bahamian operations. The Group's exposure to foreign exchange risk arises from transactions denominated in United States dollars (USD). The Group's management believes that the foreign exchange risk arising from transactions denominated in USD is insignificant.

As at 31 December 2020 and 31 December 2019, certain financial assets of the Group were denominated in the following currencies:

	31 December 2020		
	HKD	USD	Total
Financial assets	69,340	2,109,936	2,179,276

	31 December 2019		
	HKD	USD	Total
Financial assets	3,333,874	8,143,681	11,476,555

As at 31 December 2020, for the Group's financial assets denominated in USD, if the Bahamian dollar/United States dollar exchange rate had increased/decreased by 3% with all other variables held constant, the Group's profit for the year would have been B$40,034 (31 December 2019: B$258,231) lower/higher respectively.

Notes to the Financial Statements

For the year ended 31 December 2022
(All amounts in Brunei Dollar unless otherwise stated)

13 Financial risk (continued)

(1) Market risk (continued)

(b) Interest rate risk

The Group's interest rate risk arises from short-term bank deposits and long-term bank loans. Financial instruments issued at variable rates expose the Group to cash flow interest rate risk. Financial instruments issued at fixed rates expose the Group to fair value interest rate risk. The Group's policy is to maintain an appropriate mix of fixed and variable rate exposure. As at 31 December 2022, the short-term deposits bear fixed interest rate of B$0.25% (31 December 2021:

Notes to the Financial Statements

For the year ended 31 December 2022
(Amounts in Brunei Dollars unless otherwise stated)

13 Financial risk (continued)

(2) Credit risk (continued)

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates. The credit quality of financial assets that are past due but not impaired can be assessed by reference to historical information about counterparty default rates.

Loans and receivables that are past due but not impaired are mainly arising from customers with balances in relation to loans.

(3) Liquidity risk

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o i B e o e i.e. a e)

13 H a d a i k (co i e)

(3) Liquidity risk (continued)

B k bo o i . o e bo o i . a e a e b ep a e e . fo o :

	31 December 2020		31 ece be 2 1	
	Bank borrowings	Other borrowings	B k bo o i .	e bo o i .
i 1 ea	315,500,000	–	0 000 000	17,40 000
1 2 ea	15,992,970	–	000 000	2,26 000
2 5 ea	64,000,000	–	7 000 000	
e 5 ea	31,000,000	–		
	426,492,970	–	30 000 000	,00 000

14 Fai a ee i a e

e e e i ic fai a e ea e e i ca e oi e i e e i e b e e e of e fai a e ie a c of e o e e e i p a i i ifica o e e i e fai a e ea e e :

Le e 1: o e p ice (a j e) i ac i e a e e fo i e ica a e . o iabiii e .

Le e 2: p . o e a o e p ice c e i Le e 1 a a e ob e abe fo e a e . o iabii , i e i ec o i ec .

Le e 3: ob e abe i p . fo e a e . o iabii .

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars unless otherwise stated)

14 Financial instruments (continued)

(1) Assets measured at fair value on a recurring basis

As at 31 December 2020 and 31 December 2019, the following assets are measured at fair value on a recurring basis:

	31 December 2020		
	Level 1	Level 2	Level 3
Financial assets -			
Equity-connected financial assets	–	–	57,404,918
Non-financial assets			
Investment properties	–	–	107,804,936
Total	–	–	165,209,854

	31 December 2019		
	Level 1	Level 2	Level 3
Financial assets			
Financial assets at fair value through profit or loss		50,000,000	
Equity-connected financial assets			51,281,860
Non-financial assets			
Investment properties			110,856,000
Total		50,000,000	162,137,860

For equity-connected financial assets, the Group determines the fair value based on the quoted price of the underlying equity.

The Group's policy is to recognise transfers into and transfers out of investment properties as of the date of the change in use. For a transfer from investment properties to owner-occupied properties, the deemed cost for subsequent accounting is the fair value at the date of change in use. Refer to Note 2(28)(a)(iii) for details.

Financial liabilities measured at fair value comprise mainly the Group's investment liabilities. These include certain investment contracts issued by the Group, which are measured at fair value through profit or loss. The fair value of these investment liabilities is determined directly by reference to the published offer prices quoted in an active market for the underlying assets held in the investment funds.

