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# Corporate Information

## Board of Directors

### Executive Directors

- Mr. A. D. (Chairman)
- Mr. A. D.
- Mr. A. D.

### Non-executive Directors

- Mr. A. D.
- Mr. D. D.

### Independent Non-executive Directors

- Mr. A. D. (Chairman)
- Mr. A. D.
- Mr. D. D. (Chairman)
- Mr. A. D. (Chairman)
- Mr. D. D. (Chairman)
- Mr. D. D. (Chairman)

### Audit Committee

- Mr. D. D. (Chairman)
- Mr. D. D.
- Mr. A. D.

### Nomination Committee

- Mr. D. D. (Chairman)
- Mr. A. D.
- Mr. A. D.

### Remuneration Committee

- Mr. A. D. (Chairman)
- Mr. D. D.
- Mr. D. D.

## Strategy and Risk Management Committee

- Mr. A. D. (Chairman)
- Mr. D. D.
- Mr. D. D.

## Supervisory Committee

- Mr. S. F. D. (Chairman)
- Mr. A. D.
- Mr. E. D.
- Mr. A. D.
- Mr. E. D.

## Joint Company Secretaries

- Mr. A. D.
- Mr. S. D.

## Authorized Representatives

- Mr. A. D.
- Mr. S. D.

## Auditor

Price and other operations of the company

Legal Advisor and other legal

affairs

Director Office and other office

## Shareholder

Shareholder information, etc.

Page

As of the date of the financial statements, the Board of Directors consists of 11 members, including 3 Executive Directors, 4 Independent Non-executive Directors, and 4 Non-executive Directors. The Audit Committee consists of 3 members, including 1 Independent Non-executive Director and 2 Non-executive Directors. The Supervisory Committee consists of 5 members, including 1 Independent Non-executive Director and 4 Non-executive Directors. The Strategy and Risk Management Committee consists of 3 members, including 1 Executive Director and 2 Non-executive Directors. The Joint Company Secretaries consist of 2 members. The Authorized Representatives consist of 2 members. The Auditor is the Price and other operations of the company. The Legal Advisor and other legal affairs are handled by the Director Office and other office. The Shareholder information, etc. is handled by the Shareholder Office.

## Corporate Information

### Headquarters of Borealis (Pty) Ltd

4/F, 250 Raffles Place  
248 001 Singapore  
Singapore  
Tel: +65 6339 2000

### Singapore

Operations of Borealis (Pty) Ltd, Service Office  
Shop 1712-1716, 1717 Foch Road  
Singapore  
183 001 Singapore  
Singapore  
Tel: +65 6339 2000

### Stocks of

210

### Company Website

[www.borealis.com](http://www.borealis.com)

### Media enquiries

Telephone: (86) 577 8877 168  
Fax: (86) 577 8878 117  
Email: [media@borealis.com](mailto:media@borealis.com)

## Financial Highlights

### Financial Data and Financials

	2020 RMB' 000	For the reporting period ended at December 31,			
		2018 B000	2018 B000	2017 B000	2016 B000
Revenue	1,031,284	863,622	745,722	666,436	415,088
Profit before income tax	87,904	55,523	106,000	6,863	2,133
Income tax expense	(28,949)	(17,225)	(31,441)	(20,227)	(26,588)
Profit	58,955	38,298	74,559	47,836	65,551
Equity attributable to Shareholders of the Company	70,000	57,228	8,556	40,711	68,832
Other comprehensive income	(11,045)	(10,611)	(5,627)	(1,235)	(3,281)

	2020 RMB' 000	As of December 31,			
		2018 B000	2018 B000	2017 B000	2016 B000
Assets	2,248,947	2,117,352	1,803,724	1,603,011	1,033,382
Liabilities	934,523	855,843	635,451	573,044	560,122
Equity	1,314,424	1,261,509	1,168,273	1,104,477	1,041,300
Equity attributable to Shareholders of the Company	1,211,846	1,164,484	1,103,555	1,051,834	1,008,383
Other comprehensive income	102,578	97,025	84,718	58,662	32,917

## Chairman's Statement

Dear Shareholders,

As we have seen, the world has been facing the unprecedented challenges of the COVID-19 epidemic, the global economic recovery of

# Management Discussion and Analysis

## Business Outlook

### Psychiatric Specialized Medical Service Industry in China

With the rapid development of modern economy and the improvement of people's life level, the population of mental patients has increased significantly. According to the data of the National Bureau of Statistics, the number of mental patients in China has increased from 15 million in 2015 to 20 million in 2020. The rapid increase of mental patients has led to the shortage of psychiatric specialized medical services. In order to meet the needs of mental patients, the government has issued a series of policies to support the development of the psychiatric specialized medical service industry. For example, the government has increased the investment in the psychiatric specialized medical service industry, and has implemented a series of measures to reduce the burden of mental patients. These measures include increasing the number of psychiatric specialized medical service institutions, improving the quality of psychiatric specialized medical services, and providing financial support to mental patients. The government's support has led to the rapid development of the psychiatric specialized medical service industry in China. In the future, the government will continue to support the development of the psychiatric specialized medical service industry, and will implement a series of measures to further improve the quality of psychiatric specialized medical services.

At present, the development of psychiatric specialized medical services in China is still in the initial stage. There are still many problems that need to be solved. For example, the quality of psychiatric specialized medical services is still relatively low, and the number of psychiatric specialized medical service institutions is still relatively small. In order to solve these problems, the government needs to continue to support the development of the psychiatric specialized medical service industry, and to implement a series of measures to further improve the quality of psychiatric specialized medical services. For example, the government can increase the investment in the psychiatric specialized medical service industry, and can implement a series of measures to attract more people to work in the psychiatric specialized medical service industry. In addition, the government can also implement a series of measures to improve the quality of psychiatric specialized medical services, such as increasing the training of psychiatric specialized medical service personnel, and improving the quality of psychiatric specialized medical service institutions.

On April 17, 2021, the State Administration of Market Regulation issued the "Guiding Opinions on Improving the Price and Medical Insurance Payment Policies of 'Internet+' Medical Services" (《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 provides a guiding opinion on the development of the 'Internet+' medical service industry. On February 17, 2022, the State Administration of Market Regulation issued the "Guiding Opinions on Improving the Quality of Psychiatric Specialized Medical Services" (《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》) (Fengji [2022] No. 10), which provides a guiding opinion on the development of the psychiatric specialized medical service industry. These policies have provided a strong support for the development of the psychiatric specialized medical service industry in China. In the future, the government will continue to support the development of the psychiatric specialized medical service industry, and will implement a series of measures to further improve the quality of psychiatric specialized medical services. For example, the government can increase the investment in the psychiatric specialized medical service industry, and can implement a series of measures to attract more people to work in the psychiatric specialized medical service industry. In addition, the government can also implement a series of measures to improve the quality of psychiatric specialized medical services, such as increasing the training of psychiatric specialized medical service personnel, and improving the quality of psychiatric specialized medical service institutions.

## Management Discussion and Analysis

### Business Review

#### Business Review

2022, faced the challenges of the global economic recovery, the epidemic and the impact of the COVID-19 pandemic. The company has achieved a significant increase in sales, with a 15% increase in revenue compared to the same period in 2021. The company's strong performance is due to its diversified portfolio of products and services, as well as its ability to adapt to the changing market conditions. The company's revenue is primarily derived from its core business, which includes the sale of various types of equipment and services. The company's revenue is also derived from its investment in various sectors, including real estate, infrastructure, and technology. The company's revenue is also derived from its investment in various sectors, including real estate, infrastructure, and technology. The company's revenue is also derived from its investment in various sectors, including real estate, infrastructure, and technology.

2022, the company's revenue is primarily derived from its core business, which includes the sale of various types of equipment and services. The company's revenue is also derived from its investment in various sectors, including real estate, infrastructure, and technology. The company's revenue is also derived from its investment in various sectors, including real estate, infrastructure, and technology.

## Management Discussion and Analysis

2023, the company's business, the operations of the company and the economic conditions of the country. The company's business, the operations of the company and the economic conditions of the country. The company's business, the operations of the company and the economic conditions of the country.

The company's business, the operations of the company and the economic conditions of the country. The company's business, the operations of the company and the economic conditions of the country. The company's business, the operations of the company and the economic conditions of the country.

The company's business, the operations of the company and the economic conditions of the country. The company's business, the operations of the company and the economic conditions of the country. The company's business, the operations of the company and the economic conditions of the country.

### Business Initiatives

2023, the company's business, the operations of the company and the economic conditions of the country. The company's business, the operations of the company and the economic conditions of the country. The company's business, the operations of the company and the economic conditions of the country.



## Management Discussion and Analysis

(iii) The extent of the overall qualification of the equipment for operation. The conditions are the most obvious technical practice before carrying out the work. It is a standard practice

## Management Discussion and Analysis

the effective cost of the effective operations of the company.

The effective operations of the company consist of fees and charges for the patients in the effective operations. The effective operations of the company include the effective operations of the company. The effective operations of the company include the effective operations of the company. The effective operations of the company include the effective operations of the company.

For the year ended December 31,

	2020 (RMB'000)	2019 ( RMB'000 )
<b>Treatment and general healthcare services</b>		
Revenue	755,879	587,874
Cost of revenue	506,496	441,786
Profit	249,383	146,088
<b>Pharmaceutical sales</b>		
Revenue	222,587	205,616
Cost of revenue	194,544	174,338
Profit	28,043	31,278
<b>Owned hospitals</b>		
Revenue	978,466	733,400
Cost of revenue	701,040	616,184
Profit	277,426	177,216

The effective operations of the company for the year ended December 31, 2020, reported an increase of RMB1850 million compared to 2019, while the effective operations of the company for the year ended December 31, 2019, reported an increase of RMB785 million compared to 2018. The effective operations of the company for the year ended December 31, 2020, reported an increase of RMB1850 million compared to 2019, while the effective operations of the company for the year ended December 31, 2019, reported an increase of RMB785 million compared to 2018. The effective operations of the company for the year ended December 31, 2020, reported an increase of RMB1850 million compared to 2019, while the effective operations of the company for the year ended December 31, 2019, reported an increase of RMB785 million compared to 2018.





## Management Discussion and Analysis

For the consolidated period, the proportion of pharmaceuticals sales contribution to the total sales of the company increased to 35.3% (2019: 36.1%). The proportion of the pharmaceutical sales contribution to the total sales of the company increased to 34.3% (2019: 33.5%). The proportion of the expenditure of the company on the pharmaceutical sales increased to 15.3% (2019: 15.0%). The proportion of the total sales of the company increased to 15.3% (2019: 15.0%).

### Operating expenses

The operating expenses of the company increased to B38.1 million (2019: B38.1 million), of which pharmaceuticals sales increased to B16.8 million (2019: B21.7 million); the operating expenses of pharmaceuticals sales increased to B12 million.

### Operating expenses

The operating expenses of the company increased to B14.7 million (2019: B3.7 million), of which the operating expenses of pharmaceuticals sales increased to B3.6 million (2019: B3.6 million).

## Gross Profit and Gross Profit Margin

The company's gross profit of the period was B82.6 million, representing an increase of 48.0% compared to 2019. The gross profit of the pharmaceuticals sales was B277.4 million, representing an increase of 56.5% compared to 2019. The increase in the gross profit of the pharmaceuticals sales was due to the increase in the sales volume of the pharmaceuticals sales.

For the year ended December 31,

	2020	2019
Pharmaceuticals sales	33.0%	24.9%
Pharmaceuticals sales	12.6%	15.2%
<b>Owned hospitals businesses</b>	<b>28.4%</b>	<b>22.3%</b>
Operating expenses	47.6%	40.5%
<b>Consolidated gross profit margin</b>	<b>29.3%</b>	<b>23.8%</b>

The company's consolidated gross profit margin of the period increased to 29.3% (2019: 23.8%), of which the gross profit margin of pharmaceuticals sales increased by 8.1 percentage points compared to 2019. The gross profit margin of pharmaceuticals sales increased by 2.6 percentage points compared to 2019.

## Management Discussion and Analysis

### Tax and Surcharge

The company's tax and surcharge expense for the period ended B5.4.2019 (B5.2.2019).

## Management Discussion and Analysis

### Finance Expenses – Net

Finance expenses net of income from bank deposits, finance income from the sale of fixed assets, bonds, income from the sale of receivables and the disposal of recoverable intangible assets, other receivables, receivables from the sale of other receivables and the sale of other receivables.

## Management Discussion and Analysis

### Gains from Change in Fair Value

In the reporting period, the fair value change increase of RMB6.6 million, which is an increase of the fair value of other financial assets.

### Credit Impairment Losses

In the reporting period, credit impairment loss increase of RMB23.1 million (2020: RMB1.3 million). The impairment loss for accounts receivable of 2021 is RMB23.3 million (2020: RMB1.4 million), accounts for 2.3% of the total amount of the (2020: 2.4%). As at December 31, 2021, the provision for bad debts of accounts receivable of the reporting period is RMB1.3 million and RMB1.4 million respectively, accounts for 0.3% and 7.1% of the total accounts receivable of the reporting period and the corresponding year.

### Asset Impairment Losses

In the reporting period, asset impairment loss of RMB0 million, which is an increase of the impairment loss of other financial assets of RMB0 million (reporting period amount of the year-end is 0 million).

### Non-Operating Income (Expenses)

The non-operating income and cost of other items, and the non-operating expense and cost of other items are the result of the operation of other items. The above items are for the reporting period of other non-operating income and non-operating expense for reporting period:

	For the year ended December 31,	
	2020 (RMB'000)	2021 (RMB'000)
recovery of other receivables of the reporting period	-	25,666
other income	59	2,755
non-operating income	850	2,681
<b>Non-operating income</b>	<b>909</b>	<b>2,338</b>
loss of other receivables	436	13,200
other expense	8,537	2,877
non-operating expense	1,928	3,486
<b>Non-operating expenses</b>	<b>10,902</b>	<b>11,713</b>

In the reporting period, the non-operating income of the reporting period increase of RMB1 million, mainly due to the recovery of other receivables of the reporting period of RMB25.666 million (reporting period amount of the year-end is 0 million); in the reporting period, the non-operating expense of the reporting period increase of RMB1 million, mainly due to the increase of other receivables.

## Management Discussion and Analysis

### Income Tax Expense

The reported income tax expense decreased from \$28.7 million (2019: \$17.3 million), representing a decrease of 67.4% compared to 2019. As a result of the 2019 tax loss carryforwards, our effective tax rate was 32.1% in 2019.

### Goodwill

### Inventory

As of December 31, 2020, the ending balance was \$37.5 million (as of December 31, 2019: \$23.6 million),

## Management Discussion and Analysis

### Investment Properties

As of December 31, 2022, the balance of investment properties, net of accumulated depreciation (as of December 31, 2022: B07.8 million) (as of December 31, 2021: B10.4 million), represents the cost of buildings of the E\*clat Group (as of December 31, 2022: B03.2 million; as of December 31, 2021: B04.4 million) and the cost of buildings of the E\*clat Group (as of December 31, 2022: B04.6 million; as of December 31, 2021: B6.0 million). See also Note 10 to the consolidated financial statements for more information on investment properties, net of accumulated depreciation.

Investment properties	Cost of buildings of the E*clat Group (as of December 31, 2022: B03.2 million; as of December 31, 2021: B04.4 million)
Accumulated depreciation	Some accumulated depreciation of the E*clat Group, as well as accumulated depreciation of buildings of the E*clat Group, net
Net book value	75%
Net book value (Appraisal) (S.M.)	1,541
Net book value (Appraisal) (S.M.)	

## Management Discussion and Analysis

### Accounts Payables

As of December 31, 2020, accounts payable decreased to B6.6 billion (as of December 31, 2019: B75.6 billion).

### Contract Liability

As of December 31, 2020, contract liability decreased to B130 billion (as of December 31, 2019: B8.6 billion).

### Other Payables

As of December 31, 2020, other payables decreased to B76.6 billion (as of December 31, 2019: B133.3 billion).

### Financial Risk Management

The above table reflects the financial risk management policies and objectives for each of the categories of financial instruments:

	For the year ended December 31,	
	2020 (RMB'000)	2019 (B'000)
cash and cash equivalents	199,656	111,80
cash and cash equivalents	(186,320)	(10,531)
cash and cash equivalents	22,052	7,762
receivables/(payables) and other assets	35,141	(22,115)

### Net Cash Generated from Operating Activities

In the reporting period, the cash and cash equivalents increased to B19.7 billion, primarily consisting of the profit of B5.0 billion, adjustment of B31.1 billion for the impact of the exchange rate, and adjustment of B123.8 billion for the impact of the exchange rate. The net cash and cash equivalents of B44.5 billion, the increase of B21.3 billion attributable to the reporting period.

### Net Cash Used in Investing Activities

In the reporting period, the cash and cash equivalents decreased to B186.3 billion, primarily due to the net outflow of B1880 billion for the purchase of property, plant and equipment, (10,000,100 -1,556 million) for the purchase of other



## Management Discussion and Analysis

### Net Cash Generated from Financing Activities

The net cash generated from financing activities was B22.1 million.

### Significant Investment, Acquisition and Disposal

The company did not have any significant investment, acquisition or disposal during the reporting period.

### Shareholders

#### Bank Borrowings

As of December 31, 2022, the balance of bank borrowings of the company was B426.5 million (as of December 31, 2021: B300 million), primarily attributable to repayment of borrowings of B400 million and new creation of borrowings of B26.5 million during the reporting period.

#### Contingent Liability

As of December 31, 2022, the company had no contingent liability. There is no significant change in the risk and policy of operation of the company.

#### Asset Pledge

The company has no asset pledge during the reporting period.

#### Lease Liabilities

The lease liability of the company is classified as operating lease liability. As of December 31, 2022, the present value of the lease liability is B32.5 million, of which the short-term lease liability is B18.8 million.

#### Financial Instruments

The financial instruments of the company include accounts receivable, other receivables, other receivables, cash and cash equivalents, bank borrowings, accounts payable and other payables. The company does not have any derivatives, securities, or other financial instruments.

#### Exposure to Fluctuation in Exchange Rates

The company's operations are primarily in the domestic market, and there is no significant exposure to fluctuation in exchange rates. The company's financial instruments are primarily in the domestic market.

## Management Discussion and Analysis

As of 31.03.2019, the company has not received any orders for the period of 12 months. The company has not received any orders for the period of 12 months. The company has not received any orders for the period of 12 months.

### Gearing Ratio

As of 31.03.2019, the company's ratio (of liabilities to net worth) has increased to 41.6% (as of 31.03.2018: 40.4%), which is an increase of 1.2%.

### Employees and Remuneration Policy

As of 31.03.2019, the company has 3,338 full-time employees (as of 31.03.2018: 2,845 full-time employees). The company has not received any orders for the period of 12 months. The company has not received any orders for the period of 12 months. The company has not received any orders for the period of 12 months.

The company has not received any orders for the period of 12 months. The company has not received any orders for the period of 12 months. The company has not received any orders for the period of 12 months.

As of 31.03.2019, the company has not received any orders for the period of 12 months. The company has not received any orders for the period of 12 months. The company has not received any orders for the period of 12 months.

As of 31.03.2019, the company has not received any orders for the period of 12 months. The company has not received any orders for the period of 12 months. The company has not received any orders for the period of 12 months.



## Report of the Board

The Board is pleased to present this annual report which details our activities and the performance of the Group for the financial year ended 31, 03, 2024.

### Environmental Activities

The environmental activities of the Group are primarily related to the operations of the Group and the activities of the Group. The Group is committed to the environment and the activities of the Group are aimed at reducing the environmental impact of the Group. The Group is committed to the environment and the activities of the Group are aimed at reducing the environmental impact of the Group.

The Board is pleased to present this annual report which details our activities and the performance of the Group for the financial year ended 31, 03, 2024.

### Business Review

The Board is pleased to present this annual report which details our activities and the performance of the Group for the financial year ended 31, 03, 2024.

### Human Resources and Remuneration

The Board is pleased to present this annual report which details our activities and the performance of the Group for the financial year ended 31, 03, 2024.

### Director's Report

The Board is pleased to present this annual report which details our activities and the performance of the Group for the financial year ended 31, 03, 2024.

### Director's Report

The Board is pleased to present this annual report which details our activities and the performance of the Group for the financial year ended 31, 03, 2024.

## Report of the Board

### Compliance in the Environmental Field

The Group continues to strictly implement environmental protection policies, complies with applicable laws and regulations, the SF, applicable codes of practice, and other relevant environmental protection regulations and standards. The Group has established a compliance management system, and the compliance management system is the responsibility of the Board of Directors.

The Group has established a compliance management system in the operation of the company's business activities. In addition to the 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 the Protection of Basic Medical Information (《中華人民共和國基本醫療衛生與健康促進法》) (effective from July 1, 2022), the Group also complies with the Regulations on the Management of Medical Institutions (《醫療機構管理條例》) and the Measures for the Implementation of the Regulations on the Management of Medical Institutions (《醫療機構管理條例實施細則》).

The operation of the company complies with environmental protection laws and regulations, and the company's environmental protection performance is continuously improving.

The Group has established a compliance management system and has established a compliance management system for the applicable laws, regulations, and codes of practice. The Group has established a compliance management system based on the relevant laws, regulations, and standards. The Group has established a compliance management system based on the relevant laws, regulations, and standards. The Group has established a compliance management system based on the relevant laws, regulations, and standards.

The Group has established a compliance management system for the applicable laws, regulations, and standards. The Group has established a compliance management system based on the relevant laws, regulations, and standards.

### Review of Environmental Policy

On the evening of October 31, 2024, the company held an environmental policy review meeting.

### Use of Proceeds from Public Offerings

At the meeting of the Board of Directors of the Shanghai Electric Company Limited on October 15, 2024, the proceeds from the public offering of the company were used to fund the company's business activities. The company has used the proceeds from the public offering of the company to fund the company's business activities. The company has used the proceeds from the public offering of the company to fund the company's business activities. The company has used the proceeds from the public offering of the company to fund the company's business activities.

## Report of the Board

### Introduction

The Board of Directors reports on the performance of the Group for the reporting period ended 31, 2020.

### Application of Environmental Policy

In accordance with the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》), since the implementation of the law on 1, 2008, the corporate income tax rate of 25% has been adopted for the Enterprise Income Tax. The Enterprise Income Tax rate of 15% has been adopted for the Enterprise Income Tax of the State-owned enterprises. All the State-owned enterprises have been required to pay the State Income Tax at the rate of 25% for the State-owned enterprises, and for the other enterprises, the rate of 25% has been adopted for the State-owned enterprises. Therefore, the Enterprise Income Tax rate of 25% has been adopted for the State-owned enterprises. The Enterprise Income Tax rate of 15% has been adopted for the State-owned enterprises. The Enterprise Income Tax rate of 25% has been adopted for the State-owned enterprises. The Enterprise Income Tax rate of 15% has been adopted for the State-owned enterprises.

The Enterprise Income Tax rate of 25% has been adopted for the State-owned enterprises. The Enterprise Income Tax rate of 15% has been adopted for the State-owned enterprises. The Enterprise Income Tax rate of 25% has been adopted for the State-owned enterprises. The Enterprise Income Tax rate of 15% has been adopted for the State-owned enterprises. The Enterprise Income Tax rate of 25% has been adopted for the State-owned enterprises. The Enterprise Income Tax rate of 15% has been adopted for the State-owned enterprises. The Enterprise Income Tax rate of 25% has been adopted for the State-owned enterprises. The Enterprise Income Tax rate of 15% has been adopted for the State-owned enterprises.

## Report of the Board

### State capital

Board of Economic Development received approval of the proposed 2019 position budget for the State of Florida from the Florida State Board of Economic Development on 10/1/19.

### State capital

Board of Economic Development received approval of the proposed 2019 position budget for the State of Florida from the Florida State Board of Economic Development on 10/1/19. The Board of Economic Development also received approval of the proposed 2019 position budget for the State of Florida from the Florida State Board of Economic Development on 10/1/19.