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o in B e o e i.e a e)

14 Fai a ee a e (co in e)

(2) Assets and liabilities not measured at fair value but disclosed

H d a a e. a iabiie ea e a o ie co a c e ecei abe., pa abe., o -e pa abe., bo o ., e c.

e iffe ce be ee e ca a o of c d a a e. a iabiie a d fai a ei o ei a.

15 api a a a e e

e o p' capi a a e poide a o afe a e o p' abi i o co e a a o co ce o e o p oi e e fo a e o e a be ef fo o e. abe o e., a o a a o p a capi a. c e o e ce e co of capi a.

o e o a a o a j e capi a. c e, e o p a a j e o of i i e pai o a e o e., ef capi a o a e o e., i e e a e o e a e o e ce eb..

e o p' o a capi a i ca c a e a o e' e i ' a o e co oi a e ba ce ee. e o pi o bjec o e e a a a o capi a e ie e., a o io capi a o e ba i of ea a io.

A 31 ece be 2 2 a 31 ece be 2 1, e o p' ea a io a a fo o :

	31 December 2020	31 ece be 2 1
ea a io	41.55%	4 .42%

Notes to the Financial Statements

Fo e ea d e 31 ece be 0 0
(A o . B e o e i.e a e)

16 o e. o e co p a ' . a di a a e e .

(1) Accounts receivable

	31 December 2020	31 ece be 0 1
Acco . ecei ab e	89,073,254	0 ,378,543
Le . : ! o i.i fo ba eb .	(10,529,013)	(0 ,173,228)
	78,544,241	, 0 5,315

Acco o e .o p' c e poic , a bi . a e pa ab e po i.. e .

(a) e a d of acco . ecei ab e ba e o e. eco a ei a a . e a fo o . :

	31 December 2020	31 ece be 0 1
i 1 ea	65,324,295	810 48 13
1 2 ea .	15,285,769	23,50 0 87
2 3 ea .	8,461,922	4,748,652
e. 3 ea .	1,268	0 ,8 1
	89,073,254	0 ,378,543

Notes to the Financial Statements

Fo e ea e 31 ece be
(A o in B e o e i e a e)

16 o e o e co pa ' in a d a a e e (co in e)

(1) Accounts receivable (co in e)

(b) o i io fo ba eb

e o pa ea e e o a ce of acco ecei abe a a o ea a o ife ee pec e ce i o e, e a e of e e e co a a i ifica in a d co po e .

A a 31 ece be , e e e o acco ecei abe fo ic e e a e p o i io fo ba eb a p o i e o e i i a ba i (31 ece be : B1,88 ,254).

(i) Acco ecei abe fo ic e e a e p o i io fo ba eb a p o i e o e o pa ba i a e a e a fo o :

	31 December 2020			31 ece be		
	Book value	Provision for bad debts		Boo a e	o i io fo ba eb	
		Lifetime			ife e	
	Amount	ECL rate	Amount	A o	E a e	A o
o o e e i e	7,317,813	1%	73,178	, ,441 38	1%	, 4,41
e e i 3 o	38,694,940	4%	1,547,798	45,7 , 87	5%	,286,14
i 1 ea	19,311,542	4%	772,462	5,4 5,551	6%	1,5 ,733
1 ea	15,285,769	20%	3,057,154	3, 6,463	11%	,551,611
3 ea	8,461,922	60%	5,077,153	3,6 ,35	%	1,811,18
e 3 ea	1,268	100%	1,268	,8 1	00 %	,8 1
o a	89,073,254		10,529,013	7,48 ,28		8, 83, 74

(ii) e o of p o i io fo ba eb i e c e ea a B7,312,656 i o p o i io fo ba eb ecei e/ e e e .

(iii) e ba ce of acco ecei abe a e e i e off e c e ea a B6, 56,871, e p o i io fo ba eb a B6, 56,871, a c i e ef pai i a e of o e 3 ea .

i ea, o acco ecei abe i o a ee i i a i ifica e e i e off.