### State capital

As of October 31, 2019, the State of Florida has a total of 3,414 positions.

## Report of the Board

### Business Performance

For the year ended 31, 2020, the company's performance is as follows:

### Equity-Linked Awards

For the year ended 31, 2020, the equity-linked awards are as follows:

### Dividends

For the year ended 31, 2020, the dividend distribution to the shareholders is as follows:

### Sustainability

The company's sustainability performance for the year ended 31, 2020 is as follows:

### Director

The director's report is as follows:

### Executive Directors

- .. A. J. ( )
- .. A. J. ( )
- .. A. J. ( )

## Report of the Board

### Speical

The Speical Report is prepared in accordance with the provisions of the Companies Act, 2013:

1. Statement of Financial Position
2. Statement of Profit and Loss
3. Statement of Financial Changes
4. Statement of Cash Flows
5. Statement of Financial Changes

### Board's Report and Analysis of the Financial Performance

The Board's Report and Analysis of the Financial Performance of the Company for the financial year ended on 31.03.2020, prepared in accordance with the provisions of the Companies Act, 2013, is presented in the following pages:

### Directors' Report, Speical Report, Management Discussion and Analysis, and Other Information of Significance

The financial statements of the Company are prepared in accordance with the provisions of the Companies Act, 2013, and the accounting policies adopted in the preparation of the financial statements are disclosed in the notes to the financial statements. The financial statements of the Company for the financial year ended on 31.03.2020 are presented in the following pages:

### Other Information of Significance

The financial statements of the Company are prepared in accordance with the provisions of the Companies Act, 2013, and the accounting policies adopted in the preparation of the financial statements are disclosed in the notes to the financial statements. The financial statements of the Company for the financial year ended on 31.03.2020 are presented in the following pages:

### Other Information

The financial statements of the Company are prepared in accordance with the provisions of the Companies Act, 2013, and the accounting policies adopted in the preparation of the financial statements are disclosed in the notes to the financial statements. The financial statements of the Company for the financial year ended on 31.03.2020 are presented in the following pages:



## Report of the Board

### Ομιλία Προέδρου Α. Λαζαρίδη

Κύριοι μέλη του Ομιλιτικού Α. Λαζαρίδη, εγώ οφείλω να σας ευχαριστήσω, από όλη την καρδιά, για την εμπιστοσύνη που μου δείχνετε με την ανάθεση της προεδρίας της Επιχείρησης. Είναι μεγάλη τιμή να αναλάβω αυτόν τον ρόλο, και θα ήθελα να σας διαβεβαιώσω ότι θα εργαστώ με συνέπεια και αφοσίωση για να συμβάλω στην ανάπτυξη της εταιρείας και στην επίτευξη των στόχων που έχουμε θέσει.

## 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 <sup>(1)</sup>	Approximate Percentage of the Company's Total Issued Share Capital <sup>(1)</sup>
Mr. Aidi	Ordinary Shares	Beneficial Owner	18,30,200 (L)	22,144,700 (L)	0.07%	0.68%
		Trustee of portfolio	3,74,800 (L) <sup>(2)</sup>			
Mr. Aidi	Ordinary Shares	Beneficial Owner	3,74,800 (L)	22,144,700 (L)	0.07%	0.68%
		Trustee of portfolio	18,30,200 (L) <sup>(2)</sup>			
Mr. Aidi	Ordinary Shares	Beneficial Owner	3,84,300 (L)	5,527,300 (L)	0.00%	7.41%
		Trustee of portfolio	1,543,000 (L) <sup>(3)</sup>			
	(L) Shares	Beneficial Owner	0,000 (L)	0,000 (L)	1.0%	0.41%

Notes:

(L): Local portfolio

(1) The number of shares held in each class of the total of 55,20,000 Ordinary Shares and 1,30,000 (L) Shares (total number of 74,60,000 Shares) is based on the data as recorded by 31,03.

(2) Mr. Aidi is the trustee of Mr. Aidi's portfolio of shares, Mr. Aidi is the trustee of the Ordinary Shares held by Mr. Aidi, and Mr. Aidi is the trustee of the Ordinary Shares held by Mr. Aidi in the portfolio of the SF.

(3) Mr. Aidi is the trustee of the portfolio of the company's shares held by Xinshi Kangning (Xinshi Kangning), which is the trustee of the shares of the company held by 34.57% of the company's shares, based on the portfolio of the SF, Mr. Aidi is the trustee of the Ordinary Shares held by the company's shares.

Shareholders above, as recorded by 31,03, are the members of the Board, the members of the directors, the special directors and the members of the board of directors. The Ordinary Shares are held by the members of the board of directors of the company (including the portfolio of the SF) in the following manner: (i) the number of shares held by the members of the board of directors of the company (including the portfolio of the SF) is 7,800 of the SF (the number of shares held by the members of the board of directors of the company (including the portfolio of the SF) is 7,800 of the SF); (ii) the number of shares held by the members of the board of directors of the company (including the portfolio of the SF) is 352 of the SF; or (iii) the number of shares held by the members of the board of directors of the company (including the portfolio of the SF) is 352 of the SF.

## Report of the Board

### Ownership of Shares in Shares

As at December 31, 2020, according to the relevant provisions of Article 336 of the SF, the following information should be disclosed by the directors, supervisors and the company (including the company, the special director of the company) and the company's political director to be disclosed to the company's shareholders: 5% of the total number of shares of the company's shares held by the company's directors, supervisors and political directors:

Name	Class of Shares	Nature of Interest	Number of Shares	Approximate Percentage in Shares of the Same Class <sup>(1)</sup>	Approximate Percentage of the Company's Total Issued Share Capital <sup>(1)</sup>
廣州德福股權投資基金合夥企業 (Defu Fund) (廣州德福股權投資基金合夥企業 (有限合夥) (「德福基金」))	普通股	beneficial owner	15,384,541 (1)	27.84%	2.62%

## Report of the Board

Name	Class of Shares	Nature of Interest	Number of Shares	Approximate Percentage in Shares of the Same Class <sup>(1)</sup>	Approximate Percentage of the Company's Total Issued Share Capital <sup>(1)</sup>
Director	Share	Director	1,345,722(L)	6.6%	1.0%
Director	Share	Director	1,454,000(L)	7.5%	1.5%
Director	Share	Director	2,104,000(L)	11.1%	2.88%
Director	Share	Director	1,274,000(L)	6.6%	1.7%
Director	Share	Director	2,118,888(L)	10.5%	2.84%
Director	Share	Director	10,500,000(L)	54.4%	14.1%
BS	Share	Director	4,359,600(L)	22.86%	5.41%

Notes:

(1) Director

(1) Director

(2) Director

(3) Director

(4) Director

(5) Director

Director

## Report of the Board

- (7) 上海盛歌投資管理有限公司 (Shanghai Shengge Investment Management Co., Ltd.) is the general partner of 上海乾剛投資管理合夥企業(有限合夥) (Shanghai Qian Gang Investment Management Partnership Enterprise (Limited Partnership)) and 上海檀英投資合夥企業(有限合夥) (Shanghai Tan Ying Investment Partnership Enterprise (Limited Partnership)), effective, both of them of the SF, 上海盛歌投資管理有限公司 (Shanghai Shengge Investment Management Co., Ltd.) is the general partner of 上海乾剛投資管理合夥企業(有限合夥) (Shanghai Qian Gang Investment Management Partnership Enterprise (Limited Partnership)) and 上海檀英投資合夥企業(有限合夥) (Shanghai Tan Ying Investment Partnership Enterprise (Limited Partnership)).
- (8) 青島金石灝納投資有限公司 (Qingdao Jinchishi Investment Co., Ltd.) is the general partner of 金石投資有限公司 (Jinshi Investment Co., Ltd.), effective, 金石投資有限公司 (Jinshi Investment Co., Ltd.) is the general partner of 青島金石灝納投資有限公司 (Qingdao Jinchishi Investment Co., Ltd.) of the SF.

Shareholders above, as recorded by 31, 2020, are the owners of the company in the period (or the company, as the principal effect of the company) and, as recorded by the company in the period of the shareholders' meeting, are the owners of the company in the period of the shareholders' meeting of the SF, as recorded by the company in the period of the shareholders' meeting of the SF, as recorded by the company in the period of the shareholders' meeting of the SF.

### Company's Special Information on Acquisition of Subordinate Securities

Shareholders of the company, as recorded by the company in the period of the shareholders' meeting, are the owners of the company in the period of the shareholders' meeting of the SF, as recorded by the company in the period of the shareholders' meeting of the SF, as recorded by the company in the period of the shareholders' meeting of the SF.

### Director's Declaration

The Board confirms that the declaration is in accordance with the provisions of the company's articles of association and the provisions of the company's articles of association, as recorded by the company in the period of the shareholders' meeting of the SF, as recorded by the company in the period of the shareholders' meeting of the SF, as recorded by the company in the period of the shareholders' meeting of the SF.



## Report of the Board

### Corporate Governance

The Board of Directors and the Company's committees in a collective manner have adopted the best practice. The details of the company's corporate governance practices adopted by the Company are on the website and the corporate governance report of the Company.

### Sufficiency of Public Funds

Based on the financial and public fund balance of the Company in the end of the reporting period, the Board has, after due and careful consideration, concluded that the Company has sufficient public funds of the Company to meet the requirements.

### Entitlement of Shareholders

#### For determining the entitlement to attend and vote at the AGM

The entitlement of the shareholders to be exercised on the 15, 2021 or the 18, 2021, both dates are, if the respective date of the Share Certificate is effective, to the ordinary shareholders of the Company. The Share Certificate of the Company issued by the Company will be of effect if the Company's Share Registrar, the Registrar of the Hong Kong Securities Commission, 171-1716, 17, Floor, (Cape Lee Centre, 183 Canton Road, Kowloon) of the Company at 4:00 PM on the 11, 2021.

### Proposed Election of the Independent Non-Executive Directors

The proposed election of the independent non-executive directors of the Company is detailed in the balance sheet of the Company.

### Anti-Corruption

The Anti-Corruption Policy of the Board of Directors of the Company is detailed in the 2020 Annual Report, and the Anti-Corruption Policy of the Company for 2020 prepared in accordance with the Anti-Corruption

## Report of the Board

### A 10.

the financial statements for the year ended 31/12/2020 have been audited by the independent auditor.

the board has approved the financial statements.

For and on behalf of the Board

**GUAN Weili**

*(Signature)*

Director

April 16, 2021

## Report of the Supervisory Committee

10. The Sae o'ee:

10.1, the Supervisory Committee has been asked to review the effectiveness of the Sae o'ee's work, its compliance with the relevant laws, the role of the Sae o'ee, and the impact of the Sae o'ee's performance on the public, and the effectiveness of the Sae o'ee's work in the context of the financial services industry.

10.2, the Supervisory Committee has been asked to review the effectiveness of the Sae o'ee's work, its compliance with the relevant laws, the role of the Sae o'ee, and the impact of the Sae o'ee's performance on the public, and the effectiveness of the Sae o'ee's work in the context of the financial services industry.

10.3, the Supervisory Committee has been asked to review the effectiveness of the Sae o'ee's work, its compliance with the relevant laws, the role of the Sae o'ee, and the impact of the Sae o'ee's performance on the public, and the effectiveness of the Sae o'ee's work in the context of the financial services industry.

10.4, the Supervisory Committee has been asked to review the effectiveness of the Sae o'ee's work, its compliance with the relevant laws, the role of the Sae o'ee, and the impact of the Sae o'ee's performance on the public, and the effectiveness of the Sae o'ee's work in the context of the financial services industry.

For the Board of the Supervisory Committee  
SUN Fangjun  
Chair

16 April 2021

# Corporate Governance Report

The Board recognizes the importance of agriculture in the growth of corporate excellence and in the growth of the country. The Board has applied its responsibility to the growth of the country of corporate excellence. The Board has also applied its responsibility to the growth of the country of corporate excellence. The Board has also applied its responsibility to the growth of the country of corporate excellence.

## The Board

### Board Composition

The Board consists of five members, three executive directors, two non-executive directors and one independent director. The Board also includes a Chief Executive Officer of the company and a member of the Board of Directors, Senior Director of the company. The Board also includes a member of the Board of Directors, Senior Director of the company. The Board also includes a member of the Board of Directors, Senior Director of the company.

The Board also includes a member of the Board of Directors, Senior Director of the company. The Board also includes a member of the Board of Directors, Senior Director of the company. The Board also includes a member of the Board of Directors, Senior Director of the company.

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# Corporate Governance Report

## Role & Functions of the Independent Board

The Board is responsible for the overall performance of the company and the interests of the shareholders. The Board is also responsible for the strategic direction of the company and the appointment and removal of the CEO. The Board is also responsible for the appointment and removal of the members of the Board. The Board is also responsible for the appointment and removal of the members of the Board.

The Board is also responsible for the appointment and removal of the members of the Board. The Board is also responsible for the appointment and removal of the members of the Board. The Board is also responsible for the appointment and removal of the members of the Board. The Board is also responsible for the appointment and removal of the members of the Board.

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## Board of Directors

The Board of Directors is responsible for the overall performance of the company and the interests of the shareholders. The Board of Directors is also responsible for the strategic direction of the company and the appointment and removal of the CEO. The Board of Directors is also responsible for the appointment and removal of the members of the Board. The Board of Directors is also responsible for the appointment and removal of the members of the Board.

## Board of Directors

The Board of Directors is responsible for the overall performance of the company and the interests of the shareholders. The Board of Directors is also responsible for the strategic direction of the company and the appointment and removal of the CEO. The Board of Directors is also responsible for the appointment and removal of the members of the Board. The Board of Directors is also responsible for the appointment and removal of the members of the Board.



## Corporate Governance Report

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## Corporate Governance Report

### Accounting Standards

The Company has been applying the Accounting Standards for Business Enterprises issued on March 17, 2014, and the specific accounting methods of the Company are in accordance with Article 622 of the Law of the Company (the Company Law).

### Accounting Policies

The Company's accounting policy is in accordance with the Accounting Standards for Business Enterprises Basic Standards, and the specific accounting methods are in accordance with the provisions of the Ministry of Finance of the People's Republic of China issued on February 15, 2006 (the accounting policy (please refer to the Accounting Standards for Business Enterprises of CAS)).

The Company's accounting policy is based on the following:

The Company's accounting policy became effective on March 3, 2014. The specific accounting methods of the Company have been in accordance with the provisions of the Company Law.

### Changes of Significant Accounting Policies

The Company has no significant accounting policy changes in accordance with the Accounting Standards for Business Enterprises of significant changes in accounting policy of the Company.

### Attendance of Board Members at the Annual Meeting

The Company has appointed a proxy of the Board Members for the annual meeting. The Company has appointed a proxy of the Board Members in accordance with Article A.1.1 of the Charter of the Company. The Company has appointed a proxy of the Board Members in accordance with Article A.1.3 of the Charter of the Company. The Company has appointed a proxy of the Board Members.

## Corporate Governance Report

The report details the Board's activities and the effectiveness of the internal control system of the Board.

Name of Directors	Number of Board meetings convened/attended
<b>Executive Directors</b>	
Mr. A. J. ( )	0 / 0
Mr. A. J. ( )	0 / 0
Mr. A. J. ( )	0 / 0
<b>Non-executive Directors</b>	
Mr. A. J. ( )	0 / 0
Mr. A. J. ( )	0 / 0
<b>Independent Non-executive Directors</b>	
Mr. A. J. ( )	5/5
Mr. A. J. ( )	5/5
Mr. A. J. ( )	5/5
Mr. A. J. ( )	5/4
Mr. A. J. ( )	5/5
Mr. A. J. ( )	5/5

All directors have provided their services before the end of the reporting period. The Board has accepted the responsibility for the preparation and presentation of the financial statements, and the directors have signed the financial statements.

The Board has approved the financial statements for the reporting period. The Board has also approved the financial statements for the reporting period. The Board has also approved the financial statements for the reporting period. The Board has also approved the financial statements for the reporting period.

# Corporate Governance Report

The report details the Board's activities and the effectiveness of the internal and external controls.

Name of Directors	Number of general meetings convened/attended
<b>Executive Directors</b>	
Mr. A. J. ( )	2/2
Mr. A. J. ( )	2/2
Mr. A. J. ( )	2/2
<b>Non-executive Directors</b>	
Mr. A. J. ( )	2/2
Mr. J. J. ( )	2/2
<b>Independent Non-executive Directors</b>	
Mr. J. J. ( ) (effective 18, 2020)	2/2
Mr. A. J. ( ) (effective 18, 2020)	2/2
Mr. J. J. ( ) (effective 18, 2020)	2/2
Mr. A. J. ( ) (appointed 18, 2020)	0/0
Mr. J. J. ( ) (appointed 18, 2020)	0/0
Mr. J. J. ( ) (appointed 18, 2020)	0/0

## Board Committee

The Board is responsible for committees, the Audit Committee, the Nomination Committee, the Remuneration Committee and the Sustainability Committee, or other special committees of the Board and the Company. A Board committee of the Company is responsible for the effective implementation of the policies of the Board of the Company, and the reporting of the implementation of the policies.

## Audit Committee

The Company is responsible for the Audit Committee compliance with 3.21 and 3.22 of the Listing Rules, and the implementation of the effective control system of the Company. The Audit Committee is responsible for the Audit Committee and the Company's financial reporting process, the internal control system and the external audit; the Company's financial reporting process, the internal control system and the external audit; the Company's financial reporting process, the internal control system and the external audit; the Company's financial reporting process, the internal control system and the external audit.





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## Corporate Governance Report

The Board of Directors of the Company has reviewed the following information and reports:

Directors	Number of meetings convened/attended
Mr. A. S. (Chairman) (appointed 18/01/2018)	0/0
Mr. S. (Director) (appointed 18/01/2018)	0/0
Mr. L. (Director) (appointed 18/01/2018)	0/0
Mr. S. (Director) (appointed 18/01/2018)	1/1
Mr. A. (Director) (appointed 18/01/2018)	1/1
Mr. A. (Director) (appointed 18/01/2018)	1/1

Information of the Board

# Corporate Governance Report

The effectiveness of the economic and social and environmental performance of the company is reported as follows:

Directors	Number of meetings convened/attended
Mr. A. J. (A. J. J.)	1/1
Mr. J. (J. J. J.)	0/0
Mr. J. (J. J. J.)	0/0
Mr. A. J. (A. J. J.)	1/1
Mr. A. J. (A. J. J.)	1/1

## Board Composition

The Board is composed of Board members who are objective and free from any conflicts of interest. The Board is committed to the best interests of the company and its shareholders. The Board is responsible for the overall performance of the company and its subsidiaries. The Board is also responsible for the financial performance of the company and its subsidiaries. The Board is also responsible for the environmental performance of the company and its subsidiaries. The Board is also responsible for the social performance of the company and its subsidiaries. The Board is also responsible for the governance performance of the company and its subsidiaries.

## The Current Composition of the Board

Age	Gender	Years of service as Director
31 - 40 years (3 persons)	Female (37.5%)	1 - 5 years (4 persons)
51 - 60 years (4 persons)	Male (62.5%)	6 - 10 years (4 persons)

## Corporate Governance Functions

The Board is responsible for the following corporate governance functions:

- (a) to ensure the company complies with the applicable regulatory requirements;
- (b) to ensure the company complies with the applicable regulatory requirements;
- (c) to ensure the company complies with the applicable regulatory requirements;
- (d) to ensure the company complies with the applicable regulatory requirements;
- (e) to ensure the company complies with the applicable regulatory requirements.

## Corporate Governance Report

In the report, the Board, as the independent committee, performs the following corporate governance functions: (1) to monitor the company's compliance with the law and regulations; (2) to monitor the company's financial performance; (3) to monitor the company's performance in terms of corporate social responsibility; (4) to monitor the company's performance in terms of environmental protection; and (5) to monitor the company's performance in terms of other corporate governance matters.

### Director's Accountability for Environmental Impact of the Company's Operations

The director is responsible for preparing the company's environmental policy and for ensuring that the company's operations comply with the relevant laws and regulations. The director is also responsible for ensuring that the company's operations do not cause any significant environmental damage. The director is also responsible for ensuring that the company's operations do not cause any significant social or economic damage. The director is also responsible for ensuring that the company's operations do not cause any significant damage to the environment, society or the economy.

The director is also responsible for ensuring that the company's operations do not cause any significant damage to the environment, society or the economy. The director is also responsible for ensuring that the company's operations do not cause any significant damage to the environment, society or the economy.

The director is also responsible for ensuring that the company's operations do not cause any significant damage to the environment, society or the economy. The director is also responsible for ensuring that the company's operations do not cause any significant damage to the environment, society or the economy.

### Director's Responsibility for Environmental Impact

The Board is responsible for the company's environmental performance. The Board is also responsible for ensuring that the company's operations do not cause any significant damage to the environment, society or the economy. The Board is also responsible for ensuring that the company's operations do not cause any significant damage to the environment, society or the economy.

A firm's environmental performance is a key indicator of its overall performance. The Board is responsible for ensuring that the company's operations do not cause any significant damage to the environment, society or the economy. The Board is also responsible for ensuring that the company's operations do not cause any significant damage to the environment, society or the economy.

## Corporate Governance Report

The Board is fully effective in the implementation of the corporate governance principles and policies. The Board is fully effective in the implementation of the principles and policies of the corporate governance code effective from 31, 2023. The Board is fully effective in the implementation of the principles and policies of the corporate governance code effective from 31, 2023.

The Board is fully effective in the implementation of the corporate governance principles and policies. The Board is fully effective in the implementation of the principles and policies of the corporate governance code effective from 31, 2023. The Board is fully effective in the implementation of the principles and policies of the corporate governance code effective from 31, 2023.

### Senior Management's Remuneration

The remuneration of the senior management is disclosed in the 2023 Annual Report, Special Report on Senior Management's Remuneration, effective from 31, 2023. The remuneration of the senior management is disclosed in the 2023 Annual Report, Special Report on Senior Management's Remuneration, effective from 31, 2023.

Remuneration band (RMB)	Number of individuals
0 -50,000	4
50,000 -1,000,000	2

### Director's Remuneration

For the remuneration effective from 31, 2023, the remuneration of the directors is disclosed in the 2023 Annual Report, Special Report on Directors' Remuneration, effective from 31, 2023. The remuneration of the directors is disclosed in the 2023 Annual Report, Special Report on Directors' Remuneration, effective from 31, 2023.

Annual fee	RMB 000
Other remuneration	RMB 24,000



## Corporate Governance Report

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# Corporate Governance Report

## Procedures for Directing Shareholders' Enquiries to the Board

Shareholders are encouraged to direct enquiries and concerns to the Board via the following electronic channels:

Address:

15th Floor, Room 1505  
15/F, Tower 1, Citicorp Building  
100, Queen's Road  
Central

Fax: (86) 577 8878, 117

Email: [ir@hkex.com.hk](mailto:ir@hkex.com.hk)

Shareholders are also encouraged to direct enquiries to the Board via the e-mail address of the Board:

[board@hkex.com.hk](mailto:board@hkex.com.hk)

For more information, please contact the AICE Customer Service.

The proposed amendments to the articles of association of the Company and the proposed amendments to the Memorandum and Articles of Association of the Company were approved by the Shareholders at the 2024 Annual General Meeting of the Company on 22, 09, 2024. The amendments were approved by the Shareholders at the 2024 Annual General Meeting of the Company on 22, 09, 2024. The amendments were approved by the Shareholders at the 2024 Annual General Meeting of the Company on 22, 09, 2024. The amendments were approved by the Shareholders at the 2024 Annual General Meeting of the Company on 22, 09, 2024.

The proposed amendments to the articles of association of the Company and the proposed amendments to the Memorandum and Articles of Association of the Company were approved by the Shareholders at the 2024 Annual General Meeting of the Company on 22, 09, 2024. The amendments were approved by the Shareholders at the 2024 Annual General Meeting of the Company on 22, 09, 2024. The amendments were approved by the Shareholders at the 2024 Annual General Meeting of the Company on 22, 09, 2024. The amendments were approved by the Shareholders at the 2024 Annual General Meeting of the Company on 22, 09, 2024.







## Directors, Supervisors and Senior Management

**Mr. LIN Lijun (林利軍)**, age 48, is an independent director. He is responsible for supervising the company's business operations and financial performance. Since April 16, 2020, he has been a director of Tech Investment Control Co., Ltd. (銀科投資控股有限公司), a company listed on the ASX Stock Exchange (ticker code: 8000). Since April 16, 2020, he has been a director of Asia Food Group (國際天食集團有限公司), a company listed on the Stock Exchange (ticker code: 3666.HK). He is also a director of the company's independent non-executive director.

# Directors, Supervisors and Senior Management

Director of Administration. Since April 14, he has been the general manager of the company. He is also the Chairman of the Board of Directors. Since April 14, he has been the general manager of the company. He is also the Chairman of the Board of Directors. Since September 14, he has been the general manager of the company. He is also the Chairman of the Board of Directors. Since October 14, he has been the general manager of the company. He is also the Chairman of the Board of Directors.

**Ms. ZHONG Wentang (鍾文堂)**, age 32, has been the general manager of the company since February 14, 2014. She is also the Chairman of the Board of Directors. From February 16 to February 14, she has been the general manager of the company. She is also the Chairman of the Board of Directors. From October 12 to February 16, she has been the general manager of the company. She is also the Chairman of the Board of Directors.

**Mr. LIU Ning (劉寧)**, age 35, has been the general manager of the company since April 14, 2014. He is also the Chairman of the Board of Directors. Since February 18, he has been the general manager of the company. He is also the Chairman of the Board of Directors. Since March 18, he has been the general manager of the company. He is also the Chairman of the Board of Directors. Since October 14, he has been the general manager of the company. He is also the Chairman of the Board of Directors. From April 11 to April 14, he has been the general manager of the company. He is also the Chairman of the Board of Directors. Since April 14, he has been the general manager of the company. He is also the Chairman of the Board of Directors. Since August 14, he has been the general manager of the company. He is also the Chairman of the Board of Directors. Since October 14, he has been the general manager of the company. He is also the Chairman of the Board of Directors.



## Directors, Supervisors and Senior Management

**Mr. CHEN Jian (陳建)**, age 35, is an Independent Supervisor. (Independent Supervisor of compliance in the field of ...). He joined the company in the 1st year of the 13th Five-Year Plan as an Independent Supervisor. Since April 1, 2018, he has been elected by the 1st Annual Meeting of Shareholders of Fuyou Foundation (浙江省華福慈善基金). (Independent Supervisor of the 1st Annual Meeting of Shareholders of the company since Feb. 2016, he has been elected by the 2016 Annual Meeting of Shareholders of the company (S Investment Management (Shanghai) Co., Ltd. (九果投資管理(上海)有限公司) (Accounting in the field of ...), and Independent Supervisor of each of the projects of ...). He has been elected by the 2016 Annual Meeting of Shareholders of the company (Shangyantang Technology (Shanghai) Co., Ltd. (尚妍堂科技(上海)股份有限公司) (Accounting in the field of ...). Since March 15, 2018, he has been elected by the 2018 Annual Meeting of Shareholders of the company (Guochuang Enterprise Management (Shanghai) Co., Ltd. (果創企業管理(上海)有限公司). (Accounting in the field of ...). Since April 15, 2018, he has been elected by the 2018 Annual Meeting of Shareholders of the company (Wenzhou University Oujiang College) in the 2018 Annual Meeting of Shareholders of the company.

**Mr. QIAN Chengliang (錢成良)**, age 68, is an Independent Supervisor. (Independent Supervisor of compliance in the field of ...). He joined the company in the 17th year of the 13th Five-Year Plan as an Independent Supervisor. Since the 11th Annual Meeting of Shareholders, from 2007 to 2012, he has been elected as an Independent Supervisor of the company. From October 16, 2003 to 2003, he has been elected as an Independent Supervisor of the company. From October 5 to September 16, he has been elected as an Independent Supervisor of the company.

**Mr. XIE Tiefan (謝鐵凡)**, age 41, is a Supervisor. (Independent Supervisor of compliance in the field of ...). He joined the company in the 2000th year of the 13th Five-Year Plan on September 14, he has been elected as an Independent Supervisor of the company. He has been elected as an Independent Supervisor of the company, he has been elected as an Independent Supervisor of the company, he has been elected as an Independent Supervisor of the company. (Independent Supervisor of the company since September 14, he has been elected as an Independent Supervisor of the company. He has been elected as an Independent Supervisor of the company. (Central Broadcasting and Television University) in the 2004th year of the 13th Five-Year Plan. (Independent Supervisor of the company since 2016, he has been elected as an Independent Supervisor of the company. (Wenzhou Municipal Bureau of Human Resources) in the 2007th year of the 13th Five-Year Plan.



## Directors, Supervisors and Senior Management

**Ms. ZHANG Feixue (章飛雪)**, age 51, is a vice chairman of the Supervisory Board of the Company. She worked as a representative director of the Company from February 2004 to February 2004. She worked as a representative director of the Company from February 2004 to October 2005. She worked as a representative director of the Company from October 2005 to September 2007. She worked as a representative director of the Company from October 2007 to October 15, 2008. She worked as a vice president of the Company from October 2007 to September 2008. She worked as a representative director of the Company from October 15, 2008 to September 2010. She worked as a representative director of the Company from September 2010 to September 2013. She worked as a representative director of the Company from September 2013 to September 2015. She worked as a representative director of the Company from September 2015 to September 2017. She worked as a representative director of the Company from September 2017 to September 2018. She worked as a representative director of the Company from September 2018 to September 2020. She worked as a representative director of the Company from September 2020 to September 2021. She worked as a representative director of the Company from September 2021 to September 2022. She worked as a representative director of the Company from September 2022 to September 2023. She worked as a representative director of the Company from September 2023 to September 2024. She worked as a representative director of the Company from September 2024 to September 2025. She worked as a representative director of the Company from September 2025 to September 2026. She worked as a representative director of the Company from September 2026 to September 2027. She worked as a representative director of the Company from September 2027 to September 2028. She worked as a representative director of the Company from September 2028 to September 2029. She worked as a representative director of the Company from September 2029 to September 2030.

**Mr. WANG Jian (王健)**, age 36, is a vice chairman of the Board of Directors of the Company. He worked as a representative director of the Company from October 14, 2014 to October 14, 2015. He worked as a representative director of the Company from October 14, 2015 to October 14, 2016. He worked as a representative director of the Company from October 14, 2016 to October 14, 2017. He worked as a representative director of the Company from October 14, 2017 to October 14, 2018. He worked as a representative director of the Company from October 14, 2018 to October 14, 2019. He worked as a representative director of the Company from October 14, 2019 to October 14, 2020. He worked as a representative director of the Company from October 14, 2020 to October 14, 2021. He worked as a representative director of the Company from October 14, 2021 to October 14, 2022. He worked as a representative director of the Company from October 14, 2022 to October 14, 2023. He worked as a representative director of the Company from October 14, 2023 to October 14, 2024. He worked as a representative director of the Company from October 14, 2024 to October 14, 2025. He worked as a representative director of the Company from October 14, 2025 to October 14, 2026. He worked as a representative director of the Company from October 14, 2026 to October 14, 2027. He worked as a representative director of the Company from October 14, 2027 to October 14, 2028. He worked as a representative director of the Company from October 14, 2028 to October 14, 2029. He worked as a representative director of the Company from October 14, 2029 to October 14, 2030.



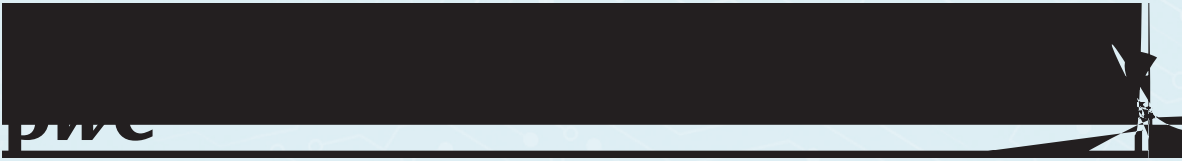


## Directors, Supervisors and Senior Management

Directors/Senior Management	Members of the Group	Positions Held at Members of the Group	Term of Office
i	inial opial	Specialo	Fo April 11 opeo
	opial	Specialo	Fo Sep be 13 opeo
	Seo opial	Specialo	Fo Sep be 14 opeo
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# Auditor's Report



**PWC**

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# Auditor's Report

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(Page 3 of 8)

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## Key Audit Matter

## How our audit addressed the Key Audit Matter

### Assessment for goodwill impairment of healthcare service

efe... o... e... (18) ... of... - e... e...  
o... e... (18) ... i... a... e... e... e... e...

## Auditor's Report

Standard (2021) of 1008  
 (Page 4 of 8)

### Key Audit Matter

The audit identified a risk of material misstatement related to the recognition of revenue. The risk arises from the complexity of the revenue recognition process, which involves the application of judgment to determine the appropriate accounting treatment for revenue. The risk is particularly high for revenue from the sale of goods, as it involves the determination of the point in time when control of the goods transfers to the customer.

### How our audit addressed the Key Audit Matter

We addressed this risk by performing detailed testing of the revenue recognition process. This included testing the underlying contracts, the terms and conditions of sale, and the supporting documentation. We also performed analytical procedures to identify any unusual patterns or trends in the revenue data.

We also performed detailed testing of the revenue recognition process for the sale of services. This included testing the underlying contracts, the terms and conditions of sale, and the supporting documentation. We also performed analytical procedures to identify any unusual patterns or trends in the revenue data.

We also performed detailed testing of the revenue recognition process for the sale of real estate. This included testing the underlying contracts, the terms and conditions of sale, and the supporting documentation. We also performed analytical procedures to identify any unusual patterns or trends in the revenue data.

Based on the results of our audit, we are satisfied that the revenue recognition process is operating effectively. We have identified no material misstatements in the revenue data.

### Assessment for the impairment of contractual rights to provide management service

Under section 18(1) of the Companies Act 2006, a company is required to disclose any impairment of contractual rights to provide management service. This includes any impairment of contractual rights to provide management service to the company, or any impairment of contractual rights to provide management service to another company.

As at 31 December 2020, the company has no impairment of contractual rights to provide management service. This is because the company has not entered into any contracts to provide management service to any other company. Therefore, there is no impairment of contractual rights to provide management service to be disclosed.

We observed that the company has no impairment of contractual rights to provide management service. This is because the company has not entered into any contracts to provide management service to any other company. Therefore, there is no impairment of contractual rights to provide management service to be disclosed.

We also observed that the company has no impairment of contractual rights to provide management service. This is because the company has not entered into any contracts to provide management service to any other company. Therefore, there is no impairment of contractual rights to provide management service to be disclosed.

# Auditor's Report

**Key Audit Matter**

**How our audit addressed the Key Audit Matter**





# Auditor's Report

Standard 1008  
(Page 8 of 8)

## Audit opinion for EA of EY and SA (continued)

The opinion EA provides is a result of the acceptance of the applicable EA and the related policies, procedures and controls. It is based on the audit of the EA and the related policies, procedures and controls.

For the EA, the EA provides, effective on the date of the EA, a description of the EA and the related policies, procedures and controls. The EA also provides a description of the EA and the related policies, procedures and controls. The EA also provides a description of the EA and the related policies, procedures and controls.

Like the other copies of the EA

Standard 1A

**Chen Zhiming**  
(EY and SA)

Standard, the EA provides a description of the EA and the related policies, procedures and controls.

Standard 1A

**Chen Yi**

## Consolidated Balance Sheet

As at 31 December 2020  
 (As approved by the Board of Directors)

ASSETS	Code	31 December 2020	31 December 2019
<b>Current assets</b>			
Trade receivables	4(1)	206,499,564	170,000,550
Prepaid expenses		-	0,000,000
Accounts receivable	4(2)	321,407,965	30,500,612
Inventory	4(3)	63,435,813	63,317,366
Financial assets	4(4)	11,927,882	5,360,000
Other assets	4(5)	37,508,471	23,568,236
Other non-current assets	4(6)	-	12,688,004
<b>Total current assets</b>		<b>640,779,695</b>	<b>621,418,768</b>
<b>Non-current assets</b>			
Long-term investments	4(7)	93,726,511	89,431,133
Other non-current assets	4(8)	57,404,918	51,281,866
Intangible assets	4(9)	107,804,936	10,856,000
Property	4(10)	533,743,384	552,400,802
Goodwill	4(11)	134,941,286	72,100,600
Deferred tax assets	4(12)	227,568,279	235,312,144
Other assets	4(13)	162,536,728	10,881,128
Other non-current assets	4(14)	71,605,598	54,346,633
Long-term prepaids	4(15)	153,550,840	151,833,314
Deferred tax assets	4(16)	46,576,821	46,275,000
Other non-current assets	4(17)	18,708,451	1,716,666
<b>Total non-current assets</b>		<b>1,608,167,752</b>	<b>1,458,800,367</b>
<b>TOTAL ASSETS</b>		<b>2,248,947,447</b>	<b>2,117,351,855</b>

## Consolidated Balance Sheet

As at 31 December 2020  
(As reported in the consolidated financial statements)

LIABILITIES AND SHAREHOLDERS' EQUITY	in million TL	31 December 2020	31 December 2019
<b>Current liabilities</b>			
Short-term borrowings	4(1)	312,500,000	20,000,000
Trade payables		36,080	
Accounts payable	4(2)	69,573,927	75,554,000
Other liabilities	4(21)	12,965,170	8,562,126
Employee benefits payable	4(22)	42,785,133	30,632,777
Other payables	4(23)	49,046,555	33,400,000
Other payables	4(24)	76,603,400	133,348,712
Other provisions of other-current liabilities	4(25)	35,540,617	7,741,222
<b>Total current liabilities</b>			

Total of non-current liabilities 8,680,000

## Company Balance Sheet

As at 31 December 2020  
(As approved by the Board of Directors)

ASSETS	Code	31 December 2020	31 December 2019
<b>Current assets</b>			
Trade receivables		118,136,805	112,806,000
Prepaid expenses		-	3,000,000
Accounts receivable	16(1)	78,544,241	75,531,515
Accounts payable	16(2)	1,931,488	70,172
Other		521,673,904	564,146,003
Other		10,374,364	8,012,112
Other		-	12,688,004
<b>Total current assets</b>		<b>730,660,802</b>	<b>816,728,112</b>
<b>Non-current assets</b>			
Other	4(8)	57,404,918	51,281,866
Other	16(3)	453,843,360	337,636,655
Other	16(4)	299,191,394	30,202,258
Other		3,144,167	113,500
Other		-	80,063
Other	16(5)	22,383,643	2,255,734
Other		17,188,510	18,875,432
Other		556,900	70,000
Other		7,655,891	8,347,166
<b>Total non-current assets</b>		<b>861,368,783</b>	<b>748,281,400</b>
<b>TOTAL ASSETS</b>		<b>1,592,029,585</b>	<b>1,565,009,512</b>

## Company Balance Sheet

As at 31 December 2020  
 (Amounts in B. U.S. dollars)

LIABILITIES AND SHAREHOLDERS' EQUITY	2020	31 December 2020	31 December 2019
<b>Current liabilities</b>			
Short-term borrowings		310,000,000	200,000,000
Accounts payable		32,572,146	38,432,788
Other liabilities		3,480,240	2,068,872
Long-term debt payable		15,629,766	15,571,352
Other payable		8,267,931	5,761,133
Other payable		25,329,546	64,817,112
Other portion of other liabilities		-	52,688,044
<b>Total current liabilities</b>		<b>395,279,629</b>	<b>400,367,571</b>
<b>Non-current liabilities</b>			
Long-term borrowings		38,000,000	-
Lease liability		-	766,156
Provision		-	200,000
Deferred income		9,645,475	9,426,677
Deferred liability		1,607,649	76,887
<b>Total non-current liabilities</b>		<b>49,253,124</b>	<b>10,473,313</b>
<b>Total liabilities</b>		<b>444,532,753</b>	<b>443,150,884</b>
<b>Shareholders' equity</b>			
Share capital	4(0)	74,600,300	75,000,000
Reserves	16(7)	828,516,606	834,663,556
Less: Lease liability	9(b)(1)	(23,311,144)	(21,721,144)
Share premium	4(32)	36,593,229	33,180,321
Retained earnings	16(8)	231,097,841	200,462,672
<b>Total shareholders' equity</b>		<b>1,147,496,832</b>	<b>1,120,544,405</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,592,029,585</b>	<b>1,565,254,289</b>

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

Prepared by:  
 Audit

Independent member of accountants:  
 Audit firm

Member of accountants responsible:  
 Auditor

## Consolidated Income Statement

For the year ended 31 December 2020  
(As approved by the Board of Directors)

Item	2020	2019
<b>1. Revenue</b>	<b>1,031,283,760</b>	<b>80,617,174</b>
Less: cost of sale	(728,701,852)	(656,184,564)
depreciation	(5,413,866)	(5,226,866)
Share of subsidiary's profit	(8,072,345)	(7,77,677)
depreciation and amortisation	(125,062,445)	(123,338,421)
employee benefits	(20,972,502)	(18,017)
Finance expense	(22,821,708)	(23,488,174)
Provision for doubtful debts	(26,557,119)	(26,563,066)
Provision for doubtful debts	4,677,222	4,477,337
Provision for doubtful debts	9,264,825	1,322,548
Provision for doubtful debts	(7,665,311)	24,336,266
Provision for doubtful debts	(7,727,019)	(3,031,144)
Provision for doubtful debts	6,599,223	1,17,462
Provision for doubtful debts	(23,125,756)	(2,256,324)
Provision for doubtful debts	(8,011,603)	
Provision for doubtful debts	596,700	
<b>2. Operating profit</b>	<b>97,897,120</b>	<b>45,847,348</b>
Provision for doubtful debts	909,040	1,388,527
Provision for doubtful debts	(10,901,945)	(1,713,681)
<b>3. Total profit</b>	<b>87,904,215</b>	<b>55,522,077</b>
Provision for doubtful debts	(28,948,671)	(17,551,181)

## Consolidated Income Statement

For the period of 31 months ended 2020  
(As reported by the Board of Directors)

Item	2020	2019
<b>4. Net profit</b>	<b>58,955,544</b>	<b>38,227,618</b>
Profit before income tax		
Income tax expense	58,955,544	38,227,618
Income tax credit	-	-
Profit before non-recurring items		
Income tax expense of non-recurring items	70,000,134	57,283,344
Non-recurring items	(11,044,590)	(1,061,776)

## Company Income Statement

For the year ended 31 December 2020  
(As approved by the Board of Directors)

Item	2020	2019
<b>1. Revenue</b>	417,163,187	384,066,640
Less: cost of sales	(273,081,115)	(273,081,701)
- direct cost	(3,020,822)	(2,916,621)
- Selling & distribution expense	(2,321,386)	(2,488,613)
- Depreciation & amortization expense	(54,661,422)	(62,554,461)
- Research & development expense	(15,876,537)	(3,574,462)
- Indirect expense	(2,113,011)	(7,740,711)
- Provision for doubtful receivables	(16,578,055)	(10,570,764)
- Provision for doubtful payables	130,418,717	2,427,741
After: Provision for doubtful payables	4,253,758	7,463,671
- Provision for doubtful receivables	(8,969,228)	755,472
- Provision for doubtful cost of sales	(8,158,636)	(632,381)
- Provision for doubtful financial assets	6,123,044	07,546
- Provision for doubtful other	(7,433,101)	(14,531,228)
- Allowance for doubtful other	(0,847,081)	
<b>2. Operating profit</b>	47,970,055	26,207,811
After: Other operating income	7,882,414	27,768,414
Less: Other operating expense	(40,625,188)	(11,089,855)
<b>3. Total profit</b>	44,733,411	42,556,370
Less: Provision for doubtful other	(0,643,334)	(0,515,824)
<b>4. Net profit</b>	34,330,077	32,040,546
Attributable to owners of operations		
- Profit from continuing operations	34,330,077	32,040,546
- Profit from discontinued operations		
<b>5. Total comprehensive income</b>	34,330,077	32,040,546

Accounting profit is the result of the application of the accounting policy.

Prepared by:  
Accountant

Independent member of accountants:  
Accountant

Chief financial officer:  
Director

## Consolidated Cash Flow Statement

For the year ended 31 December 2020  
(As approved by the Board of Directors)

Item	2020	2019
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## Consolidated Cash Flow Statement

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

Item	2020	2019
<b>3. Cash flows from financing activities</b>		
Cash received from capital contributions	23,361,500	12,345,000
Net change in cash received from capital contributions by subsidiaries (net of intercompany transactions)	21,771,500	12,345,000
Cash received from borrowings	406,492,970	20,000,000
Cash received from other financing activities	-	11,000,000
<b>Sub-total of cash inflows</b>	<b>429,854,470</b>	<b>44,690,000</b>
Cash repayment of borrowings	(290,000,000)	(18,000,000)
Cash payment for acquisition of subsidiaries and other entities	(17,109,612)	(2,361,180)
Cash payment for other financing activities	(100,692,478)	(7,242,431)
<b>Sub-total of cash outflows</b>	<b>(407,802,090)</b>	<b>(27,603,611)</b>
<b>Net cash flows from financing activities</b>	<b>22,052,380</b>	<b>17,086,389</b>
<b>4. Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>(248,021)</b>	<b>(635,428)</b>
<b>5. Net increase/(decrease) in cash and cash equivalents</b>	<b>35,140,715</b>	<b>(10,152,640)</b>
At the beginning of the year	164,951,950	180,666,400
<b>6. Cash and cash equivalents at the end of the year</b>	<b>200,092,665</b>	<b>169,513,760</b>

The accounting policy for the cash and cash equivalents is detailed in the notes to the financial statements.

Prepared by:  
Audi

Independent member of accountants:  
Audi

(Name of accountants firm):  
Audi

## Company Cash Flow Statement

For the year ended 31 December 2020  
(Amount in RM Billion of Ringgit Malaysia)

Item	2020	2019
<b>1. Cash flows from operating activities</b>		
Receipts from sale of goods and services	430,696,545	388,82,58
Receipts from operating activities	64,986,508	11,0,8
<b>Sub-total of cash inflows</b>	<b>495,683,053</b>	<b>40,72,488</b>
Paid for goods and services	(161,484,999)	(125,886,385)
Paid for interest on borrowings	(135,403,738)	(124,57,846)
Interest on receivables	(9,282,581)	(18,265,441)
Paid for operating activities	(30,870,989)	(56,68,06)
<b>Sub-total of cash outflows</b>	<b>(337,042,307)</b>	<b>(325,43,078)</b>
<b>Net cash flows used in operating activities</b>	<b>158,640,746</b>	<b>75,353,40</b>
<b>2. Cash flows from investing activities</b>		
Receipts from disposal of assets	49,000,000	447,5
Receipts from sale of assets	96,370	1,526,05
Receipts from operating activities	3,750,000	
<b>Sub-total of cash inflows</b>	<b>52,846,370</b>	<b>1,73,00</b>
Paid on acquisition of subsidiaries and other investments	(38,292,840)	(220,7,144)
Paid on acquisition of assets	(158,247,608)	(20,70,000)
Paid for operating activities	(5,370,000)	
<b>Sub-total of cash outflows</b>	<b>(201,910,448)</b>	<b>(232,757,144)</b>
<b>Net cash flows used in investing activities</b>	<b>(149,064,078)</b>	<b>(20,783,544)</b>

## Company Cash Flow Statement

For the period of 31 ended by 2020  
(Amount in B. K. T. e. o. e. i. e. e.)