Notes to the Financial Statements

For the year ended 31 December 2020
(Amounts in Brunei Dollars)

16 Other receivables, deposits and prepayments (continued)

(2) Other receivables

	31 December 2020	31 December 2019
Receivable from related parties	518,639,070	563,614,238
Advances	4,671,223	11,524,615
Deposits and prepayments	859,992	954,836
Others	609,392	1,052,374
	524,779,677	574,146,063
Less: Provision for bad debts	(3,105,773)	(10,044,485)
	521,673,904	564,146,063

(a) Ageing of other receivables is as follows:

	31 December 2020	31 December 2019
Within 1 year	276,741,017	215,775,738
1 to 2 years	88,671,969	243,448,245
2 to 3 years	147,314,919	108,745,871
Over 3 years	12,051,772	6,221,238
	524,779,677	574,146,063

(b) Provision for other receivables at cost

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o i B e o e i.e a e)

16 o e o e co pa ' i a d a a e e (co i e)

(2) Other receivables (co i e)

(b) ! o i.i fo o.e a c a e i book a e (co i e)

(i) A a 31 ece be 2 2 , fo o e eci abe a S a e 1, e ea e poi.i fo ba eb a a e be o :

	Book value	12-month ECL rate	Provision for bad debts
! o i e o e o ba i :			
A a ce	2,515,108	7%	176,058
eci abe. f o e a e pa ie o i e of e o p	23,987,265	5%	1,199,363
eci abe. f o e a e pa ie i i e of e o p (i)	494,651,805	–	–
epo.i a a ee	859,992	3%	25,800
e.	609,392	1%	6,094
	522,623,562		1,407,315

(i) e ba i of i o ica c e i o e e pe ie ce, ec e co i io a fo eca of f e eco o ic co i io , e o pa co i e e a e 12 o E L a e of eci abe. f o e a e pa ie i i e of e o p a co e d , o po.i io fo e pa i e of eci abe. f o e a e pa ie i i e of e o p a a e.

(ii) A a 31 ece be 2 2 , e o p i o a e a o e eci abe a S a e 2.

(iii) A a 31 ece be 2 2 , fo o e eci abe a S a e 3, e ea e poi.i fo ba eb a a e be o :

	Book value	Lifetime ECL rate	Provision for bad debts
! o i e o e i i a ba i :			
i o o i a i (d e (o e 4(3)(b)(iii))	2,156,115	79%	1,698,458
	2,156,115		1,698,458

(c) 2 2 , o e eci abe of B7,1 ,1 e e i e off b e pa .

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o . B e o e i.e a e)

16 o e. o e co p a ' i a d a a e (co i e)

(3) Long-term equity investment

	31 December 2020	31 ece be 2 1
S b i ia ie (a)	420,377,432	5,477,432
A . od a e (b)	33,465,928	2,15 ,227
	453,843,360	337,636,65

e e a o i ifica e icio o a e of o - e e i e e b e o pa .

(a) S b i ia ie

	31 ece be 2 1	A i io a e e fo e c e ea	31 December 2020	o i io fo i pai e	31 December 2020
i a o (o ia	2,000 000		32,000,000		32,000,000
j a o (o ia	0 000 000		20,000,000		20,000,000
o a o (o ia	27,45 000	, ,700 000	37,150,000		37,150,000
e o (o ia	000 000		1,000,000		1,000,000
id a Fo e ic e e	50 000		500,000		500,000
S e e i e e	0 000 000		10,000,000		10,000,000
i a o (o ia	1,60 000		1,600,000		1,600,000
a (i	0 000 000	847,6 8	–	(0 ,847,6 8)	–
e (a fe o., L .	34,627,432		34,627,432		34,627,432
e a o	168,50 000	31,700 000	200,000,000		200,000,000
e o c e i (o ia		0 000 000	30,000,000		30,000,000
e o i (o ia		53,50 000	53,500,000		53,500,000
	5,477,432	125,747,6 8	420,377,432	(0 ,847,6 8)	420,377,432

Notes to the Financial Statements

Fo e ea ed e 31 ece be 2 2
(A o in B e o e i.e a e)

16 o e. o e co p ' in a d a a e (co in e)

(3) Long-term equity investment (co in e)