Item	2020	2019
<b>3. Cash flows from financing activities</b>		
Increase of capital contribution	1,590,000	
Increase of borrowings	348,000,000	20,000,000
Increase of equity securities	-	0,000,000
<b>Sub-total of cash inflows</b>	<b>349,590,000</b>	<b>20,000,000</b>
Decrease of borrowings	(300,000,000)	(14,000,000)
Decrease of liability of lease		
Decrease of equity securities	(16,486,881)	(18,65,586)
Decrease of equity securities	(14,507,167)	(265,816)
<b>Sub-total of cash outflows</b>	<b>(330,994,048)</b>	<b>(163,562,022)</b>
<b>Net cash flows from financing activities</b>	<b>18,595,952</b>	<b>6,437,978</b>
<b>4. Effect of foreign exchange rate changes on cash</b>	<b>(248,021)</b>	<b>(635,428)</b>
<b>5. Net increase/(decrease) in cash and cash equivalents</b>	<b>27,924,599</b>	<b>(5,627,64)</b>
Add: Increase of cash and cash equivalents	90,212,206	14,80,10
<b>6. Cash and cash equivalents at the end of the year</b>	<b>118,136,805</b>	<b>10,212,06</b>

Accounting policy for the cash flow statement is as follows.

Decrease of liability:                      Increase of liability of account:                      Decrease of account payable:  
 Add:    Add:    Add:

## Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2020  
(As approved by the Board of Directors on 12 February 2021)

	Equity attributable to shareholders of the parent company							Total shareholders' equity
	Note	Share capital	Capital surplus	Less: Treasury stock	Surplus reserve	Retained earnings	Non-controlling interests	
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
<b>Movements for the year ended</b>								
<b>31 December 2020</b>								
Profit attributable to equity holders of the parent		-	-	-	-	70,000,134	(11,044,590)	58,955,544
Profit attributable to equity holders of the parent		-	1,590,000	(1,590,000)	-	-	21,771,500	21,771,500
Share-based payments to employees of the parent		-	5,887,603	-	-	-	-	5,887,603
Share-based payments to equity holders of the parent	4(31)	-	(13,813,742)	-	-	-	(19,879,038)	(33,692,780)
Expenses of the parent	4(31)	(899,700)	(13,624,556)	-	-	-	-	(14,524,256)
Expenses of the parent	4(31)	-	(188,221)	-	-	-	-	(188,221)
Balance contributed to the parent	5(1)	-	-	-	-	-	15,905,745	15,905,745
Profit attributable to equity holders of the parent		-	-	-	3,403,908	(3,403,908)	-	-
Profit attributable to equity holders of the parent	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 accounts are prepared on the basis of the consolidated financial statements.

Balance sheet of the company

	Share capital	Reserves	Retained earnings	Share premium	Other reserves	Total
<b>Balance at 1 January 2019</b>	75,000,000	827,373,886	(213,000,000)	2,810,340	20,444,008	84,277,828
<b>Movements for the year ended 31 December 2019</b>						
Profit				57,283,340	(1,061,776)	38,227,618
Dividend						
Share-based payments		5,052,600				5,052,600
Share repurchase		(3,603,800)			(4,661,611)	(8,669,000)
Share issue		(188,856)	188,856			
Share repurchase		(4,057,222)			(2,150,860)	(6,857,088)
Other reserves					26,585,500	26,585,500
Provision for doubtful debts				3,082,887	(3,082,887)	
Provision for other liabilities					(11,323,000)	(11,323,000)
<b>Balance at 31 December 2019</b>	75,000,000	824,715,445	(21,721,144)	33,183,321	22,044,225	1,261,041,262

The accounts are prepared on the basis of the accounting records.

Legal representative:  
Audi

Independent member of the audit:  
Audi

Member of the audit:  
Audi

## Company Statement of Changes in Shareholders' Equity

For the year ended 31 December 2020  
(As approved by the Board of Directors)

	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

For the year ended 31 December 2019  
(As approved by the Board of Directors)

	Share Capital	Reserves	Retained Earnings	Share Premium	Other Reserves	Total
<b>Balance at 1 January 2019</b>	75,000,000	828,318,888	(21,000,000)	4,810,340	182,130,300	1,069,260,528
<b>Movements for the year ended 31 December 2019</b>						
Profit for the year					30,828,866	30,828,866
Share-based payments		(188,856)	188,856			
Share-based payments		5,052,600				5,052,600
Appropriated for dividends				3,082,887	(3,082,887)	
Dividends paid					(11,323,000)	(11,323,000)
<b>Balance at 31 December 2019</b>	<b>75,000,000</b>	<b>834,663,552</b>	<b>(21,721,144)</b>	<b>33,187,327</b>	<b>20,462,672</b>	<b>1,122,442,417</b>

These amounts are for the year ended 31 December 2019.

Legal representatives: Independent member of accountants: Chartered accountants:  
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## Notes to the Financial Statements

For the year ended 31st December 2020  
(A B e. o. e. i. e. e.)

2 S of individual accounts and accounts (combined)

### (6) Preparation of consolidated financial statements

## Notes to the Financial Statements

For the year ended 31 December 2023  
(As approved by the Board of Directors)

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

#### (7) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held with banks, and other short-term investments that are readily convertible into cash and are subject to an insignificant risk of change in value.

#### (8) Foreign currency translation

##### Foreign currency transactions

Foreign currency transactions are translated into the reporting currency at the exchange rate prevailing at the date of the transaction.

At the balance sheet date, monetary items denominated in foreign currencies are translated into the reporting currency at the reporting date of the balance sheet. Exchange differences arising from the translation of monetary items are recognised in profit or loss for the reporting period, except for those arising on foreign currency borrowings that are being held on a specific foreign currency contract of a financial nature, which are recognised in profit or loss of the reporting period. Monetary items denominated in foreign currencies are translated into the reporting currency at the reporting date of the balance sheet. The effect of exchange differences on the reporting period is recognised in profit or loss.

#### (9) Financial instruments

Financial instruments are recognised when the company has entered into a contract that gives rise to a financial asset or financial liability. A financial asset or financial liability is recognised when the company becomes a party to the contract as a provider of the instrument.

##### (a) Financial assets

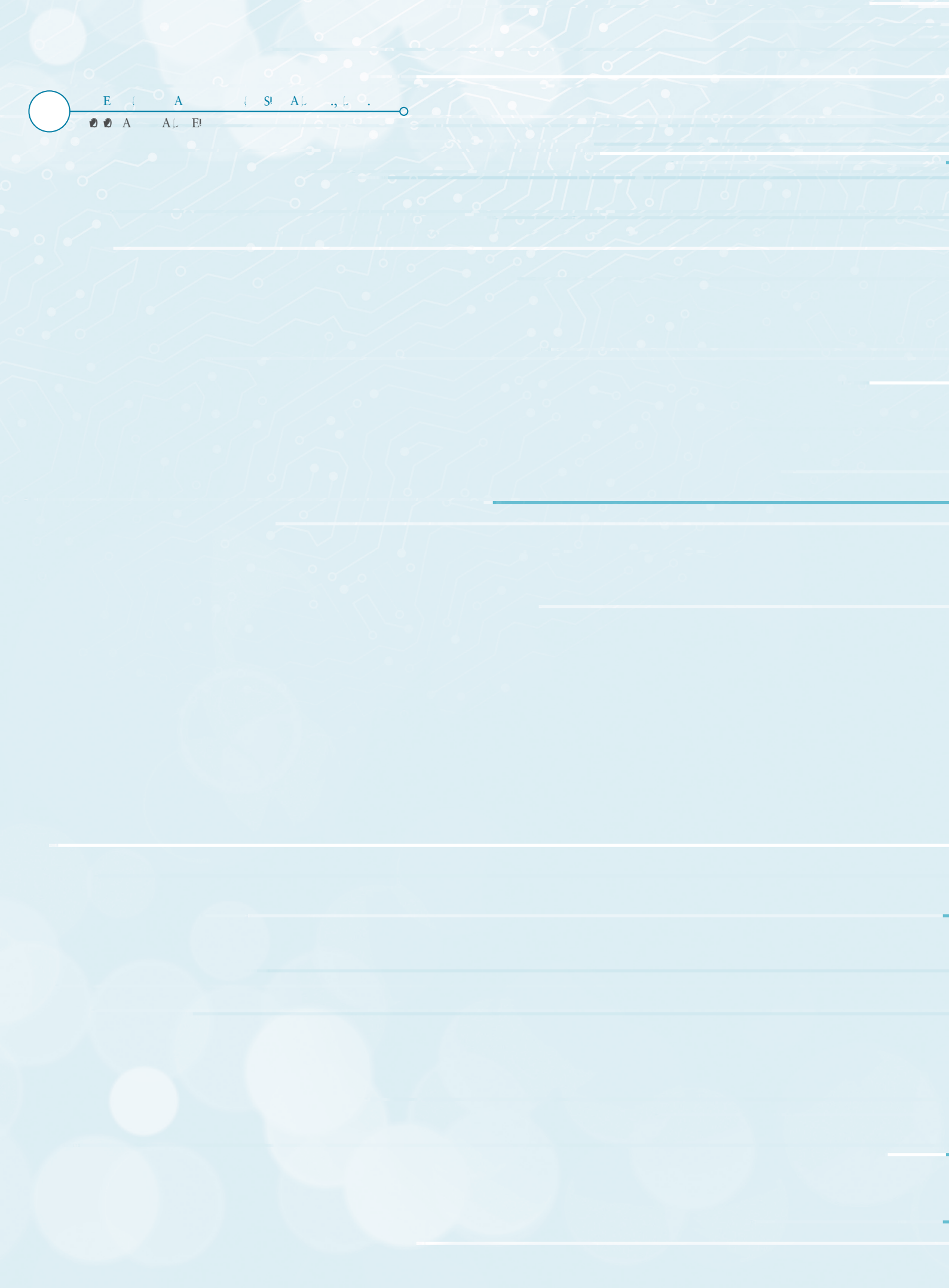
###### (i) Available-for-sale financial assets

Assets that are classified as available-for-sale financial assets are those that are designated as such at the time of their recognition. Available-for-sale financial assets are those that are designated as such at the time of their recognition. Available-for-sale financial assets are those that are designated as such at the time of their recognition.

Available-for-sale financial assets are those that are designated as such at the time of their recognition. Available-for-sale financial assets are those that are designated as such at the time of their recognition. Available-for-sale financial assets are those that are designated as such at the time of their recognition.



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## Notes to the Financial Statements

For the year ended 31<sup>st</sup> December 2018  
 (A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P) (Q) (R) (S) (T) (U) (V) (W) (X) (Y) (Z)

### 2 Statement of Financial Position and Statement of Profit and Loss (continued)

#### (9) Financial instruments (continued)

##### (a) Hedge accounting (continued)

##### (ii) Forward

For the forward exchange rate and other contracts, the accounting is based on the fair value of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate.

In the case of forward contracts, the fair value is determined by reference to the market price of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate. The fair value is determined by reference to the market price of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate.

At the end of the reporting period, the fair value of the forward contracts is determined by reference to the market price of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate. The fair value is determined by reference to the market price of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate.

For the forward contracts, the fair value is determined by reference to the market price of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate. The fair value is determined by reference to the market price of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate.

For the forward contracts, the fair value is determined by reference to the market price of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate. The fair value is determined by reference to the market price of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate.

For the forward contracts, the fair value is determined by reference to the market price of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate. The fair value is determined by reference to the market price of the contracts, which is the present value of the expected cash flows, discounted at the risk-free rate.

# Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

## 2 Statement of Financial Position and Statement of Financial Performance (continued)

### (9) Financial instruments (continued)

- (a) Hedge reserve (continued)
- (ii) Derivatives (continued)

The net EFL of derivatives and derivatives held are carried at fair value in the Statement of Financial Performance. The net EFL of derivatives held are carried at fair value in the Statement of Financial Performance. The net EFL of derivatives held are carried at fair value in the Statement of Financial Performance.

Account receivable	Account payable
Account receivable	Account payable
Account receivable	Account payable
Account receivable	Account payable
Account receivable	Account payable
Account receivable	Account payable

The carrying amount of financial instruments is measured at fair value. The carrying amount of financial instruments is measured at fair value. The carrying amount of financial instruments is measured at fair value.

Based on the position of the 12-month / 12-month EFL, the carrying amount of financial instruments is measured at fair value. The carrying amount of financial instruments is measured at fair value.

The carrying amount of financial instruments is measured at fair value. The carrying amount of financial instruments is measured at fair value.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(All amounts in B.A.E. unless otherwise stated)

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

### (9) Financial instruments (continued)

(a) Hedge accounting (continued)

(iii) hedge ineffectiveness

Amounts are in A.E. unless otherwise stated. (i) hedge accounting is not applied to foreign exchange





# Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

## 2 Statement of Financial Position and Statement of Financial Performance (continued)

### (11) Long-term equity investments

Long-term equity investments comprise investments in equity instruments, which are classified as long-term equity investments.

Subsidiaries are entities controlled by the reporting entity. An entity is controlled if the reporting entity has the power to direct the financial and operating policies of the entity.

Equity instruments are classified as long-term investments if the reporting entity has the power to exercise control over the reporting entity. Equity instruments are classified as long-term investments if the reporting entity has the power to exercise control over the reporting entity.

#### (a) Investments of the reporting entity

For long-term equity investments, the reporting entity has the power to exercise control over the reporting entity, and the reporting entity has the power to exercise control over the reporting entity.

For long-term equity investments, the reporting entity has the power to exercise control over the reporting entity, and the reporting entity has the power to exercise control over the reporting entity.

#### (b) Subsidiaries of the reporting entity

Long-term equity investments of the reporting entity are classified as long-term equity investments if the reporting entity has the power to exercise control over the reporting entity.

For long-term equity investments, the reporting entity has the power to exercise control over the reporting entity, and the reporting entity has the power to exercise control over the reporting entity.



## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

2 Significant off-balance sheet items and commitments (continued)

### (12) Investment properties

Investment properties, which are held to generate cash or cash equivalents, are measured at fair value. The fair value of each investment property is determined by reference to the market value of similar properties, adjusted for differences in location, size, and other factors. The fair value of investment properties is determined by reference to the market value of similar properties, adjusted for differences in location, size, and other factors. The fair value of investment properties is determined by reference to the market value of similar properties, adjusted for differences in location, size, and other factors.



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> December 2020  
 (A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P) (Q) (R) (S) (T) (U) (V) (W) (X) (Y) (Z)

2. Statement of Financial Position and Statement of Profit and Loss (continued)

### (13) Fixed assets

(a) *Cost of acquisition less accumulated depreciation*

Fixed assets comprise buildings, motor vehicles, furniture, equipment and other assets.

Fixed assets are recorded at their probable realisable economic benefits in accordance with the cost of acquisition less depreciation. Fixed assets are revalued to their fair value if it is higher than the carrying amount at the end of the reporting period.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

## Notes to the Financial Statements

For the year ended 31 December 2022  
 (A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P) (Q) (R) (S) (T) (U) (V) (W) (X) (Y) (Z)

### 2 Statement of Financial Position and Statement of Financial Performance (continued)

#### (15) Borrowing costs (continued)

For the period borrowing costs are for the acquisition or construction of fixed assets and for capital assets, the amount of borrowing cost eligible for capitalisation is determined by the amount of borrowing costs incurred during the period less the amount of borrowing cost that is eligible for capitalisation. The amount of borrowing cost that is eligible for capitalisation is determined by the amount of borrowing cost incurred during the period less the amount of borrowing cost that is eligible for capitalisation.

For the amount of borrowing cost eligible for acquisition of construction of fixed assets and for capital assets, the capitalisation of the amount of borrowing cost is determined by the amount of borrowing cost incurred during the period less the amount of borrowing cost that is eligible for capitalisation. The amount of borrowing cost that is eligible for capitalisation is determined by the amount of borrowing cost incurred during the period less the amount of borrowing cost that is eligible for capitalisation.

#### (16) Intangible assets

The intangible assets are the following: (i) Licences, (ii) Software, (iii) Patents, (iv) Trademarks, (v) Copyrights, (vi) Other intangible assets.

##### (i) Licences

Licences are intangible assets that are identifiable and separable from other intangible assets. Licences are acquired through purchase or through development. Licences are amortised over their useful life. Licences are recognised at cost less accumulated amortisation and impairment losses.

##### (ii) Software

Software are intangible assets that are identifiable and separable from other intangible assets. Software are acquired through purchase or through development. Software are amortised over their useful life. Software are recognised at cost less accumulated amortisation and impairment losses.

## Notes to the Financial Statements

For the year ended 31 December 2022  
(As approved by the Board of Directors)

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

#### (16) Intangible assets (continued)

##### (iii) Software developed for internal use

Software developed for internal use is recognised as an intangible asset when the cost can be reliably measured and the asset is identifiable and controlled by the entity. The cost of software developed for internal use includes the cost of materials and direct labour, and a proportion of the overheads that are directly attributable to the development of the software.

Software developed for internal use is recognised as an intangible asset when the cost can be reliably measured and the asset is identifiable and controlled by the entity. The cost of software developed for internal use includes the cost of materials and direct labour, and a proportion of the overheads that are directly attributable to the development of the software.

	2022
Initial recognition (cost)	0
Amortisation (cost)	0
Impairment losses (cost)	0

##### (i) Licences

Licences are recognised as intangible assets when the cost can be reliably measured and the asset is identifiable and controlled by the entity. The cost of licences includes the cost of materials and direct labour, and a proportion of the overheads that are directly attributable to the development of the software.

# Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

## 2 Statement of Financial Position and Statement of Financial Performance (continued)

### (16) Intangible assets (continued)

#### (ii) Goodwill

Goodwill represents the excess of the purchase price over the fair value of the identifiable intangible assets acquired. It is tested for impairment annually, or more frequently if there are indications that impairment may exist. Goodwill is not amortized but is tested for impairment annually, or more frequently if there are indications that impairment may exist.

Goodwill is measured at the acquisition date as the excess of the purchase price over the fair value of the identifiable intangible assets acquired. Goodwill is tested for impairment annually, or more frequently if there are indications that impairment may exist. Goodwill is not amortized but is tested for impairment annually, or more frequently if there are indications that impairment may exist.

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 2 Statement of Financial Position and Accounting Policies (continued)

#### (17) Long-term prepaid expenses

Long-term prepaid expenses represent the amount paid in advance for the operation of the company, which are not yet due for payment but will be recovered in the future. Long-term prepaid expenses are recorded as assets on the balance sheet and are classified as non-current assets. Long-term prepaid expenses are recorded as assets on the balance sheet and are classified as non-current assets.

#### (18) Impairment of long-term assets

Where necessary, long-term assets, including property, plant and equipment, are tested for impairment. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. The carrying amount of an asset is compared with its recoverable amount. If the carrying amount is greater than its recoverable amount, an impairment loss is recognized. An impairment loss is recognized in the profit and loss account.

Goodwill is tested for impairment separately and is not subject to amortization. Goodwill is tested for impairment by comparing the carrying amount of goodwill with its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. The carrying amount of goodwill is compared with its recoverable amount. If the carrying amount is greater than its recoverable amount, an impairment loss is recognized. An impairment loss is recognized in the profit and loss account.

Where necessary, long-term assets, including property, plant and equipment, are tested for impairment. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

#### (19) Employee benefits

Employee benefits refer to a form of compensation or remuneration in addition to the basic salary for services rendered by employees for the provision of services. Employee benefits include long-term employee benefits, short-term employee benefits, defined benefit plans and defined contribution plans.

##### (a) Short-term employee benefits

Short-term employee benefits include salaries, bonuses, commissions, allowances, provisions for compensation, and other benefits. Short-term employee benefits are recognized as liabilities in the accounting period in which the employees render services. Short-term employee benefits are recognized as liabilities in the accounting period in which the employees render services.

## Notes to the Financial Statements

For the year ended 31 October 2020  
(As approved by the Board of Directors)

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

#### (19) Employee benefits (continued)

##### (b) Long-term benefits

The long-term benefits provided are defined contribution pension benefits. The defined contribution pension benefits are provided by the defined contribution pension scheme. The defined contribution pension scheme is a defined contribution pension scheme. The defined contribution pension scheme is a defined contribution pension scheme. The defined contribution pension scheme is a defined contribution pension scheme. The defined contribution pension scheme is a defined contribution pension scheme.

##### (c) Basic pension

The long-term benefits provided are basic pension benefits. The basic pension benefits are provided by the basic pension scheme. The basic pension scheme is a defined contribution pension scheme. The basic pension scheme is a defined contribution pension scheme. The basic pension scheme is a defined contribution pension scheme. The basic pension scheme is a defined contribution pension scheme.

#### (20) Dividend distribution

The dividend distribution is a liability. The dividend distribution is a liability. The dividend distribution is a liability. The dividend distribution is a liability. The dividend distribution is a liability.

#### (21) Provisions

The provisions for contingent liabilities are provided for contingent liabilities. The provisions for contingent liabilities are provided for contingent liabilities. The provisions for contingent liabilities are provided for contingent liabilities. The provisions for contingent liabilities are provided for contingent liabilities.

The provisions for contingent liabilities are provided for contingent liabilities. The provisions for contingent liabilities are provided for contingent liabilities. The provisions for contingent liabilities are provided for contingent liabilities. The provisions for contingent liabilities are provided for contingent liabilities.

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The provisions for contingent liabilities are provided for contingent liabilities. The provisions for contingent liabilities are provided for contingent liabilities. The provisions for contingent liabilities are provided for contingent liabilities. The provisions for contingent liabilities are provided for contingent liabilities.

## Notes to the Financial Statements

For the year ended 31 December 2023  
(As approved by the Board of Directors)

### 2 Significant off-balance sheet arrangements (continued)

#### (22) Share-based payments

##### (a) Description of share-based payments

All share-based payments are classified as equity in the consolidated financial statements. Share-based payments are measured at fair value at the grant date, which is the date of approval by the Board of Directors of the share-based payment arrangement. The fair value of the share-based payments is determined using the Black-Scholes model. Share-based payments are classified as equity in the consolidated financial statements. For the year ended 31 December 2023, there were no share-based payments.

The share-based payments are classified as equity in the consolidated financial statements. The fair value of the share-based payments is determined using the Black-Scholes model. Share-based payments are classified as equity in the consolidated financial statements. For the year ended 31 December 2023, there were no share-based payments.

##### (b) Description of the share-based payments

The share-based payments are classified as equity in the consolidated financial statements. The fair value of the share-based payments is determined using the Black-Scholes model. Share-based payments are classified as equity in the consolidated financial statements.

##### (c) Basis for the share-based payments

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

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  
(As approved by the Board of Directors)

### 2 Significant off-balance sheet items and commitments (continued)

#### (24) Government grants

Government grants are recorded on the balance sheet as follows: receivable, receivable, receivable, receivable, etc.

Government grants are recorded on the balance sheet as follows: receivable, receivable, receivable, receivable, etc. Government grants are recorded on the balance sheet as follows: receivable, receivable, receivable, receivable, etc.

Government grants are recorded on the balance sheet as follows: receivable, receivable, receivable, receivable, etc. Government grants are recorded on the balance sheet as follows: receivable, receivable, receivable, receivable, etc.

Government grants are recorded on the balance sheet as follows: receivable, receivable, receivable, receivable, etc. Government grants are recorded on the balance sheet as follows: receivable, receivable, receivable, receivable, etc.

Government grants are recorded on the balance sheet as follows: receivable, receivable, receivable, receivable, etc. Government grants are recorded on the balance sheet as follows: receivable, receivable, receivable, receivable, etc.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

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

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

Deferred tax liabilities are recognised for temporary differences arising from deductible intangible assets, and are subject to the condition that it is probable that the company will have taxable profits against which the deferred tax assets can be utilised. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that the company will have taxable profits against which the deferred tax assets can be utilised, except for deferred tax assets relating to the company's share of the equity of associates and joint ventures.