(b) A. od a e

	31 ece be 2 1	ii a in e d	ec ea e in e d	S a e of e p o / (o .) e q i e o	31 December 2020	o i i o fo p id e a e of e ea
(o A ed fo id						
ec o o	5,368,2 6	0 000 000		(4,0 2,278)	10,965,928	
(o A ed d in	26,7 10 21		(23 34,663)	(3,756,358)	–	
o a in (o ia		22,500 000			22,500,000	
	32,15 ,227	32,500 000	(23 34,663)	(8,158,636)	33,465,928	

(4) Fixed assets

	Buildings	Medical equipment	Motor vehicles	Electronic and other equipment	Total
o					
31 ece be 2 1	326,10 ,267	37,367,314	3,10 ,636	18,431,58	385 5 ,746
! c a e	17 0 6 46	7,0 2,642	173 42	1,30 ,311	26,4 3,841
i po a in ei e		(588 78)	(34 5)	(1 3 ,861)	(2,868,8 8)
e (o e 4(0))	(1 ,8 ,787)				(1 ,8 ,787)
31 ece be 2 2	324,117,426	43,881,878	2,983,619	17,801,979	388,784,902
Acc a e ep ed a io					
31 ece be 2 1	37 53,353	23,366,00	2,382,0 8	11 6,727	74,7 ,488
! o i io	,114,133	5,0 5,432	1 80 66	2,721,543	17,53 ,174
i po a in ei e		(576,38)	(323 11)	(1,844,854)	(2,745,154)
31 ece be 2 2	46,167,486	28,295,943	2,256,663	12,873,416	89,593,508
a in a o					
31 ece be 2 2	277,949,940	15,585,935	726,956	4,928,563	299,191,394
31 ece be 2 1	28 0 56 14	14 000 ,414	768,128	6,434,0 2	30 ,26 ,258

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o in B e. o e i.e. a e)

16 o e. o e co pa ' in a d a a e (co in e)

(4) Fixed assets (co in e)

e ep ed a io of i e a e. c a e in 2 2 a B17,53 ,174 (2 1: B17,115,40), ic e o c a e o co. of .a e, e ea a ai ee pe .e., e a i ib io e pe. e ea c a e o pe e pe. e.e B14, 7,361, B3 0 , 52, B4,887 a B225, 74, e.peci e (2 1: B13,742,443, B3,372 64, B 83 a B).

A a 31 ece be 2 2 a a 31 ece be 2 1, e o pa a o i e a e. pe e .

Fo e ea e e 31 ece be 2 2, e o pa a o i e a e. a fe e f o co . cio in p o e. (fo e ea e e 31 ece be 2 1: B).

(5) Intangible assets

	Land use rights	Software	Contractual right to provide management service	Total
o.				
31 ece be 2 1	23,6 2,7	4,61 ,0		28,22 ,81
! c a e		42 ,000	2,8 ,386	3,24 ,386
31 ece be 2 2	23,602,729	5,039,090	2,829,386	31,471,205
Acc a e a o i a io				
31 ece be 2 1	4,752,438	3,213,647		7, 66 85
c ea e in ec e ea	472 54	60 ,216	4 , 7	1,12 ,477
31 ece be 2 2	5,224,492	3,813,863	49,207	9,087,562
a in a o				
31 ece be 2 2	18,378,237	1,225,227	2,780,179	22,383,643
31 ece be 2 1	18,80 , 1	1,2 5,443		2 ,255,734

2 2, e o i a io of in ibe a e. a o e o B1,12 ,477 (2 1: B2,677,18). 2 2, e o i a io e pe .e. c a e o co. of .a e a e a ai ee pe .e. e e B253,627 a B867,80 .e.peci e (2 1: B1,7 3,231 a B883, 58 .e.peci e).

A a 31 ece be 2 2 a 31 ece be 2 1, e o pa a o in ibe a e. pe e .