Deferred tax assets and deferred tax liabilities are offset if:

- 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 it conveys the right to use an identified asset for a period of time in exchange for consideration.

##### Lease classification

A contract is classified as a lease if it conveys the right to use an identified asset for a period of time in exchange for consideration. The contract is classified as a lease if it conveys the right to use an identified asset for a period of time in exchange for consideration. The contract is classified as a lease if it conveys the right to use an identified asset for a period of time in exchange for consideration.

The right to use an identified asset is a lease if it conveys the right to use an identified asset for a period of time in exchange for consideration. The contract is classified as a lease if it conveys the right to use an identified asset for a period of time in exchange for consideration.

For more information, refer to Note 25 of the Financial Statements.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 2 Statement of Financial Position and Statement of Financial Performance (continued)

#### (26) Leases (continued)

##### Leasehold property (continued)

Leasehold property is accounted for as an investment property if both: (1) the investment property is held to earn rental or for capital appreciation; and (2) the investment property is held under a lease agreement that transfers substantially all the risks and rewards of ownership to the lessee. If the investment property does not meet these criteria, it is accounted for as a property, plant and equipment.

For investment property held under a lease, the lessee will measure the investment property at cost less accumulated depreciation and impairment losses, if applicable. For investment property held under a lease, the lessee will measure the investment property at fair value less accumulated depreciation and impairment losses, if applicable, if the investment property is held under a lease that transfers substantially all the risks and rewards of ownership to the lessee. For investment property held under a lease, the lessee will measure the investment property at fair value less accumulated depreciation and impairment losses, if applicable, if the investment property is held under a lease that transfers substantially all the risks and rewards of ownership to the lessee.

For the year ended 31 December 2020, the lessee applied the practical expedient to account for leasehold property of the lessee as investment property if the lessee is a lessee of investment property.

##### Leasehold property

All leasehold property is held under leasehold agreements. Leasehold property is measured at cost less accumulated depreciation and impairment losses, if applicable.

Leasehold property is accounted for as an investment property if the lessee holds the leasehold property for rental or for capital appreciation. Leasehold property is measured at fair value less accumulated depreciation and impairment losses, if applicable, if the lessee holds the leasehold property for rental or for capital appreciation.

##### (a) Property lease

The lessee will measure the investment property at cost less accumulated depreciation and impairment losses, if applicable, if the lessee holds the investment property for rental or for capital appreciation. The lessee will measure the investment property at fair value less accumulated depreciation and impairment losses, if applicable, if the lessee holds the investment property for rental or for capital appreciation.

##### (b) Right of use

All right of use assets are measured at cost less accumulated depreciation and impairment losses, if applicable. Right of use assets are measured at cost less accumulated depreciation and impairment losses, if applicable. Right of use assets are measured at cost less accumulated depreciation and impairment losses, if applicable.



## Notes to the Financial Statements

For the year ended 31 December 2020  
 (Audited by the independent member of audit firm)

### 2 Significant accounting policies, accounting estimates and accounting judgements (continued)

#### (28) Critical accounting estimates and judgements (continued)

##### (a) Significant accounting estimates and judgements (continued)

##### (i) Allowance for impairment of contract assets and provision for doubtful receivables (continued)

2020, the management adopted a recoverable amount measurement model of contract assets and provision for doubtful receivables as follows:

	Yiwu Health Centre	Pujiang Hospital
Allowance for impairment of contract assets*	362	274
Allowance for impairment of receivables**	266	247
Provision ratio*	6%	16%
Receivable turnover	2.11%	1.5%
Provision ratio for impairment	2.5%	2.5%

2019, the management adopted a recoverable amount measurement model of contract assets and provision for doubtful receivables as follows:

	Yiwu Health Centre	Pujiang Hospital and Chun'an Hospital
Allowance for impairment of contract assets*	373	233
Allowance for impairment of receivables**	283	214
Provision ratio*	6%	33%
Receivable turnover	1.37%	1.4%
Provision ratio for impairment	3%	3%

\* Allowance for impairment of contract assets and receivables

2020, the management adopted a recoverable amount measurement model based on the present value of cash flows to be received, and adopted the expected credit loss measurement model of contract assets and provision for doubtful receivables. The management has also provided the detailed description of the impairment loss measurement model for receivables in the notes to the financial statements. For the year ended 31 December 2020, the provision for impairment of contract assets and receivables is as follows:

# Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

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

(28) Critical accounting estimates and judgements (continued)

(a) Significant accounting estimates and judgements (continued)

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 2 Significant accounting policies adopted and accounting estimates (continued)

#### (28) Critical accounting estimates and judgements (continued)

(a) Significant accounting estimates and judgements (continued)

(iii) Measurement of fair value of property

Property (note 46) are measured at fair value using the appropriate valuation techniques, which are the market/capitalisation rate, discount rate, etc.

The measurement of fair value are as follows:

	Fair value as at 31 December 2020	Valuation technique	Significant unobservable inputs			
			Name	Weighted average	Relationship with fair value	Observable/ Unobservable
Value of Buildings held for sale Elected for sale	42,628,66	Discounting	Ultimate return rate/ capitalisation rate ( 380 ) ( 27.74% )	5.0 % 48.51 2.74%	(a)	Unobservable
Value of Buildings held for sale Elected for sale	65,176,80	Discounting	Ultimate return rate/ capitalisation rate ( 0.533 ) ( 2.74% )	500 % 0.533	(a)	Unobservable
	07,84,36					

i) Accounting estimates made, the discount rate of property is affected by the following:

(a) The relationship between the observable and unobservable inputs are:

- 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 2020  
 (As approved by the Board of Directors)

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

#### (28) Critical accounting estimates and judgements (continued)

##### (a) Significant accounting estimates and judgements (continued)

###### (i) Accounting estimates and judgements of goodwill

The Group has goodwill arising from the acquisition of the subsidiary. The recoverability of the goodwill is dependent on the performance of the subsidiary. The Group has performed a sensitivity analysis of the goodwill impairment test. The Group has concluded that the goodwill is not impaired. The Group has performed a sensitivity analysis of the goodwill impairment test. The Group has concluded that the goodwill is not impaired.

The Group has performed a sensitivity analysis of the goodwill impairment test. The Group has concluded that the goodwill is not impaired. The Group has performed a sensitivity analysis of the goodwill impairment test. The Group has concluded that the goodwill is not impaired.

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## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 2 Significant accounting policies and accounting estimates (continued)

#### (28) Critical accounting estimates and judgements (continued)

##### (a) Significant accounting estimates and judgements (continued)

##### (i) Provisions and contingent liabilities

The principal objective of provisions and contingent liabilities is to ensure that the financial statements are not misleading. Significant judgements are made in the determination of the amount of provisions and contingent liabilities. The determination of provisions and contingent liabilities involves the use of estimates and judgements, particularly in the case of provisions and contingent liabilities.

Provisions and contingent liabilities are recorded for the expected outflow of resources as a result of a past event. The outflow of resources is probable and the amount can be reliably estimated. Provisions and contingent liabilities are recorded for the expected outflow of resources as a result of a past event. The outflow of resources is probable and the amount can be reliably estimated.

##### (b) Significant accounting estimates and judgements

##### (i) Environmental liabilities and provisions

The principal objective of environmental liabilities and provisions is to ensure that the financial statements are not misleading. Significant judgements are made in the determination of the amount of environmental liabilities and provisions.

Environmental liabilities and provisions are recorded for the expected outflow of resources as a result of a past event. The outflow of resources is probable and the amount can be reliably estimated. Environmental liabilities and provisions are recorded for the expected outflow of resources as a result of a past event. The outflow of resources is probable and the amount can be reliably estimated.

## Notes to the Financial Statements

For the year ended 31 December 2020

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

2. Significant accounting policies adopted in the financial statements (continued)

### (28) Critical accounting estimates and judgements (continued)

(b) Significant accounting policies adopted (continued)

(ii) Critical accounting estimates and judgements

The Group has made critical accounting estimates and judgements in the preparation of the financial statements based on the information available at the reporting date, or the date of the end of the reporting period. Critical accounting estimates and judgements are those that require the use of management's judgement, and which could have a material effect on the financial statements. Critical accounting estimates and judgements are those that require the use of management's judgement, and which could have a material effect on the financial statements, e.g. the carrying amount of property, plant and equipment, the carrying amount of intangible assets, the carrying amount of financial assets, the carrying amount of financial liabilities, the carrying amount of provisions, etc.

The Group has made critical accounting estimates and judgements in the preparation of the financial statements based on the information available at the reporting date, or the date of the end of the reporting period. Critical accounting estimates and judgements are those that require the use of management's judgement, and which could have a material effect on the financial statements, e.g. the carrying amount of property, plant and equipment, the carrying amount of intangible assets, the carrying amount of financial assets, the carrying amount of financial liabilities, the carrying amount of provisions, etc.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 3 Taxation

The main categories of tax applicable to the Group are as follows:

Category	Tax rate	Tax base
Corporate income tax (a)	15%, 20% or 25%	Adjusted taxable income
Dividend income (Article 115) (b)	1%, 3%, 5%, 6% or 13%	Dividend income
Interest income and royalties	7%	Amount of Article 115 income and royalties
Employment income	3%	Amount of Article 115 income and royalties
Local employment income	2%	Amount of Article 115 income and royalties
Corporate tax (c)	12% or 12% + 0% of additional amount of employment income	Adjusted taxable income
Bank interest (*)	B50%	Adjusted taxable income
Article 115	0% - 0%	Amount of Article 115

(a) From 1 December 2020, the new digital tax on advertising services, i.e. (the digital tax), is a tax on the advertising services provided by the advertiser to the publisher (Article 115(1)(b) of the Code of Economic Activities) and is levied at a rate of 1% of the advertising services provided by the advertiser to the publisher. The Article 115 of the Code of Economic Activities of the Republic of Malta is applicable to the digital tax at 15%.

In accordance with the Code of Economic Activities of the Republic of Malta, the provisions of the Code of Economic Activities and the Article 115 of the Code of Economic Activities are applicable to the digital tax. In accordance with the provisions of the Code of Economic Activities, the digital tax is levied at a rate of 1% of the advertising services provided by the advertiser to the publisher. The digital tax is levied at a rate of 1% of the advertising services provided by the advertiser to the publisher. The digital tax is levied at a rate of 1% of the advertising services provided by the advertiser to the publisher.





## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 4 Notes to the Financial Statements

#### (1) Cash at bank and on hand

	31 December 2020	31 December 2019
Cash at bank	374,287	45,334
Cash on hand	206,125,277	175,377,404
Due from bank	-	13,222
<b>Total</b>	<b>206,499,564</b>	<b>175,435,960</b>

As at 31 December 2020, the effective cash and cash equivalents of B6,068,000 represent the prepayment for the acquisition of the 10% shareholding of the company.

As at 31 December 2019, the effective cash and cash equivalents of B0,000, the effective cash of B110,68,000 represent the prepayment for the acquisition of the 10% shareholding of the company.

#### (2) Accounts receivable

	31 December 2020	31 December 2019
Accounts receivable (note 8(5)(a))	7,250,000	8,200,000
Accounts receivable	348,065,571	30,174,215
Subsidiary	355,315,571	338,424,215
Less: provision for doubtful debts	(33,907,606)	(27,030,000)
<b>Total</b>	<b>321,407,965</b>	<b>31,144,215</b>

Accounts receivable are primarily trade receivables.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4 Notes to the financial statements (continued)

#### (2) Accounts receivable (continued)

(a) The carrying amount of accounts receivable based on the business risk is as follows:

	31 December 2020	31 December 2019
1 year	276,029,265	266,323,53
1-2 years	59,715,117	57,88,07
2-3 years	19,442,357	13,8,001
over 3 years	128,832	413,854
	355,315,571	338,424,215

2020, the company's accounts receivable are recoverable for the majority of the period.

#### (b) Provision for bad debts

The company has made a provision for accounts receivable based on the business risk, the amount of the provision is as follows:

At 31 December 2020, the company's accounts receivable are recoverable for the majority of the period. The provision for bad debts is as follows (31 December 2019: B1,88,254).

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P) (Q) (R) (S) (T) (U) (V) (W) (X) (Y) (Z)

### 4. Accounts receivable and other receivables (continued)

#### (2) Accounts receivable (continued)

##### (b) Provision for bad debts (continued)

- (i) Accounts receivable for sale of goods provision for bad debts and provision for other receivables and other receivables for sale of goods:

	31 December 2020			31 December 2019		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Accounts receivable	29,027,823	1%	290,278	23,148,858	1%	231,148
Accounts receivable for sale of goods	169,414,663	4%	6,776,587	151,536,144	5%	7,576,077
Other receivables	77,586,779	4%	3,103,471	10,226,664	6%	5,465,500
12 months	59,715,117	20%	11,943,024	57,614,783	11%	6,337,626
23 months	19,442,357	60%	11,665,414	11,620,788	0%	5,813,354
Over 3 months	128,832	100%	128,832	413,854	00%	413,854
Total	355,315,571		33,907,606	336,534,611		26,143,349

- (ii) The amount of provision for bad debts for sale of goods and other receivables for sale of goods at 31 December 2020 is B23,414,275 (2019: B2,616,274), and B72,787 (2019: B25,860).

The book value of accounts receivable and other receivables for sale of goods at 31 December 2020 is B17,337,485, and the provision for bad debts is B17,337,485, and the amount of provision for sale of goods is B17,337,485.

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As reported in the Budgetary Control System)

### 4 Other receivables (continued)

#### (3) Other receivables

	31 December 2020	31 December 2019
Loans to employees (i)	11,623,500	21,283,00

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4 Other receivables (continued)

#### (3) Other receivables (continued)

(a) Breakdown of other receivables:

	31 December 2020	31 December 2019
Stage 1	20,302,805	21,336,124
Stage 2	18,699,660	1,781,477
Stage 3	4,964,193	2,351,166
Stage 3	24,282,668	24,888,514
	<b>68,249,326</b>	<b>75,465,781</b>

(b) Provision for impairment losses on other receivables:

	Stage 1 12-month ECL (on the grouping basis)		Stage 3 Lifetime ECL (credit-impaired)		Total Provision for bad debts
	Book value	Provision for bad debts	Book value	Provision for bad debts	
31 December 2020	65,404,466	3,112,215	2,752,285	2,014,200	12,148,415
Decrease in provision	15,334,712	2,410,777		488,428	1,413,605
Initial provision					

## Notes to the Financial Statements

For the year ended 31 December 2022  
 (As approved by the Board of Directors)

### 4 Other receivables (continued)

#### (3) Other receivables (continued)

(b) Provision for other receivables based on ageing analysis (continued)

(i) As at 31 December 2022, for other receivables under Sale 1, the ageing provision for bad debts is as follows:

	Book value	12-month ECL rate	Provision for bad debts
Provision for other receivables:			
Loans receivable	11,623,00	7%	813,645
Accounts receivable	8,75,352	7%	628,275
Receivables from lease payable	26,113,638	5%	1,305,682
Provision for other receivables	8,682,06	3%	260,46
Total	46,174,015	1%	1,998,068
	60,33,211		3,110,55

(ii) As at 31 December 2022, the provision for other receivables under Sale 2.

(iii) As at 31 December 2022, for other receivables under Sale 3, the ageing provision for bad debts is as follows:

	Book value	Lifetime ECL rate	Provision for bad debts
Provision for other receivables:			
Other receivables (Total)	2,156,115	3%	1,68,458

(i) The other receivables under Sale 1 are provisioned for based on the ageing analysis of the receivables. As at 31 December 2022, the ageing analysis procedure is as follows: Receivables are categorized into three groups based on their ageing. Based on the ageing analysis, the provision for bad debts is 7% for the accounts receivable.

(c) 2022, the other receivables under Sale 1 are provisioned for based on the ageing analysis of the receivables. As at 31 December 2022, the ageing analysis procedure is as follows: Receivables are categorized into three groups based on their ageing. Based on the ageing analysis, the provision for bad debts is 7% for the accounts receivable.

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (Amounts in B. M. T. D. E. C. E. S. E. S.)

### 4. Advances to suppliers (continued)

#### (4) Advances to suppliers

(a) Breakdown of advances to suppliers:

	31 December 2020		31 December 2019	
	Amount	% of total balance	Amount	% of total balance
Supplier 1	11,747,540	98%	5,258,821	98%
Supplier 2	93,133	1%	2,553	
Supplier 3	20,209	-	54,646	1%
Supplier 3	67,000	1%	3,000	1%
	11,927,882	100%	5,368,020	100%

#### (5) Inventories

(a) Breakdown of inventories:

	31 December 2020	31 December 2019
Raw materials	28,767,481	17,382,132
Finished goods	6,165,704	3,038,818
Prepaid expenses (i)	2,575,286	2,575,286
	37,508,471	23,568,236

As at 31 December 2020 and 31 December 2019, the breakdown of prepaid expenses is as follows:

(i) Prepaid expenses:

#### (i) Prepaid expenses

Project	Contract	Period	31 December 2020	31 December 2019
Project A <td>Contract A <td>Period A <td>2,575,286</td> <td>2,575,286</td> </td></td>	Contract A <td>Period A <td>2,575,286</td> <td>2,575,286</td> </td>	Period A <td>2,575,286</td> <td>2,575,286</td>	2,575,286	2,575,286
Project B <td>Contract B <td>Period B <td>173,073,4</td> <td></td> </td></td>	Contract B <td>Period B <td>173,073,4</td> <td></td> </td>	Period B <td>173,073,4</td> <td></td>	173,073,4	
			2,575,286	2,575,286

As at 31 December 2020, the breakdown of prepaid expenses is as follows:

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (Audited by BDO PricewaterhouseCoopers)

### 4 Notes to the consolidated financial statements (continued)

#### (5) Inventories (continued)

(b) The following table sets out the carrying amounts of the following:

	31 December 2020	31 December 2019	Decrease	Increase	31 December 2020
	€ million	€ million	€ million	€ million	€ million
Inventory	17,388,132	81,003	214,632,220	(204,73,524)	28,767,481
Prepaid expenses	3,038,818	223,76	58,6057	(56,658,147)	6,165,704
Prepaid expenses	2,575,286				2,575,286
	23,568,236	104,357	273,628,327	(201,731,671)	37,508,471

#### (6) Current portion of non-current assets

	31 December 2020	31 December 2019
Prepaid expenses (i)	-	12,688,04

(i) Prepaid expenses represent the amount of the current portion of non-current assets that are expected to be recovered from the sale of the current portion of the project. The current portion of the project is the amount of the project fee. On 8 December, the company issued a notice of termination, which will result in the current portion of the project fee being recovered from the sale of the current portion of the project. The current portion of the project fee is expected to be recovered from the sale of the current portion of the project.

#### (7) Long-term equity investments

	31 December 2020	31 December 2019
Long-term equity investments	93,726,511	8,431,13
Less: liability for impairment of long-term equity investments	-	
	93,726,511	8,431,13

The following table sets out the carrying amounts of long-term equity investments at the end of the period.



## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

4. Environmental liabilities and provisions (continued)

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 4 Notes to the consolidated financial statements (continued)

#### (10) Fixed assets

	Buildings	Medical equipment	Motor vehicles	Electronic equipment and other equipment	Total
<b>Cost</b>					
31 December 2020	523,768,640	6,225,022	6,728,070	10,372,867	647,094,599
31 December 2019	523,768,640	6,225,022	6,728,070	10,372,867	647,094,599
<b>Accumulated depreciation</b>					
31 December 2020	17,062,466	(1,411,411)	(2,644,355)	(2,673,033)	(12,490,205)
31 December 2019	17,062,466	(1,411,411)	(2,644,355)	(2,673,033)	(12,490,205)
<b>Net book value</b>					
31 December 2020	506,706,174	4,813,611	4,083,715	7,700,834	523,304,334
31 December 2019	506,706,174	4,813,611	4,083,715	7,700,834	523,304,334
<b>Accumulated impairment</b>					
31 December 2020	440,433	47,720	3,645	4,766	496,564
31 December 2019	440,433	47,720	3,645	4,766	496,564
<b>Net carrying amount</b>					
31 December 2020	506,265,741	4,765,891	4,080,070	7,696,068	522,807,770
31 December 2019	506,265,741	4,765,891	4,080,070	7,696,068	522,807,770

(i) For the purpose of the consolidated financial statements, the company has elected to follow the cost model for the recognition and measurement of property, plant and equipment. In accordance with the provisions of the International Financial Reporting Standards, the company has elected to follow the cost model for the recognition and measurement of property, plant and equipment. The carrying amount of property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. The carrying amount of property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. The carrying amount of property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 4 Notes to the consolidated financial statements (continued)

#### (10) Fixed assets (continued)

(a) The following table shows the cost of fixed assets, accumulated depreciation, and net book value of fixed assets in the consolidated financial statements:

	2020	2019
Cost of fixed assets	34,129,808	26,587,185
Accumulated depreciation	6,525,635	7,767,122
Net book value of fixed assets		

## Notes to the Financial Statements

For the year ended 31 December 2024  
 (As approved by the Board of Directors)

### 4. Other non-current assets (continued)

#### (12) Right-of-use assets

	Buildings
31 December 2024	265,171,600
Accumulated depreciation	33,033,772
Net carrying amount	232,137,828
Balance carried forward from previous period (Note 5(1)(c))	4,528,666
Accumulated depreciation	(13,711,800)
31 December 2023	290,544,319
Accumulated depreciation	2,855,521
Impairment	33,116,514
31 December 2022	62,976,040
31 December 2021	227,568,279
31 December 2020	235,312,140



## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 4 Intangible Assets (continued)

#### (14) Goodwill

	31 December 2020	Decrease during the year (in \$)	31 December 2019
Goodwill			
Cost of acquisition	8,533,389		8,533,389
Impairment losses	(7,784,850)		7,784,850
Amortisation	(271,800)		9,271,800
Balance	22,87,331		22,987,331
Identifiable intangible assets	5,068,960		5,068,960
Acquisition costs	6,843,289		6,843,289
Cost of acquisition		11,822,030	11,822,030
Amortisation		(13,448,538)	13,448,538
Balance	2,390,403		2,390,403
Sub-total	62,880,222	25,270,568	88,150,590
Less: Liability for impairment			
Cost of acquisition	(8,533,389)		(8,533,389)
Balance		(8,111,603)	(8,011,603)
Sub-total	(8,533,389)	(8,111,603)	(16,544,992)
	54,346,633	17,258,665	71,605,598



# Notes to the Financial Statements

For the year ended 31 December 2020  
(As reported in the Annual Report 2020)

4. The company's financial statements are prepared on a going concern basis.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4. Other non-current assets and liabilities (continued)

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

(a) Deferred tax

	31 December 2020	
	Deductible temporary differences and deductible losses	Deferred tax assets
Accruals	122,695,044	30,673,761
Provision for doubtful debts	38,721,119	9,680,280
Share-based payment expense	16,899,060	4,224,765
Accelerated depreciation	126,654	31,664
Provision of interest-free loan and provision of interest-free payable	7,865,404	1,966,351
	<b>186,307,281</b>	<b>46,576,821</b>
Provision:		
Provision for doubtful debts (Note 10)		9,680,280
Provision for interest-free loan		36,896,541
		<b>46,576,821</b>

	31 December 2019	
	Deductible temporary differences and deductible losses	Deferred tax assets
Accruals	126,453,168	31,614,722
Provision for doubtful debts	40,520,180	10,130,060
Share-based payment expense	11,113,520	2,773,880
Accelerated depreciation	126,654	31,664
Provision of interest-free loan and provision of interest-free payable	5,346,351	1,336,588
Provision	200,000	50,000
	<b>185,037,113</b>	<b>46,275,914</b>
Provision:		
Provision for doubtful debts (Note 10)		10,520,467
Provision for interest-free loan		35,755,467
		<b>46,275,914</b>

## Notes to the Financial Statements

For the year ended 31 December 2020  
(A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P) (Q) (R) (S) (T) (U) (V) (W) (X) (Y) (Z)

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

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

(b) Deferred liabilities

	31 December 2020	
	Taxable temporary differences	Deferred tax liabilities
Appropriation of revenue	91,613,072	22,903,268
Provision for doubtful debts	8,516,685	2,129,171
	100,129,757	25,032,439
Provision:		
Provision for doubtful debts (provision)		2,572,269
Provision for doubtful debts		22,460,170
		25,032,439

	31 December 2019	
	Taxable temporary differences	Deferred tax liabilities
Appropriation of revenue	82,570,112	20,644,753
Provision for doubtful debts	1,174,622	472,365
	84,466,474	21,124,118
Provision:		
Provision for doubtful debts (provision)		2,455,167
Provision for doubtful debts		18,668,951
		21,124,118

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

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

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 4 Other non-current assets and liabilities (continued)

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

(\*) The table below shows the movement in the deferred tax assets and liabilities:

	31 December 2020	31 December 2019
20	-	8,646,75
21	8,766,673	5,838,726
22	11,852,360	6,37,80
23	651,018	1,62,585
24	9,667,426	0,338,718
25	20,307,646	
	<b>51,245,123</b>	<b>33,454,884</b>

#### (17) Other non-current assets

	31 December 2020	31 December 2019
Investment in subsidiaries	4,708,451	1,71,68
Investment (i)	14,000,000	
	<b>18,708,451</b>	<b>1,71,68</b>

(i) As at 31 December 2020, the balance of investment in subsidiaries of B14,000,000 is due from 15 April 2020 to 15 April 2022. The balance represents the investment in subsidiaries of the project completion and the cost of acquisition of the property, which is recorded in the consolidated financial statements (see Note 10).