Notes to the Financial Statements

Fo e ea e e 31 ece be 2 2
(A o in B e o e i e a e)

16 o e o e co p a ' in a d a a e e (co in e)

(6) Provision for asset impairment

	31 ece be 2 1	c ea e in e	ec ea e in ec e ea e e a i e-off	31 December 2020
! o i i o fo ba eb of acco ecei ab e	0 ,173,228	7,312,656	(6 56,871)	10,529,013
! o i i o fo ba eb of o e ecei ab e	0 0 44,48			

Notes to the Financial Statements

For the year ended 31 December 2022
(All amounts in Brunei dollars unless otherwise stated)

16 Other components of equity attributable to the Company's shareholders (continued)

(8) Retained earnings

Balance at beginning of year	200,462,672	182,130,353
Add: Profit for the year	34,039,077	30,082,866
Less: Appropriation of profit to other reserves	(3,403,908)	(3,008,287)
Dividends paid	–	(11,312,500)
Balance at end of year	231,097,841	200,462,672

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

Fo e ea e 31 ece be 2 2
(A o in B e o e i.e a e)

16 o e. o e co p a ' in a d a a e (co in e)

(9) Revenue and cost of sales (co in e)

(a) e e e co. of a e f o a b .e.

	2020	
	Revenue	Cost
a ace ica a e	107,453,075	98,319,580
ea e a e ca e. ice	295,840,028	171,088,768
	403,293,103	269,408,348

	2 1	
	e e	o.
a ace ica a e	111,30 ,285	, 5,41 0 7
ea e a e ca e. ice	25 ,71 .. 4	10 ,752,475
	371 0 ,27	266,171,554

(i) e o p' e e f o p a ace ica a e a ea e a e ca e. ice i eco ie a c1 in in e.

(b) e e e co. of a e f o o e b .e.

	2020	
	Revenue	Cost
a a e e. ice	9,576,790	4,170,935
e e f o o e a e a of p a ace ica a e ica ice	1,481,575	1,450,832
a in co e	160,190	–
e.	2,651,529	–
	13,870,084	5,621,767

	2 1	
	e e	o.
a a e e. ice	11, 40 63	6,85 ,156
a in co e	20 ,171	
e.	1,30 ,127	
	13,576,361	6,85 ,156

Notes to the Financial Statements

For e ea e 31 ece be
(A o in B e o e i e)

16 o e o e co pa ' in a d a e e (co in e)

(10) Financial expenses – net

	2020	1
Bo o in in e e e pe e	16,578,305	7,215,776
A o i a io of eco ni e in a d a c a e	–	1,841,80
e e e pe e	16,578,305	,0 57, 76
e : e e in co e	(15,041,897)	(2,427,741)
E c e o e	258,603	642,578
e	318,690	473,158
	2,113,701	7,45 , 71

(11) Expenses by nature

e co of a e, e in i ib io e pe e, e e a a i e pe e a ee c
e e op e pe e in e co e a e e a ei e a fo o b a e:

	2020	1
E p o ee be e i	135,462,152	126,773,342
a ace ica a o e ei a co e	131,582,583	122,7 , 5
ep ec ia io of i e a e	17,539,174	17,115,40
ep ec ia io of i -of- e a e	1,346,017	42,156
A o i a io of in ib e a e	1,121,477	2,677,18
A o i a io of o - e p e i e pe e	7,448,865	7,61 ,178
o in ea e a p ope a a e e e pe e	1,278,086	1,3 7,226
a ec e pe i e	13,522,767	13,641,0 4
iii ie	6,707,463	7 , 6,646
o d e pe e	2,491,617	2,60 ,386
e in fee	6,3.0 T8e .8(2,491,612,69 1386 1 Tf9.449 0 Td

Notes to the Financial Statements

Fo e ea e 31 ece be 20
(A o in B e o e i.e a e)

16 o e o e co pa ' in a d a a e e (co in e)

(12) Investment losses/(income)

	2020	20
Lo e o -e eq i e e e e o	8,158,636	632, 38
e e co e o i.po a o -e eq i e e	34,663	138, 5
e e o c e epo i	(96,371)	(0 2,132)
i i e o	–	(824,373)
	8,096,928	(755,472)

e e a o i ifica e icio o i ce o e co e o e pa .

(13) Credit impairment losses

	2020	20
Lo e o ba eb o acco ecei abe	7,312,656	6,623, 37
Lo e o ba eb o o ecei abe	180,454	7,0 8,8 1
o a	7,493,110	14,531, 28

(14) Income tax expenses

	2020	20
e co e a ca c a e ba e o a e ai a e e a e ai	8,472,297	11,1 ,248
e e e co e a	2,222,037	(0 4,424)
	10,694,334	0 ,515,824

e eco ci ia io f co e a ca c a e ba e o e applica e a a e o a p o p e e e co o i a e co e a e e o ei co e a e pe e i i e beo :

	2020	20
o a p o	44,733,411	42,5 8,60
co e a e pe e ca c a e a applica e a a e of 25%	11,183,353	0 ,64 ,672
o , e pe e a o e o e cibe o a p po e	865,025	4 ,10
A i io a e cio o e ea c a e o e pe e	(1,354,044)	(563,0 8)
co e a e pe e	10,694,334	0 ,515,824

Definitions

A [illegible]	e a[illegible] a d e a[illegible] ee[illegible] of e d[illegible] [illegible] fo e ea 2 2 o be co[illegible] d e[illegible] a[illegible] e[illegible] d[illegible] e 18, 2 21
A ice e[illegible]	e a ice e of a od a id[illegible] of e d[illegible] , a a[illegible] d e[illegible], o[illegible]ide[illegible] o [illegible] pp[illegible] d[illegible] e[illegible] f d[illegible] [illegible] e o[illegible] e
A [illegible] d[illegible] i ee[illegible]	e a [illegible] co[illegible] i ee of e Bo a[illegible]
Bei[illegible] [illegible] [illegible] (o pi a[illegible]	Bei[illegible] [illegible] [illegible] (o pi a o., L [illegible]. (北京怡寧醫院有限公司), a co[illegible] p[illegible] e a bi e[illegible] [illegible] e! i [illegible] i e[illegible] i abii d A 17, 2 15, d e of e d[illegible] p[illegible] ' [illegible] [illegible] ec [illegible] d - o o [illegible] e[illegible] b i[illegible] a ie

Definitions

[illegible]	Apri 21, 2021, be[illegible] e a[illegible] p acicab e [illegible] e fo [illegible] c io[illegible] of ce[illegible] [illegible] fo[illegible] aio[illegible] [illegible] i[illegible] [illegible] a[illegible] epo[illegible] pio[illegible] oi[illegible] p bica io[illegible]
[illegible]	[illegible]	[illegible] (臨海康寧醫院有限公司), [illegible] co[illegible] pa[illegible] e[illegible] abi[illegible] e[illegible] [illegible] e! i [illegible] i e[illegible] ia bii[illegible] o[illegible] Feb[illegible] [illegible], 2015, [illegible] e of e o[illegible] pa[illegible] '[illegible] o[illegible] - o -o[illegible] e[illegible] b.i[illegible] ie.
[illegible]	[illegible]	[illegible] (台州市路橋慈寧醫院有限公司, [illegible] [illegible] o[illegible] [illegible] [illegible] o[illegible] [illegible] (台州市路橋怡寧醫院有限公司)), [illegible] co[illegible] pa[illegible] e[illegible] abi[illegible] e[illegible] [illegible] e! i [illegible] i e[illegible] ia bii[illegible] o[illegible] ece[illegible] be[illegible] 12, 2016, [illegible] e of e o[illegible] pa[illegible] '[illegible] ec[illegible] o[illegible] - o o[illegible] e[illegible] b.i[illegible] ie.
[illegible]	e[illegible] [illegible] Spedi[illegible] A[illegible] [illegible] i[illegible] [illegible] ai e e io[illegible] of e!
[illegible]	e[illegible] o[illegible] e o[illegible] e fo[illegible] Sec[illegible] ii e[illegible] [illegible] ac io[illegible] b i ec o[illegible] of [illegible] i e[illegible] [illegible] e[illegible] e o[illegible] [illegible] Appe[illegible] i 0[illegible] o e [illegible] o[illegible] [illegible] o[illegible] [illegible] i[illegible] [illegible] e
[illegible]	[illegible]	[illegible] (南京怡寧醫院有限公司), [illegible] co[illegible] pa[illegible] e[illegible] abi[illegible] e[illegible]