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4 Provisions, contingent liabilities and commitments

#### (18) Provision for asset impairment and losses

	31 December 2019	Provision for 2020	Provision for 2019	31 December 2020
	€	€	€	€
Provision for bad debts of accounts receivable	27,033,033	23,414,275	(72,787)	33,907,606
Provision for bad debts of other receivables	12,148,415	1,413,055	(1,645,237)	4,813,513
Provision for impairment of goodwill	8,533,388	80,116,383		16,544,992
	48,585,077	32,855,383	(1,718,024)	55,266,111

#### (19) Short-term borrowings

	31 December 2020	31 December 2019
Short-term borrowings (net of (i))	312,500,000	20,000,000

- (i) As at 31 December 2019, the short-term borrowings consist of B2,000,000 bank overdraft, bank loan (secured by the property) and bank loan; the short-term borrowings consist of B0,000,000 bank overdraft, bank loan, bank loan; the short-term borrowings consist of B20,000,000 bank overdraft, bank loan, bank loan.

As at 31 December 2019 and 31 December 2020, the effective interest rate on short-term borrowings is 4.5%-5.22% and 4.35%-5.22% respectively.

#### (20) Accounts payable

The details of accounts payable by economic activities are as follows:

	31 December 2020	31 December 2019
Trade payables	54,689,668	65,881,555
3 months	9,659,122	7,473,325
6 months	4,105,307	1,381,011
1 year	571,326	0,680
2-3 years	252,094	4,816
over 3 years	296,410	20,613
	69,573,927	75,554,090

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4 Notes to the consolidated financial statements (continued)

#### (21) Contract liabilities

	31 December 2020	31 December 2019
Amounts from contract revenue	12,965,170	8,562,126

At 31 December 2020, the contract liability of B8,562,126 represents the amount of revenue recognized in advance of the performance of the related services, and is expected to be recognized over the next 12 months.

#### (22) Employee benefits payable

	31 December 2020	31 December 2019
Short-term employee benefits payable (a)	41,593,360	34,407,600
Employee contributions to defined pension plans (b)	1,191,773	1,522,587
	42,785,133	35,930,187

(a) Short-term employee benefits

	31 December 2020	31 December 2019	2020	2019	31 December 2020
Accruals, bonuses, and other benefits payable	33,064,488	27,802,888	2,261,600	(1,577,600)	40,453,010
Staff welfare	443,000	-	6,221,225	(6,647,005)	17,470
Social security contributions	813,536	1,271	838,145	(555,516)	1,115,436
Provision for vacation leave	716,324	1,002	624,221	(255,863)	1,103,684
Provision for sick leave	2,225	26	1,108	(208)	10,420
Provision for other leave	76,287	-	22,616	(7,571)	1,332
Provision for other benefits	5,615	-	14,352,645	(14,308,816)	7,444
Labour union funds for employee contributions	-	-	653,005	(653,005)	-
Short-term employee benefits	-	-	143,716	(143,716)	-
	34,407,600	817,164	30,235,588	(323,0587)	41,593,360

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 4 Notes to the Financial Statements (continued)

#### (22) Employee benefits payable (continued)

(b) Employee contribution payable

	31 December 2019	31 December 2020	Decrease/Increase	31 December 2020
	€	(€)	€	€
Basic pension contribution	1,553,111	17,132	8,610,000	1,166,779
Voluntary pension contribution	3,576	612	233,740	24,994
	1,556,687	17,744	8,843,740	1,191,773

(c) Defined benefit payable

None, as the company does not have any defined benefit pension schemes.

#### (23) Taxes payable

	31 December 2020	31 December 2019
Employee contribution payable	22,692,620	12,348,640
Income tax payable	4,826,592	623,370
Value Added Tax	1,990,173	582,600
Income tax payable	18,110,608	18,400,710
Total	49,046,555	33,400,000

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4 Other receivables and other assets (continued)

#### (24) Other payables

	31 December 2020	31 December 2019
Payable for project (i)	27,016,438	55,017,768
Payable to shareholders (note 8(5)(b))	12,870,241	28,417,713
0.1% (2020: 0.1%) (2019: 0.1%) of the issued share capital		
640 (2020: 640) (2019: 640) of the issued share capital		
		279,000,000

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4 Notes to the financial statements (continued)

#### (26) Long-term borrowings

	31 December 2020	31 December 2019
Bank and finance borrowings (a)	95,992,970	6,000,000
Bank prepayments (b)	18,000,000	
Less: unexpired portion of term borrowings (note 4(25))	(3,000,000)	(4,000,000)
	<b>110,992,970</b>	<b>2,000,000</b>

(a) As at 31 December 2020, the company's bank and finance borrowings consist of RMB5,992,970, of which RMB2,000,000 are bank and finance borrowings, and RMB3,992,970 are term borrowings (note 4(4)). The term borrowings are for 16 April 2020 to 16 April 2023. The bank and finance borrowings consist of RMB2,000,000 are bank and finance borrowings, and RMB3,992,970 are term borrowings, and RMB3,992,970 are term borrowings (note 4(4)). The term borrowings are for 31 December 2019 to 31 December 2024, and the repayment is by instalment for 2022. The bank and finance borrowings consist of RMB4,000,000 are bank and finance borrowings, and RMB3,992,970 are term borrowings, and RMB3,992,970 are term borrowings (note 4(4)). The term borrowings are for 11 October 2019 to 11 October 2022.

(b) As at 31 December 2020, the balance of the company's bank prepayments consist of RMB18,000,000 are prepayments 53.33% of the amount of the original amount of RMB2,000,000, and the bank and finance borrowings are RMB18,000,000 are term borrowings (note 4(4)). The term borrowings are for 11 October 2019 to 11 October 2027.

(c) As at 31 December 2020, the effective rate of term borrowings are 4.35% to 7.0% and (31 December 2019: 4.75% to 5.15%).

#### (27) Lease liabilities

	31 December 2020	31 December 2019
Lease liability	222,341,901	20,861,366
Less: unexpired portion of lease liability (note 4(25))	(32,540,617)	(27,532,171)
	<b>189,801,284</b>	<b>183,081,151</b>

As at 31 December 2020, the company's total lease liability balance is as follows:

As at 31 December 2020, the company's lease liability of lease contracts are as follows:

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4 Provisions and contingencies (continued)

#### (28) Provisions

	31 December 2019	Provision recognised	Provision released	31 December 2020
	RM	RM	RM	RM
Provision for litigation (i)	2,000,000		(2,000,000)	-

- (i) As at 31 December 2019, the amount of the provision for litigation (note 4(13)) was RM2,000,000. In 2020, the provision for litigation was released as the case was settled. As at 31 December 2020, the amount of the provision for litigation was RM3,872,000.

#### (29) Deferred income

	31 December 2020	31 December 2019
Deferred income	9,645,475	9,942,267

	31 December 2019	Provision recognised	31 December 2020	Accrued/Provision released
	RM	RM	RM	RM
Deferred income from projects				
Environmental projects of the parent company (i)	9,942,267	(9,632,800)	9,645,475	Accrued

- (i) The accrued income of RM9,632,800 for the environmental projects of the parent company recorded in the 2019 financial statements was released as the projects were completed. The amount of the accrued income was released as the projects were completed. The amount of the accrued income was released as the projects were completed.

#### (30) Share capital

	31 December 2019	Share issued	31 December 2020
	RM	RM	RM
Share capital (i)	75,000,000	(8,394,700)	74,605,300

- (i) In 2020, the company issued 8,394,700 shares of the parent company. At the end of the year, the company had issued 8,394,700 shares of the parent company.

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 4 Notes to the consolidated financial statements (continued)

#### (31) Capital surplus

	31 December 2019	Decrease during the year	Increase during the year	31 December 2020
Share premium (i)	775,643,317	1,680,633	(27,438,888)	749,889,082
Share-based payments (ii)	10,866,663	5,887,033	(0,806,333)	16,710,203
	38,155,465		(188,221)	37,967,244
	824,715,445	7,585,666	(27,734,582)	804,566,529

(i) The amount for the decrease in the share premium of capital surplus is 16,433,000, which has been recorded in the October 14 electricity revenue account. The share-based payments of B0,806,333 are the result of the share-based payments of the share premium. In addition, the electricity revenue account, 2020, B1,500,000 contributed to the decrease in the share premium.

The amount for the decrease in the share premium of capital surplus is 100,000, which is the result of the share-based payments of the share-based payments of the share premium. The share-based payments of the share premium are 100,000, which is the result of the share-based payments of the share premium. The share-based payments of the share premium are 100,000, which is the result of the share-based payments of the share premium. The share-based payments of the share premium are 100,000, which is the result of the share-based payments of the share premium.

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 4. Notes to the consolidated financial statements (continued)

#### (32) Surplus reserve

	31 December 2019	Appropriation recognized	Decrease recognized	31 December 2020
Surplus reserve	33,183,321	3,030,8		36,593,229

The accounts in the *Statement of Profit or Loss* of the Administration of the Institute, the profit is appropriated 10% of the profit for the year to the surplus reserve, the profit is appropriated to the surplus reserve according to the 10% of the net capital of the surplus reserve each year of the profit for the year of the Institute's capital and profit appropriation.

#### (33) Retained earnings

2020

2019

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 4 Revenue and cost of sales

#### (34) Revenue and cost of sales

	2020	
	Revenue	Cost
At beginning of year	978,466,160	701,039,798
At end of year	52,817,600	27,662,054
	<b>1,031,283,760</b>	<b>728,701,852</b>

	2020	
	Revenue	Cost
At beginning of year	7,348,663	616,183,633
At end of year	67,206	4,000,311
	<b>80,611,779</b>	<b>656,184,564</b>

(a) Revenue and cost of sales from operations

	2020	
	Revenue	Cost
From operations	222,586,930	194,543,819
From other operations	755,879,230	506,495,979
	<b>978,466,160</b>	<b>701,039,798</b>

	2020	
	Revenue	Cost
From operations	5,615,871	174,378,151
From other operations	587,873,792	441,785,818
	<b>7,348,663</b>	<b>616,183,633</b>

(i) Revenue and cost of sales from operations from other operations include revenue and cost of sales from other operations.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 4. Other economic activities and related items (continued)

#### (36) Expenses by nature

Expenses, including provisions, charges and miscellaneous expenses incurred in the ordinary course of business are as follows:

	2020	2019
Employee benefits	339,081,062	288,688,273
Travel and accommodation expenses	260,283,959	220,125,566
Depreciation	3,339,117	28,684,808
- of fixed assets	41,037,075	34,070,488
- of intangible assets	33,116,519	1,853,521
Amortisation of intangible assets	14,101,748	0,874,756
Amortisation of other intangible assets	35,549,405	34,886,665
(Costs incurred) and gains on disposal of non-current assets	4,382,432	2,335,000
- of disposal of non-current assets	44,513,962	35,004,416
- of disposal of intangible assets	19,138,805	18,580,005
- of disposal of other intangible assets	14,146,526	16,080,411
- of disposal of other intangible assets	24,081,462	17,325,000
- of disposal of other intangible assets	6,622,267	2,442,633
Amortisation of investments		
- of investments	800,000	2,000,000
- of investments	24,500	26,000
Loss on disposal of non-current assets	2,914,695	3,335,565
Gain on disposal of non-current assets	4,170,744	6,242,376
Office expenses	5,256,718	5,820,433
Share-based payments (costs)	5,887,603	5,005,526
Other	24,360,545	16,688,000
	882,809,144	733,513,800

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As reported in the consolidated financial statements)

### 4. Financial expenses – net (continued)

#### (37) Financial expenses – net

	2020	2019
Balance at the beginning of the year	20,173,820	17,231,667
18,820,000 (1,350,000) (1,851,710) 8(13,800) / 1,851,250 33(430,360)		

### Notes to the Financial Statements

For the year ended 31 December 2021  
 (As approved by the Board of Directors)

#### 4 Other income (continued)

##### (38) Other income (continued)

- (i) Account of proceeds from the sale of subsidiary for the year ended 31 December 2021 is in respect of the disposal of the share of HCC (a subsidiary of HCC) of HCC, the proceeds of which are B1,400,000, B88,000 and B80,000 from the sale of HCC on April 20, August 20 and September 20, respectively.
- (ii) The amount of proceeds from the disposal of Accelera is in respect of the disposal of HCC (the share of HCC) in the year ended 31 December 2021, the proceeds of which are B1,000,000 of the disposal of HCC for the disposal of HCC in 2021.
- (iii) Account of the proceeds from the disposal of the share of HCC of HCC (the share of HCC) in the year ended 31 December 2021 is in respect of the disposal of HCC (the share of HCC) in the year ended 31 December 2021, the proceeds of which are B1,000,000 of the disposal of HCC for the disposal of HCC in 2021.

##### (39) Investment losses/(income)

	2020	2021
Sale of investment of HCC (Note 4(7))	7,727,019	3,033,144
Investment loss/(income) in respect of investment in HCC (i)	34,663	(26,212,055)
Investment loss/(income) in respect of investment in HCC (ii)	(96,371)	(7,213,228)
Investment loss/(income) in respect of investment in HCC (iii)	-	(824,373)
	<b>7,665,311</b>	<b>(24,336,266)</b>

(i) Investment loss/(income) in respect of investment in HCC (i) is in respect of the disposal of HCC (the share of HCC) in the year ended 31 December 2021, the proceeds of which are B34,663.

## Notes to the Financial Statements

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

### 4 Other income, other gains and losses (continued)

#### (40) Gains from changes in fair value

	2020	2019
Value of properties held for sale (note 40)	476,174	1,099,116
Realised gains from disposal of properties held for sale (note 40)	6,123,049	87,546
	<b>6,599,223</b>	<b>1,186,662</b>

#### (41) Credit impairment losses

	2020	2019
Losses on balances of accounts receivable	23,341,488	2,356,414
Losses on balances of other receivables	(215,732)	8,899,000
Others	23,125,756	2,256,324

#### (42) Assets impairment losses

	2020	2019
Other impairment losses	8,011,603	

#### (43) Non-operating income

	2020	2019
Other income	59,275	2,750,433
Share of the economic profit of companies of which the Group has an associate		25,666,158
Income received from the disposal of properties	849,765	2,67,326
	<b>909,040</b>	<b>3,484,927</b>

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4 Other non-operating income and expenses (continued)

#### (44) Non-operating expenses

	2020	2019
Depreciation	8,537,428	2,87,277
Financial and other expenses	1,518,692	10,55,300
Impairment of other property	-	8,418,374
Impairment of other intangible assets	-	4,822,111
Other income (expense)	-	2,00,000
	845,825	4,23,682
	10,901,945	1,71,30,684

#### (45) Income tax expenses

	2020	2019
Income tax expense based on the tax rate	31,485,064	23,40,066
Deferred income tax	(2,536,393)	(6,113,877)
	28,948,671	17,28,189

The reconciliation of income tax expense based on the applicable tax rate on profit before income tax to income tax expense is as follows:

	2020	2019
Profit	87,904,215	55,522,077
Tax expense based on the applicable rate of 25%	21,976,054	13,880,519
Effect of tax rate changes	(391,588)	-
Other, expense and other tax benefits	4,889,834	2,741,475
Rate difference for prior period	(1,722,889)	-
Adjustment of each of the other items	(2,071,323)	(10,3,408)
Benefit of the other items	10,127,644	8,337,400
Impact of the other items	(3,859,061)	-
Other difference of other items	-	(6,624,000)
Tax expense	28,948,671	17,28,189

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4. Environmental and Social Data and Indicators (continued)

#### (46) Earnings per share

##### (a) Basic earnings per share

	2020	2019
Profit attributable to ordinary shareholders of parent company (B\$ million)	70,000,134	57,283,334
Dividend received by ordinary shareholders of parent company (B\$ million) (i)	72,452,438	730,000
Basic earnings per share (B\$)	0.97	0.78

(i) At the end of the year, for the purpose of calculating the weighted average number of 13.7 million shares, the dividend in the amount of 72,452,438 B\$ million was included in the calculation. At the end of the year, the dividend received by ordinary shareholders, according to the period of Account Settlement for Business Period of 71.5% of the total number of shares, the dividend received 72,452,438 B\$ million was included in the calculation of basic earnings per share of 0.97 B\$. The dividend received in the amount of 730,000 B\$ million was included in the calculation of basic earnings per share of 0.78 B\$.

##### (b) Diluted earnings per share

Diluted earnings per share is calculated based on profit attributable to ordinary shareholders of parent company adjusted by the potential ordinary shares which are convertible into ordinary shares. For the year ended 31 December 2020, profit attributable to ordinary shareholders of parent company adjusted by the potential ordinary shares is B\$700,134. The adjusted dividend received by ordinary shareholders is 72,824,553. The diluted earnings per share is B\$6. For the year ended 31 December 2019, profit attributable to ordinary shareholders of parent company adjusted by the potential ordinary shares is B\$57,283,334. The adjusted dividend received by ordinary shareholders is 730,270.66. The diluted earnings per share is B\$.77.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 4 Supplementary information to the cash flow statement (continued)

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

(a) Supplementary information to cash flow statement  
conducted for the period of cash flow for operating activities.

	2020	2019
Cash flow	58,955,544	38,227,618
Adjusted: Additions to cash	8,011,603	
Less: Additions to cash	23,125,756	2,256,324
Expenses of the year	41,037,075	34,070,48
Expenses of interest-bearing	33,116,519	2,85,521
Amortization of intangible	14,101,748	0,874,756
Amortization of other prepaid expense	35,549,405	34,88,665
(Gain)/Loss of disposal of the year, intangible asset, other intangible	(692,250)	(3,585,518)
Gain of currency exchange	(6,599,223)	(1,17,462)
Gain of the economic of contract of the year, the income of the year (operating)	-	(25,666,158)
Loss of disposal of other prepaid expense contracted	-	13,20,43
Intangible	26,805,140	27,18,834
Prepaid (income)	7,665,311	(24,336,266)
Share-based payment	5,887,603	5,0,526
Accrued interest	(303,792)	(0,3,72)
Accrued (income) expense	305,286	(5,02,876)
Accrued expense	(2,841,679)	(61,001)
Accrued income	(12,896,656)	(1,630,53)
Accrued operating	(19,356,716)	(24,652,0)
Accrued operating	(12,214,682)	(24,124,74)
Cash flow for operating activities	199,655,992	111,28,775

## Notes to the Financial Statements

For the year ended 31 October 2020  
(As approved by the Board of Directors)

### 4 Supplementary information to the cash flow statement (continued)

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

##### (a) Significant non-cash transactions (continued)

Significant non-cash transactions in the year ended 31 October 2020:

For the year ended 31 October 2020, significant non-cash transactions in the year ended 31 October 2020 are as follows:

	2020	2019
Interest-free receivables receivable		
(Note 4(12))	33,603,772	234,634,171
Dividends received		
	2020	2019
Shareholders' equity	200,092,665	164,514,000
(Less: Shareholders' equity)	(164,951,950)	(187,666,644)
Shareholders' equity/(receivable) cash	35,140,715	(22,152,644) b.e./receivable

## Notes to the Financial Statements

For the year ended 31 December 2020  
(A Note to the B Statement of the Company)

### 4 Supplementary information to the cash flow statement (continued)

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

(c) Details of the off-balance sheet items

	2020
Assets	2,653,61
Off-balance sheet assets	45,528,15
Liabilities	(25,888,6)
Off-balance sheet liabilities	(6,700,00)

(\*) Cash equivalents

	31 December 2020	31 December 2019
Cash		
Bank balances and cash equivalents	374,287	45,334
Time deposits	199,718,378	164,33,34
Time deposit balances and cash equivalents		
Time deposits	-	1,222
Cash equivalents of the company	200,092,665	164,51,0

## Notes to the Financial Statements

For the year ended 31 December 2022  
(As approved by the Board of Directors)

### 5. Financial reporting scope

The consolidated financial statements include Emilia (S.A.) and its subsidiaries (collectively, the Group) (as defined in Note 1) and are prepared in accordance with IFRS as issued by the IASB.

The Group includes the financial reporting scope of Emilia (S.A.) and its subsidiaries, including the following:

On 2 April 2022, the Group acquired 100% of the equity of Emilia (S.A.) (collectively, the Group) (as defined in Note 1) and its subsidiaries (collectively, the Group) (as defined in Note 1) for a total consideration of B\$900,000, of which B\$900,000 was paid in cash and B\$0 was paid in equity.

On 25 August 2022, the Group acquired 100% of the equity of Emilia (S.A.) (collectively, the Group) (as defined in Note 1) and its subsidiaries (collectively, the Group) (as defined in Note 1) for a total consideration of B\$900,000, of which B\$900,000 was paid in cash and B\$0 was paid in equity. The Group also acquired 52.5% and 38% of the equity of Emilia (S.A.) (collectively, the Group) (as defined in Note 1) and its subsidiaries (collectively, the Group) (as defined in Note 1) for a total consideration of B\$70,000 and B\$20,000, respectively. A total of B\$900,000 was paid for the equity. After that, the Group acquired 53.33% of the equity of Emilia (S.A.).

The Group includes the financial reporting scope of Emilia (S.A.) and its subsidiaries (collectively, the Group) (as defined in Note 1) and its subsidiaries (collectively, the Group) (as defined in Note 1) for a total consideration of B\$900,000, of which B\$900,000 was paid in cash and B\$0 was paid in equity. The Group also acquired 52.5% and 38% of the equity of Emilia (S.A.) (collectively, the Group) (as defined in Note 1) and its subsidiaries (collectively, the Group) (as defined in Note 1) for a total consideration of B\$70,000 and B\$20,000, respectively. A total of B\$900,000 was paid for the equity. After that, the Group acquired 53.33% of the equity of Emilia (S.A.).

## Notes to the Financial Statements

For the year ended 31 December 2020  
(A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P) (Q) (R) (S) (T) (U) (V) (W) (X) (Y) (Z)

### 5 Business combination involving enterprises not under common control

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

(a) Business combination involving enterprises not under common control

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	from the date of purchase to the end of the year
Company A	31 Dec 2020	8,000,000	53.33%	31 Dec 2020	Acquiree A	18,62,736	1,257,371	(12,786,80)	1,425,47
Company B	31 Aug 2020	12,51,03	100%	31 Aug 2020	Acquiree B	7,827,31	2,474,43	(227,3)	1,321,53

(b) Business combination involving enterprises not under common control

	2020	2019
	(RMB)	(RMB)
Business combination	8,000,000	
Life of fair value of net assets (100% (13))		12,51,03
Goodwill	8,000,000	12,51,03
Less: Share of fair value of identifiable intangible assets	(18,177,0)	4,635
Goodwill	11,823,0	13,448,538

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> December 2018  
(A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P) (Q) (R) (S) (T) (U) (V) (W) (X) (Y) (Z)

### 5 Business combination involving enterprises not under common control (continued)

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

(c) Details of the identifiable intangible assets acquired in the business combination:

(i) Goodwill (continued)

	Financial year ended 31 <sup>st</sup> Dec 2018	Financial year ended 31 <sup>st</sup> Dec 2017	Financial year ended 31 <sup>st</sup> Dec 2016
Identifiable intangible assets	4,06,40	4,06,40	7,80,325
Goodwill	60,310,47	60,310,47	40,02,44
Patents	842,56	842,56	1,10,038
Trade secrets			31,483
Human resources	2,250,67	2,250,67	2,356,833
Customer relationships	27,514,1	514,1	576,46
Technology developed internally	3,06,867	3,06,867	3,03,757
Identifiable intangible assets	325,06	325,06	1,354
Deferred tax assets	6,177	6,177	
Deferred tax liabilities	(36,82)	(36,82)	(3,01,277)
Accumulated losses	(2,557,7)	(2,557,7)	(3,614,442)
Other liabilities	(442,48)	(442,48)	(470,5)
Provision for doubtful debts	(4,230)	(4,230)	(581,572)
Deferred tax liabilities	(2,873)	(2,873)	(31,82)
Deferred tax liabilities	(6,70,000)		
Net assets	34,83,715	13,833,715	11,03,05
Less: Goodwill	(15,05,745)	(6,456,15)	(5,228,76)
Net assets identifiable	18,177,0	7,377,50	5,74,36

The above table details the identifiable intangible assets acquired in the business combination. The above approach is the result of the valuation of the identifiable intangible assets.

The above approach of the identifiable intangible assets is the result of the valuation of the identifiable intangible assets. The above approach is the result of the valuation of the identifiable intangible assets.

# Notes to the Financial Statements

For the year ended 31 December 2020  
(A B e. o e. i. e. e.)

## 5 Business combinations (continued)

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

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 6. Related parties

#### (1) Interest in subsidiaries

(a) Subsidiaries

Name of the subsidiaries/units	Type of entity	Major business location
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## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 6 Investment in subsidiaries (continued)

#### (1) Interest in subsidiaries (continued)

(a) Significant subsidiaries (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	
Energy Assets	LLC	China	China	Investment		75.00 %	Acquired
Energy Assets (China)	LLC	China	China	Investment		51.00 %	Acquired
Energy Assets (China) Investment Co., Ltd.	LLC	China	China	Investment		00.00 %	Acquired
Energy Assets (China) Investment Co., Ltd.	LLC	China	China	Investment		00.00 %	Acquired
Energy Assets Investment	Company	China	China	Investment		00.00 %	Acquired
Energy Assets (China) Investment Co., Ltd.	LLC	China	China	Investment		51.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		00.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		5.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Software development		00.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		60.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		51.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		65.38 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		51.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		40.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		64.55 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		65.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		00.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		53.33 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		00.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		00.00 %	Acquired
Energy Assets Investment Co., Ltd.	LLC	China	China	Investment		00.00 %	Acquired

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 6 Investment in subsidiaries (continued)

#### (1) Interest in subsidiaries (continued)

(b) Non-controlling interest

	31 December 2020	31 December 2019
Local subsidiary	19,893,809	
Overseas subsidiary	7,703,174	8,465,006
Shareholding of subsidiaries	6,994,726	11,640,006
Shareholding of subsidiaries	15,159,737	14,224,263
Shareholding of subsidiaries	11,764,309	10,903,338
Shareholding of subsidiaries	9,845,907	10,554,777
Shareholding of subsidiaries	11,262,400	12,660,647
Total	19,954,480	22,843,711
Total	102,578,542	97,242,255

(c) Subsidiaries in which the Group has non-controlling interest

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
Local subsidiary	40%	(106,191)	-	19,893,809
Overseas subsidiary	25%	935,474	-	15,159,737
Shareholding of subsidiaries	34%	783,971	-	11,764,309
Shareholding of subsidiaries	49%	(1,403,664)	-	11,262,400
		209,590	-	58,080,255

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 6 Investment in subsidiaries (continued)

#### (1) Interest in subsidiaries (continued)

##### (c) Subsidiaries in which the Group has a controlling interest (continued)

The following table shows the breakdown of the Group's investment in subsidiaries of the reporting date as follows:

	31 December 2020					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Electricity companies	11,379,262	41,840,261	53,219,523	3,485,000	-	3,485,000
Other operating entities	11,872,301	133,946,018	145,818,319	77,661,341	7,518,031	85,179,372
Electricity companies, Ltd.	33,174,567	18,979,615	52,154,182	17,553,274	-	17,553,274
Other operating entities	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
Electricity companies	-	(265,477)	(265,477)	5,014,560
Other operating entities	11,033,761	3,741,896	3,741,896	5,826,841
Electricity companies, Ltd.	4,214,044	2,305,796	2,305,796	7,499,276
Other operating entities	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

For the year ended 31 October 2020  
(As approved by the Board of Directors)

### 6 Investment in subsidiaries (continued)

#### (1) Interest in subsidiaries (continued)

##### (c) Subsidiaries in which the Group has a controlling interest (continued)

The following table shows the Group's interest in subsidiaries in which it has a controlling interest as at 31 October 2020:

	31 October 2019		31 October 2020		
	Carrying amount	Cost	Carrying amount	Cost	Goodwill
Group companies	0,723,571	136,658,700	147,382,411	8,774,533	9,700,646
Subsidiaries (continued)	0,000,652	5,857,088	0,158,360	6,661,700	37,800,155
Joint venture, Ltd.	42,473,411	9,525,522	51,823,533	21,840,521	21,840,521
Associate companies	11,360,133	3,834,413	51,250,426	15,228,118	0,182,114
Jointly controlled entities	180,2778	38,000,411	56,888,811	2,422,711	21,630,741
Investment companies	6,750,714	86,100,360	9,280,110	17,438,226	66,533,532
	99,500,666	300,871,800	400,412,531	144,440,577	145,761,888

#### (2)

	2019		2020	
	Carrying amount	Cost	Carrying amount	Cost
Group companies	3,418,154	2,447,811	2,447,811	27,033,527
Subsidiaries (continued)	14,527,800	(11,424,250)	(11,424,250)	(8,700,268)
Joint venture, Ltd.	3,890,118	(100,000)	(100,000)	3,842,343
Associate companies	14,644,462	(3,263,285)	(3,263,285)	4,311,374
Jointly controlled entities	160,440,222	(4,081,100)	(4,081,100)	(184,000)

## 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 investments of significant nature

	Major business location	Place of registration	Nature of business	Whether strategic to the Group's activities	Shareholding (%)	
					Direct	Indirect
( )						
						%
						%
						%

For the purpose of equity valuation of accounts receivable and other receivables.

(b) Significant investments of significant nature

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

## Notes to the Financial Statements

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

### 6 Interests in associates (continued)

#### (2) Interests in associates (continued)

(b) Jointly held subsidiaries of the Group (continued)

	2020	2020	2020
	Hangzhou Anken Information Technology	Chengdu Yining Hospital	Shanxi Shanda
Interest	37,414,435	10,078,842	19,503,386
Goodwill	(14,409,474)	(3,877,172)	1,491,929

(i) The Group's share of the net assets of the jointly held subsidiaries is based on the proportion of the share of the net assets of the subsidiaries. The Group's share of the net assets of the subsidiaries is based on the proportion of the net assets of the subsidiaries. The Group's share of the net assets of the subsidiaries is based on the proportion of the net assets of the subsidiaries.

(c) Significant subsidiaries of the Group

Share of the net assets of the subsidiaries (continued)

	2020	2019
Share of net assets of the subsidiaries	42,444,061	50,732,373
Share of net assets of the subsidiaries (continued)	(2,841,799)	(2,841,799)
Goodwill	(2,841,799)	(2,841,799)

(i) The Group's share of the net assets of the subsidiaries is based on the proportion of the net assets of the subsidiaries. The Group's share of the net assets of the subsidiaries is based on the proportion of the net assets of the subsidiaries.

### 7 Significant subsidiaries

The Group's significant subsidiaries are engaged in various businesses, including the provision of services, operation of facilities, and other activities. The Group's significant subsidiaries are engaged in various businesses, including the provision of services, operation of facilities, and other activities.

As at 31 December 2020, the Group's significant subsidiaries are engaged in various businesses, including the provision of services, operation of facilities, and other activities.



## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 8 Related party transactions (continued)

#### (4) Related party transactions

##### (a) Goods sold

The price of goods sold to the related parties of the Group is determined based on the market.

##### (b) Provision of services to related parties

	2020	2019
Interest income	3,000,000	3,000,000
Service fees	629,767	572,743
	3,629,767	3,572,743

##### (c) Lease

The following table summarizes the lease liabilities of the Group:

Year of end	Year of end	2020	2019
January	December	-	6,652,400

The lease liabilities are payable as follows:

	2020	2019
January	299,117	6,372,800

##### (d) Lease liabilities of related parties

	2020	2019
Lease liabilities of related parties	3,360	-
Lease liabilities (opening)	514,369	5,937,800
Lease liabilities (closing)	-	6,475,167
	517,729	6,475,167

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 8 Related party transactions (continued)

#### (4) Related party transactions (continued)

(e) Advances paid to related parties

	2020	2019
Liability	2,726,131	

(f) Equity received from related parties

	2020	2019
(i) from ABCD Pte Ltd (equity)	–	15,274,000
Share issue	–	2,800,000
	–	180,740,000

(g) Equity of related parties

	2020	2019
(i) from ABCD Pte Ltd (equity)	4,000,000	

(h) Share-based payments

	2020	2019
Share-based payments	5,041,695	4,500,000
Share-based payments	490,634	453,432
	5,532,329	4,953,432

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 8 Related party transactions (continued)

#### (4) Related party transactions (continued)

##### (i) Acceptance of subscription

	2020	2019
Share subscription	18,000,000	
Share subscription/Share repurchase	280,000,000	30,000,000
Share subscription/Share repurchase/Share repurchase	50,000,000	
Share repurchase/Share subscription	2,500,000	
Share repurchase/Share subscription/Share repurchase	75,000,000	2,000,000
Share repurchase	992,970	
	<b>426,492,970</b>	<b>32,000,000</b>

##### (j) Issuance of shares

	2020	2019
Share repurchase	-	1,112,78

Refer to the related party transactions for details of share repurchase, share subscription and share repurchase.

##### (k) Borrowing of related party

	2020	2019
Share of Fintech	-	1,000,000



## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 8 Receivables and payables (continued)

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

##### (b) Trade receivables

		31 December 2020	31 December 2019
Trade receivables	Statement of Financial Position	-	1,000
	Statement of Financial Position	-	80,000
		-	2,200,000
Payables	(Statement of Financial Position)		
	Trade receivables	-	15,000
	Trade receivables	4,074,900	4,232,754
	Trade receivables	-	1,015,500
	Statement of Financial Position	5,844,383	3,412,644
	Trade receivables	-	40,000
	Trade receivables	2,917,717	
	Trade receivables	-	2,800,000
	Statement of Financial Position	23,252	241,185
	Trade receivables	9,989	2,866
		12,870,241	28,417,13
Lease liability	Statement of Financial Position	5,665,172	6,754,366

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 8. Compensation of key management personnel (continued)

#### (6) Equity and interest of directors

(a) Board of Directors and Chief Executive

2020, the Board of Directors and Chief Executive are composed of:

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

## Notes to the Financial Statements

For the year ended 31 December 2023  
(As approved by the Board of Directors)

### 8 Share capital and share-based payments (continued)

#### (6) Equity and interest of directors (continued)

##### (a) Director of the company (continued)

2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007, 2006, 2005, 2004, 2003, 2002, 2001, 2000, 1999, 1998, 1997, 1996, 1995, 1994, 1993, 1992, 1991, 1990, 1989, 1988, 1987, 1986, 1985, 1984, 1983, 1982, 1981, 1980, 1979, 1978, 1977, 1976, 1975, 1974, 1973, 1972, 1971, 1970, 1969, 1968, 1967, 1966, 1965, 1964, 1963, 1962, 1961, 1960, 1959, 1958, 1957, 1956, 1955, 1954, 1953, 1952, 1951, 1950, 1949, 1948, 1947, 1946, 1945, 1944, 1943, 1942, 1941, 1940, 1939, 1938, 1937, 1936, 1935, 1934, 1933, 1932, 1931, 1930, 1929, 1928, 1927, 1926, 1925, 1924, 1923, 1922, 1921, 1920, 1919, 1918, 1917, 1916, 1915, 1914, 1913, 1912, 1911, 1910, 1909, 1908, 1907, 1906, 1905, 1904, 1903, 1902, 1901, 1900, 1899, 1898, 1897, 1896, 1895, 1894, 1893, 1892, 1891, 1890, 1889, 1888, 1887, 1886, 1885, 1884, 1883, 1882, 1881, 1880, 1879, 1878, 1877, 1876, 1875, 1874, 1873, 1872, 1871, 1870, 1869, 1868, 1867, 1866, 1865, 1864, 1863, 1862, 1861, 1860, 1859, 1858, 1857, 1856, 1855, 1854, 1853, 1852, 1851, 1850, 1849, 1848, 1847, 1846, 1845, 1844, 1843, 1842, 1841, 1840, 1839, 1838, 1837, 1836, 1835, 1834, 1833, 1832, 1831, 1830, 1829, 1828, 1827, 1826, 1825, 1824, 1823, 1822, 1821, 1820, 1819, 1818, 1817, 1816, 1815, 1814, 1813, 1812, 1811, 1810, 1809, 1808, 1807, 1806, 1805, 1804, 1803, 1802, 1801, 1800, 1799, 1798, 1797, 1796, 1795, 1794, 1793, 1792, 1791, 1790, 1789, 1788, 1787, 1786, 1785, 1784, 1783, 1782, 1781, 1780, 1779, 1778, 1777, 1776, 1775, 1774, 1773, 1772, 1771, 1770, 1769, 1768, 1767, 1766, 1765, 1764, 1763, 1762, 1761, 1760, 1759, 1758, 1757, 1756, 1755, 1754, 1753, 1752, 1751, 1750, 1749, 1748, 1747, 1746, 1745, 1744, 1743, 1742, 1741, 1740, 1739, 1738, 1737, 1736, 1735, 1734, 1733, 1732, 1731, 1730, 1729, 1728, 1727, 1726, 1725, 1724, 1723, 1722, 1721, 1720, 1719, 1718, 1717, 1716, 1715, 1714, 1713, 1712, 1711, 1710, 1709, 1708, 1707, 1706, 1705, 1704, 1703, 1702, 1701, 1700, 1699, 1698, 1697, 1696, 1695, 1694, 1693, 1692, 1691, 1690, 1689, 1688, 1687, 1686, 1685, 1684, 1683, 1682, 1681, 1680, 1679, 1678, 1677, 1676, 1675, 1674, 1673, 1672, 1671, 1670, 1669, 1668, 1667, 1666, 1665, 1664, 1663, 1662, 1661, 1660, 1659, 1658, 1657, 1656, 1655, 1654, 1653, 1652, 1651, 1650, 1649, 1648, 1647, 1646, 1645, 1644, 1643, 1642, 1641, 1640, 1639, 1638, 1637, 1636, 1635, 1634, 1633, 1632, 1631, 1630, 1629, 1628, 1627, 1626, 1625, 1624, 1623, 1622, 1621, 1620, 1619, 1618, 1617, 1616, 1615, 1614, 1613, 1612, 1611, 1610, 1609, 1608, 1607, 1606, 1605, 1604, 1603, 1602, 1601, 1600, 1599, 1598, 1597, 1596, 1595, 1594, 1593, 1592, 1591, 1590, 1589, 1588, 1587, 1586, 1585, 1584, 1583, 1582, 1581, 1580, 1579, 1578, 1577, 1576, 1575, 1574, 1573, 1572, 1571, 1570, 1569, 1568, 1567, 1566, 1565, 1564, 1563, 1562, 1561, 1560, 1559, 1558, 1557, 1556, 1555, 1554, 1553, 1552, 1551, 1550, 1549, 1548, 1547, 1546, 1545, 1544, 1543, 1542, 1541, 1540, 1539, 1538, 1537, 1536, 1535, 1534, 1533, 1532, 1531, 1530, 1529, 1528, 1527, 1526, 1525, 1524, 1523, 1522, 1521, 1520, 1519, 1518, 1517, 1516, 1515, 1514, 1513, 1512, 1511, 1510, 1509, 1508, 1507, 1506, 1505, 1504, 1503, 1502, 1501, 1500, 1499, 1498, 1497, 1496, 1495, 1494, 1493, 1492, 1491, 1490, 1489, 1488, 1487, 1486, 1485, 1484, 1483, 1482, 1481, 1480, 1479, 1478, 1477, 1476, 1475, 1474, 1473, 1472, 1471, 1470, 1469, 1468, 1467, 1466, 1465, 1464, 1463, 1462, 1461, 1460, 1459, 1458, 1457, 1456, 1455, 1454, 1453, 1452, 1451, 1450, 1449, 1448, 1447, 1446, 1445, 1444, 1443, 1442, 1441, 1440, 1439, 1438, 1437, 1436, 1435, 1434, 1433, 1432, 1431, 1430, 1429, 1428, 1427, 1426, 1425, 1424, 1423, 1422, 1421, 1420, 1419, 1418, 1417, 1416, 1415, 1414, 1413, 1412, 1411, 1410, 1409, 1408, 1407, 1406, 1405, 1404, 1403, 1402, 1401, 1400, 1399, 1398, 1397, 1396, 1395, 1394, 1393, 1392, 1391, 1390, 1389, 1388, 1387, 1386, 1385, 1384, 1383, 1382, 1381, 1380, 1379, 1378, 1377, 1376, 1375, 1374, 1373, 1372, 1371, 1370, 1369, 1368, 1367, 1366, 1365, 1364, 1363, 1362, 1361, 1360, 1359, 1358, 1357, 1356, 1355, 1354, 1353, 1352, 1351, 1350, 1349, 1348, 1347, 1346, 1345, 1344, 1343, 1342, 1341, 1340, 1339, 1338, 1337, 1336, 1335, 1334, 1333, 1332, 1331, 1330, 1329, 1328, 1327, 1326, 1325, 1324, 1323, 1322, 1321, 1320, 1319, 1318, 1317, 1316, 1315, 1314, 1313, 1312, 1311, 1310, 1309, 1308, 1307, 1306, 1305, 1304, 1303, 1302, 1301, 1300, 1299, 1298, 1297, 1296, 1295, 1294, 1293, 1292, 1291, 1290, 1289, 1288, 1287, 1286, 1285, 1284, 1283, 1282, 1281, 1280, 1279, 1278, 1277, 1276, 1275, 1274, 1273, 1272, 1271, 1270, 1269, 1268, 1267, 1266, 1265, 1264, 1263, 1262, 1261, 1260, 1259, 1258, 1257, 1256, 1255, 1254, 1253, 1252, 1251, 1250, 1249, 1248, 1247, 1246, 1245, 1244, 1243, 1242, 1241, 1240, 1239, 1238, 1237, 1236, 1235, 1234, 1233, 1232, 1231, 1230, 1229, 1228, 1227, 1226, 1225, 1224, 1223, 1222, 1221, 1220, 1219, 1218, 1217, 1216, 1215, 1214, 1213, 1212, 1211, 1210, 1209, 1208, 1207, 1206, 1205, 1204, 1203, 1202, 1201, 1200, 1199, 1198, 1197, 1196, 1195, 1194, 1193, 1192, 1191, 1190, 1189, 1188, 1187, 1186, 1185, 1184, 1183, 1182, 1181, 1180, 1179, 1178, 1177, 1176, 1175, 1174, 1173, 1172, 1171, 1170, 1169, 1168, 1167, 1166, 1165, 1164, 1163, 1162, 1161, 1160, 1159, 1158, 1157, 1156, 1155, 1154, 1153, 1152, 1151, 1150, 1149, 1148, 1147, 1146, 1145, 1144, 1143, 1142, 1141, 1140, 1139, 1138, 1137, 1136, 1135, 1134, 1133, 1132, 1131, 1130, 1129, 1128, 1127, 1126, 1125, 1124, 1123, 1122, 1121, 1120, 1119, 1118, 1117, 1116, 1115, 1114, 1113, 1112, 1111, 1110, 1109, 1108, 1107, 1106, 1105, 1104, 1103, 1102, 1101, 1100, 1099, 1098, 1097, 1096, 1095, 1094, 1093, 1092, 1091, 1090, 1089, 1088, 1087, 1086, 1085, 1084, 1083, 1082, 1081, 1080, 1079, 1078, 1077, 1076, 1075, 1074, 1073, 1072, 1071, 1070, 1069, 1068, 1067, 1066, 1065, 1064, 1063, 1062, 1061, 1060, 1059, 1058, 1057, 1056, 1055, 1054, 1053, 1052, 1051, 1050, 1049, 1048, 1047, 1046, 1045, 1044, 1043, 1042, 1041, 1040, 1039, 1038, 1037, 1036, 1035, 1034, 1033, 1032, 1031, 1030, 1029, 1028, 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233, 232, 231, 230, 229, 228, 227, 226, 225, 224, 223, 222, 221, 220, 219, 218, 217, 216, 215, 214, 213, 212, 211, 210, 209, 208, 207, 206, 205, 204, 203, 202, 201, 200, 199, 198, 197, 196, 195, 194, 193, 192, 191, 190, 189, 188, 187, 186, 185, 184, 183, 182, 181, 180, 179, 178, 177, 176, 175, 174, 173, 172, 171, 170, 169, 168, 167, 166, 165, 164, 163, 162, 161, 160, 159, 158, 157, 156, 155, 154, 153, 152, 151, 150, 149, 148, 147, 146, 145, 144, 143, 142, 141, 140, 139, 138, 137, 136, 135, 134, 133, 132, 131, 130, 129, 128, 127, 126, 125, 124, 123, 122, 121, 120, 119, 118, 117, 116, 115, 114, 113, 112, 111, 110, 109, 108, 107, 106, 105, 104, 103, 102, 101, 100, 99, 98, 97, 96, 95, 94, 93, 92, 91, 90, 89, 88, 87, 86, 85, 84, 83, 82, 81, 80, 79, 78, 77, 76, 75, 74, 73, 72, 71, 70, 69, 68, 67, 66, 65, 64, 63, 62, 61, 60, 59, 58, 57, 56, 55, 54, 53, 52, 51, 50, 49, 48, 47, 46, 45, 44, 43, 42, 41, 40, 39, 38, 37, 36, 35, 34, 33, 32, 31, 30, 29, 28, 27, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, 0.

Director	Shareholding	Options	Restricted Share Plan	Other

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 8 Compensation of key management personnel (continued)

#### (6) Equity and interest of directors (continued)

(a) Emoluments of executive directors (continued)

	2020	2019	
	Provision of director service to the Company or the subsidiaries	Provision of other services to the Company or the subsidiaries	Total
Emoluments of executive directors	–	1,363,735	1,363,735

	2020	2019	
	Provision of director service to the Company or the subsidiaries	Provision of other services to the Company or the subsidiaries	Total
Emoluments of executive directors	1,363,735	1,363,735	1,363,735

(i) The remuneration of executive directors is determined by the Board of Directors.

The remuneration of executive directors is determined by the Board of Directors, etc.