Definitions

i a a [o.pi a	i a a [o.pi a o., L . (青田康寧醫院有限公司), a co p a e. abi. e in e! i ie iabii o Api 1, 2 11, o e of e o pa '. o o e . bi ie.
o in [o.pi a	o in [o.pi a o., L . (衢州怡寧醫院有限公司), a co p a e. abi. e in e! i ie iabii o o be. 2 , 2 15, o e of e o pa '. in ec o - o o e . bi ie.
e epo. in ! e.io o. epo. in ! e.io	e ea e e ece be. 31, 2 2
e e.aio o ie	e e.aio co ee of e Bo a
B	e a f c . c of e!
SF	e Sec .ii e. F . e . ce (e. 571 of e a . of (o o), a e , pp e e o. o e. i e o ie f o e o e
S a e(.)	S a e(.) e a e ca i a of e o pa , i a o in a a e of B100 ea c , in c e o e. ic S a e(.) e S a e(.)
S a e o e.(.)	o e.(.) of e S a e(.)
S e e in [o.pi a	S e e in [o.pi a (深圳怡寧醫院, p. e io . o a S e e in [o.pi a o., L . (深圳市怡寧醫院有限公司)), a co p a e. abi. e in e! i ie iabii o Sep be. 22, 2 14, o e of e o pa '. in ec o - o o e . bi ie.
S . a e e i. a e e co ee of e Bo a ee	e . a e e i. a e e co ee of e Bo a
. bi ie o . bi ie	a e ea in a cibe e e o in e o pa ie. ce (e. 622 of e a . of (o o)
. b. i a S a e o e.(.)	a e ea in a cibe e e o in e (o o [i. in e.
S pe. i. o.(.)	e e be . of e S pe. i. o. o ee
S pe. i. o. o ee	e o pa ' . pe. i. o co ee e. abi. e p . a o e! o pa La

Definitions

a o [illegible] o.pi a	a o [illegible] o.pi a o., .. (台州康寧醫院有限公司), a co pa e. abi. e in e! i ie iabii o e , 16, de of e pa 'in ec o - o e . bi ie.
e in [illegible] o.pi a	e in [illegible] ! . ci a. ic Sped a (o.pi a o., .. (溫嶺南方精神疾病專科醫院有限公司), a co pa e. abi. e in e! i ie iabii o e , 18, de of e pa 'in ec o - o e . bi ie.
e o in (o.pi a	e o in (o.pi a o., .. (溫州慈寧醫院有限公司), a co pa e. abi. e in e! i ie iabii o a 25, 0 6, de of e pa ' o - o e . bi ie.
e o o a	e o o e. e o., .. (溫州國大投資有限公司), a co pa e. abi. e in e! i ie iabii o Feb. a , 02 , de of e pa 'in ec o - o e . bi ie.
ajiao F e (o.pi a	ajiao F e (o.pi a of . ai ia [illegible] e.e a e. e e ide (燕郊輔仁中西醫結合醫院) e e pa 'ope. ai a a a e e in acco ce i a e . e e a a ee e . e a c 26, 15 e. e in o be ee a f S e ajiao F e (o.pi a (廊坊三河燕郊輔仁醫院, .eio . o a ajiao F e (o.pi a of . ai ia [illegible] e.e a e. e e ide (燕郊輔仁中西醫結合醫院)) a e pa , e a e e a co . c b . e. e ic a bee . pe e a of e e of e epo in ! eio
e i pa	(o e i ro ai ec oo o., e (杭州耶利米信息科技有限公司), a co pa e. abi. e in e! i ie iabii o ece be. 27, 18, de of e pa 'in ec o -o e . bi ie.
in ! . coo e e (o.pi a (o) o., .. (怡寧心理互聯網醫院(溫州)有限公司), a co pa e. abi. e in e! i ie iabii o c 0 , , de of e pa 'in ec o -o e . bi ie.
ji a a (o.pi a	ji a a (o.pi a o., .. (永嘉康寧醫院有限公司), a co pa e. abi. e in e! i ie iabii o ece be. 12, 12, de of e pa ' o o e . bi ie.
e in a (o.pi a	e in a (o.pi a o., .. (樂清康寧醫院有限公司), a co pa e. abi. e in e! i ie iabii o Sep e be. 3, 13, de of e pa ' o o e . bi ie.
%	pe.ce a e. ai o

溫州康寧醫院股份有限公司

Wenzhou Kangning Hospital Co., Ltd.