#### (7) The five individuals whose emoluments were the highest

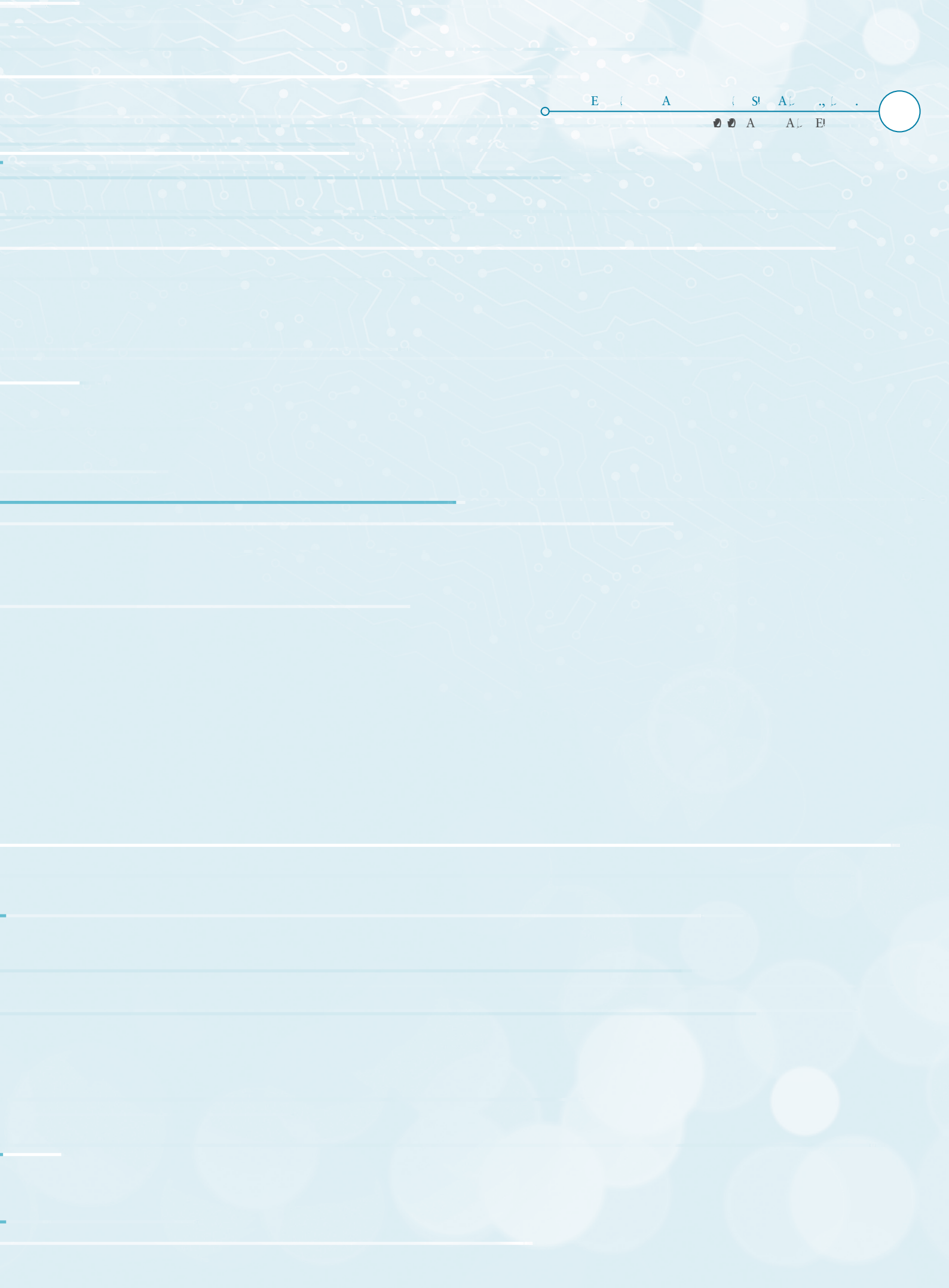
The five individuals whose emoluments were the highest for the year ended 31 December 2020 are the executive directors (i) whose emoluments are shown in the table below. The emoluments of the executive directors (ii) are as follows:

	2020	2019
Basic salary, bonus, and other benefits	4,449,720	3,744,211
Performance related pay	305,924	152,553
	4,755,644	3,896,764

	Headcount	
	2020	2019
Total:		
Below B50,000	3	5
B50,000 to B1,000,000	2	
	5	5









## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 13 Financial liabilities (continued)

#### (1) Market risk (continued)

##### (b) Interest rate

The company's interest rate risk arises from debt instruments bearing floating interest rates. Financial liabilities in respect of floating rate deposits and loans are exposed to the risk of changes in interest rates. Financial liabilities in respect of fixed rate deposits and loans are exposed to the risk of changes in the fair value of the instruments. At 31 December 2020, the company's debt instruments are categorized as follows:

Instrument	Interest rate	Carrying amount (31 December 2020)
Bank deposits	Fixed	B68,220

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 13 Financial risks (continued)

#### (2) Credit risk (continued)

The creditable risk of the receivables portfolio of the energy company, the power companies, power plants for the power production, the oil and gas companies and the other receivables of the company are not subject to a credit risk. The credit risk of the receivables portfolio is not subject to a credit risk. The credit risk of the receivables portfolio is not subject to a credit risk.

The creditable risk of the receivables portfolio of the power production companies is not subject to a credit risk. The credit risk of the receivables portfolio is not subject to a credit risk.

#### (3) Liquidity risk

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 13 Financial liabilities (continued)

#### (3) Liquidity risk (continued)

Bank borrowings and other borrowings are classified by expected maturity as follows:

	31 December 2020		31 December 2019	
	Bank borrowings	Other borrowings	Bank borrowings	Other borrowings
Less than 1 year	315,500,000	-	40,000,000	17,400,000
1-2 years	15,992,970	-	3,000,000	2,200,000
2-5 years	64,000,000	-	1,700,000	-
More than 5 years	31,000,000	-	-	-
	<b>426,492,970</b>	<b>-</b>	<b>45,000,000</b>	<b>19,600,000</b>

### 14 Financial guarantees

The financial guarantees are provided to the directors, employees, banks and other financial institutions of the Group to support the liquidity of the directors, employees and banks:

Letter 1: Guarantee (Guarantee) provided to the directors and employees.

Letter 2: Guarantee provided to the banks. The letter is provided to the directors and employees, and the directors and employees.

Letter 3: Guarantee provided to the banks.

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 14 Fair value measurement (continued)

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

As at 31 December 2020 and 31 December 2019, the following table shows the fair value measurement of the assets:

	31 December 2020		
	Level 1	Level 2	Level 3
Financial assets -			
- other financial assets	-	-	57,404,918
- other financial assets			
- real estate	-	-	107,804,936
- other	-	-	165,209,854
		31 December 2019	
	Level 1	Level 2	Level 3
Financial assets			
- other financial assets		9,000,000	51,281,866
- other financial assets			
- real estate			10,856,000
- other		9,000,000	162,137,666

For other financial assets, the appropriate measurement method of the fair value of the assets is determined by the company.

The company has adopted the fair value method for the real estate assets. The fair value of the real estate assets is determined by the company using the fair value method. The fair value of the real estate assets is determined by the company using the fair value method. The fair value of the real estate assets is determined by the company using the fair value method.

The fair value method of the real estate assets is determined by the company using the fair value method. The fair value of the real estate assets is determined by the company using the fair value method. The fair value of the real estate assets is determined by the company using the fair value method. The fair value of the real estate assets is determined by the company using the fair value method.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors on 18 February 2021)

### 14 Fair value measurement (continued)

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

Financial assets and liabilities measured at fair value are classified as follows: Level 1 – quoted prices in active markets for identical assets or liabilities; Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability; Level 3 – unobservable inputs for the asset or liability.

The difference between the carrying amount of financial assets and liabilities and their fair value is disclosed in the following table.

### 15 Capital management

The primary objective of capital management is to ensure the availability of sufficient capital to meet the company's operating and financial requirements, and to maintain a strong credit rating. The company's capital management strategy is to maintain a strong credit rating and to ensure that the company has sufficient capital to meet its operating and financial requirements.

The company's capital management strategy is to maintain a strong credit rating and to ensure that the company has sufficient capital to meet its operating and financial requirements. The company's capital management strategy is to maintain a strong credit rating and to ensure that the company has sufficient capital to meet its operating and financial requirements.

The company's capital management strategy is to maintain a strong credit rating and to ensure that the company has sufficient capital to meet its operating and financial requirements. The company's capital management strategy is to maintain a strong credit rating and to ensure that the company has sufficient capital to meet its operating and financial requirements.

As at 31 December 2020 and 31 December 2019, the company's capital management strategy is to maintain a strong credit rating and to ensure that the company has sufficient capital to meet its operating and financial requirements.

	31 December 2020	31 December 2019
Capital management	41.55%	41.42%



## Notes to the Financial Statements

For the year ended 31 December 2020  
 (As approved by the Board of Directors)

### 16 Notes to the consolidated financial statements

#### (1) Accounts receivable

	31 December 2020	31 December 2019
Accounts receivable	89,073,254	102,378,543
Less: provision for bad debts	(10,529,013)	(10,173,228)
	78,544,241	92,205,315

Accounts receivable are reported at their net realizable value.

(a) Breakdown of accounts receivable based on the economic activity of the debtor:

	31 December 2020	31 December 2019
Individuals	65,324,295	81,484,131
Legal entities	15,285,769	23,570,877
Government	8,461,922	4,748,652
Others	1,268	10,853
	89,073,254	110,814,513

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 16 Notes to accounts payable and receivable (continued)

#### (1) Accounts receivable (continued)

##### (b) Provision for bad debts

The provision for the allowance of accounts receivable is determined on the basis of the expected credit losses, the nature of the receivables and the historical experience of the company.

At 31 December 2020, the allowance for accounts receivable is determined on the basis of the expected credit losses (31 December 2019: B1,883,254).

(i) Accounts receivable is determined on the basis of the expected credit losses on the basis of the following:

	31 December 2020			31 December 2019		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Government	7,317,813	1%	73,178	9,440,38	1%	9,440
Government	38,694,940	4%	1,547,798	45,722,87	5%	2,286,14
Government	19,311,542	4%	772,462	25,455,551	6%	1,527,733
Government	15,285,769	20%	3,057,154	23,164,463	11%	2,551,611
Government	8,461,922	60%	5,077,153	3,622,35	0%	1,811,10
Government	1,268	100%	1,268	0,81	00%	0,81
Total	89,073,254		10,529,013	107,448,28		8,283,74

(ii) The amount of provision for bad debts is determined on the basis of B7,312,656 in the provision for bad debts recorded in the year.

(iii) The balance of accounts receivable is determined on the basis of B6,56,871, and the provision for bad debts is B6,56,871, which is determined on the basis of the year-end.

The allowance for accounts receivable is determined on the basis of the expected credit losses.

## Notes to the Financial Statements

For the year ended 31 December 2020  
 (Audited by BDO PricewaterhouseCoopers)

### 16 Other receivables (continued)

#### (2) Other receivables

	31 December 2020	31 December 2019
Trade receivables	518,639,070	50,614,238
Accounts receivable	4,671,223	11,524,615
Prepaid expenses	859,992	2,54,836
Others	609,392	10,703
	<b>524,779,677</b>	<b>574,100,292</b>
Less: Provision for bad debts	(3,105,773)	(10,444,800)
	<b>521,673,904</b>	<b>564,146,033</b>

(a) Breakdown of trade receivables as follows:

	31 December 2020	31 December 2019
0-1 year	276,741,017	215,775,738
1-2 years	88,671,969	243,448,245
2-3 years	147,314,919	108,745,871
Over 3 years	12,051,772	6,221,238
	<b>524,779,677</b>	<b>574,100,292</b>

(b) Provision for doubtful receivables

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 16 Other receivables and prepaid expenses (continued)

#### (2) Other receivables (continued)

(b) Provision for impairment losses on book value (continued)

(i) As at 31 December 2020, for other receivables under S 2e1, the impairment provision for bad debts is as follows:

	Book value	12-month ECL rate	Provision for bad debts
Provision for impairment losses:			
Advance	2,515,108	7%	176,058
Receivable from lease payable in the form of lease	23,987,265	5%	1,199,363
Receivable from lease payable in the form of lease (i)	494,651,805	-	-
Provision for impairment losses	859,992	3%	25,800
Other	609,392	1%	6,094
	522,623,562		1,407,315

(i) In the balance of impairment losses on receivables, the credit condition of the economic condition, the impairment loss rate of the lease receivable from lease payable in the form of lease, the provision for the impairment loss of receivable from lease payable in the form of lease.

(ii) As at 31 December 2020, the provision for impairment losses on receivables under S 2e2.

(iii) As at 31 December 2020, for other receivables under S 2e3, the impairment provision for bad debts is as follows:

	Book value	Lifetime ECL rate	Provision for bad debts
Provision for impairment losses:			
Impairment loss on receivables (see 4(3)(b)(iii))	2,156,115	79%	1,698,458
	2,156,115		1,698,458

(c) 2020, other receivables of B7,115,100 are listed off balance sheet.

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 16 Long-term equity investment (continued)

#### (3) Long-term equity investment

	31 December 2020	31 December 2019
Subsidiary (a)	420,377,432	Ø 5,477,432
Associate (b)	33,465,928	32,153,227
	453,843,360	337,636,659

The above information is a summary of the details of the long-term equity investment.

#### (a) Subsidiary

	31 December 2019	Additional investment for the year ended 31 December 2020	Disposal for the year ended 31 December 2020	31 December 2020
Energy Services (Pvt) Ltd.	32,000,000			32,000,000
Energy Services (Pvt) Ltd.	20,000,000			20,000,000
Energy Services (Pvt) Ltd.	27,400,000	9,750,000		37,150,000
Energy Services (Pvt) Ltd.	1,000,000			1,000,000
Energy Services (Pvt) Ltd.	500,000			500,000
Energy Services (Pvt) Ltd.	10,000,000			10,000,000
Energy Services (Pvt) Ltd.	1,600,000			1,600,000
Energy Services (Pvt) Ltd.	Ø 900,000	847,088	-	(Ø 847,088)
Energy Services (Pvt) Ltd.	34,627,432			34,627,432
Energy Services (Pvt) Ltd.	168,800,000	31,000,000		200,000,000
Energy Services (Pvt) Ltd.		30,000,000		30,000,000
Energy Services (Pvt) Ltd.		53,000,000		53,500,000
	Ø 5,477,432	125,747,088		420,377,432
			(Ø 847,088)	420,377,432

## Notes to the Financial Statements

For the year ended 31 December 2020  
(All amounts in B Maldivian Rufiyaa)

### 16 Non-current assets (continued)

#### (3) Long-term equity investment (continued)

(b) Analysis

	31 December 2019	Value added	Decrease in value	Share of profit/(loss) of investee	31 December 2020	Goodwill at end of year
Investment in subsidiaries						
Investment in subsidiaries	5,368,066	0,000,000	(4,022,778)		10,965,928	
Investment in associates	26,710,211		(23,346,663)	(3,756,358)	-	
Long-term equity investment		22,000,000			22,500,000	
	32,151,227	32,000,000	(23,346,663)	(8,158,636)	33,465,928	

#### (4) Fixed assets

	Buildings	Medical equipment	Motor vehicles	Electronic and other equipment	Total
Cost					
31 December 2019	326,101,267	37,367,314	3,101,636	18,431,551	385,001,746
Disposal	17,069,466	7,026,642	173,422	1,301,311	26,470,841
Impairment expense		(588,778)	(309,511)	(1,338,861)	(2,868,889)
Exchange rate effect	(1,825,787)				(1,825,787)
31 December 2020	324,117,426	43,881,878	2,983,619	17,801,979	388,784,902
Accumulated depreciation					
31 December 2019	37,533,353	23,366,900	2,382,088	11,966,727	74,749,488
Goodwill	2,114,133	5,054,432	180,666	2,721,543	17,530,774
Impairment expense		(576,381)	(323,111)	(1,844,854)	(2,745,154)
31 December 2020	46,167,486	28,295,943	2,256,663	12,873,416	89,593,508
Net book value					
31 December 2020	277,949,940	15,585,935	726,956	4,928,563	299,191,394
31 December 2019	288,567,914	14,000,414	768,128	6,434,022	309,770,538

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 16 Intangible assets (continued)

#### (4) Fixed assets (continued)

The expenditure of the year ended 31 December 2020 was B17,533,174 (2019: B17,115,400), which includes the cost of acquisition of land, development of land, leasehold improvements, and other intangible assets. The carrying amount of land, leasehold improvements, and other intangible assets at 31 December 2020 was B14,873,361, B300,552, B4,887 and B225,741, respectively (2019: B13,742,443, B3,370,641, B83 and B).

As at 31 December 2020 and 31 December 2019, there are no impairment losses.

For the year ended 31 December 2020, there are no impairment losses for the following categories of intangible assets (for the year ended 31 December 2019: B).

#### (5) Intangible assets

	Land use rights	Software	Contractual right to provide management service	Total
Cost				
31 December 2020	23,627,729	4,610,000		28,237,729
Less: Accumulated amortization		400,000	2,829,386	3,229,386
31 December 2020	23,602,729	5,039,090	2,829,386	31,471,205
Accumulated amortization				
31 December 2020	4,752,438	3,213,647		7,966,085
Decrease in carrying amount	470,554	60,216	4,207	1,121,477
31 December 2020	5,224,492	3,813,863	49,207	9,087,562
Carrying amount				
31 December 2020	18,378,237	1,225,227	2,780,179	22,383,643
31 December 2019	18,803,101	1,054,443		19,857,544

At 31 December 2020, the carrying amount of land use rights was B1,121,477 (2019: B2,677,181). At 31 December 2020, the carrying amount of land use rights was B253,627 and B867,801, respectively (2019: B1,733,231 and B883,581, respectively).

As at 31 December 2020 and 31 December 2019, there are no impairment losses.



## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 16 Retained earnings (continued)

#### (8) Retained earnings

Retained earnings at beginning of the year	200,462,672	182,130,303
After: Profit	34,039,077	30,828,866
Less: Appropriation of profit for the year	(3,403,908)	(3,088,287)
Retained earnings at end of the year	-	(11,323,000)
Retained earnings at end of the year	<b>231,097,841</b>	<b>200,462,672</b>

In accordance with the resolution of the Board of Directors

## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 16 Revenue and cost of sales (continued)

#### (9) Revenue and cost of sales (continued)

(a) Revenue and cost of sales from operations

	2020	
	Revenue	Cost
Pharmaceuticals	107,453,075	98,319,580
Revenue and cost of sales from other businesses	295,840,028	171,088,768
	403,293,103	269,408,348
	2019	
	Revenue	Cost
Pharmaceuticals	111,302,285	95,410,792
Revenue and cost of sales from other businesses	25,712,244	10,752,475
	371,014,529	266,171,554

(i) Revenue and cost of sales from pharmaceuticals and revenue and cost of sales from other businesses include revenue and cost of sales from the following:

(b) Revenue and cost of sales from operations

	2020	
	Revenue	Cost
Revenue and cost of sales from pharmaceuticals	9,576,790	4,170,935
Revenue and cost of sales from other businesses	1,481,575	1,450,832
Revenue	160,190	-
Cost	2,651,529	-
	13,870,084	5,621,767
	2019	
	Revenue	Cost
Revenue and cost of sales from pharmaceuticals	11,460,633	6,852,156
Revenue	20,171	-
Cost	1,30,127	-
	13,576,361	6,852,156



## Notes to the Financial Statements

For the year ended 31 December 2020  
(As approved by the Board of Directors)

### 16 Financial expenses – net (continued)

#### (10) Financial expenses – net

	2020	2019
Balance at the beginning of the year	16,578,305	7,215,776
Amortisation of recognised financial assets	-	1,841,00
Financial expenses	16,578,305	9,050,76
Less: Financial income	(15,041,897)	(2,427,741)
Exchange rate	258,603	642,578
Net	318,690	473,158
	2,113,701	7,740,71

#### (11) Expenses by nature

The following table shows the classification of expenses, the amount of financial expenses and the amount of expenses by nature. The amount of expenses is shown in the following table:

	2020	2019
Employee benefits	135,462,152	126,773,342
Administrative and other general expenses	131,582,583	122,00,005
Depreciation of fixed assets	17,539,174	17,115,40
Depreciation of intangible assets	1,346,017	42,156
Amortisation of intangible assets	1,121,477	2,677,18
Amortisation of other intangible assets	7,448,865	7,61,178
Cost of sales of property, plant and equipment	1,278,086	1,37,226
Financial expenses	13,522,767	13,641,04
Finance	6,707,463	70,6,646
Goodwill expense	2,491,617	2,60,386
Other fee	6,307,801	6,307,801

## Notes to the Financial Statements

For the year ended 31 December 2020  
(All amounts in B. S. Rupees in Lakhs)

### 16 Investment losses/(income)

#### (12) Investment losses/(income)

	2020	2019
Losses on disposal of equity investments	8,158,636	632,38
Losses on disposal of property, plant and equipment	34,663	138,5
Reversal of impairment losses	(96,371)	(2,132)
Interest income	-	(824,373)
	<b>8,096,928</b>	<b>(755,472)</b>

There are no significant risks of loss of investments in the year ended 31 December 2020.

#### (13) Credit impairment losses

	2020	2019
Losses on bad debts of accounts receivable	7,312,656	6,623,37
Losses on bad debts of other receivables	180,454	7,08,81
Total	<b>7,493,110</b>	<b>14,531,28</b>

#### (14) Income tax expenses

	2020	2019
Income tax expense based on the provisions		
Current tax expense	8,472,297	11,10,248
Deferred income tax	2,222,037	(6,4,424)
	<b>10,694,334</b>	<b>10,515,824</b>

The estimated provision for income tax expense is applicable at the rate of 25% on the profit before tax. The provision for income tax expense is as follows:

	2020	2019
On profit	44,733,411	42,58,60
Income tax expense applicable at the rate of 25%	11,183,353	10,64,672
On the provision for other tax expenses	865,025	42,16
Adjustment of the effect of the provisions	(1,354,044)	(563,08)
Income tax expense	<b>10,694,334</b>	<b>10,515,824</b>

# Definitions

- Articles** means the articles of association of the Company for the year ended 31 December 2021.
- Articles** means the articles of association of the Company, as amended, modified or replaced from time to time.
- Board** means the Board of Directors.
- Beijing Yinan Hospital, Ltd.** means Beijing Yinan Hospital, Ltd. (北京怡寧醫院有限公司), a company duly established in the People's Republic of China, on 17, 2015, of the People's Republic of China.



# Definitions

Legal Entity	April 21, 2021, between the applicable reference period of each financial reporting period and reporting period.
Linhai Kangning Hospital (Company)	Linhai Kangning Hospital (Company), Ltd. (臨海康寧醫院有限公司), according to the articles of association effective February 2, 2015, of the company's registration.
Luzhou Hospital (Company)	Luzhou Hospital (Company), Ltd. (台州市路橋慈寧醫院有限公司, previously known as Luzhou Hospital (Company), Ltd. (台州市路橋怡寧醫院有限公司)), according to the articles of association effective December 12, 2016, of the company's registration.
Special Audit	Special Audit Commission of the
Shareholder	Shareholder of the Securities and Exchange Commission of the People's Republic of China.
Nanjing Yining Hospital (Company)	Nanjing Yining Hospital (Company), Ltd. (南京怡寧醫院有限公司), according to the

## Definitions

<p>青田康寧醫院 (公司) Qingtian Kangning Hospital (Company)</p>	<p>青田康寧醫院有限公司 (Qingtian Kangning Hospital Co., Ltd.), a wholly owned subsidiary of the Company, incorporated on April 1, 2011, of the People's Republic of China.</p>
<p>衢州怡寧醫院 (公司) Quzhou Yining Hospital (Company)</p>	<p>衢州怡寧醫院有限公司 (Quzhou Yining Hospital Co., Ltd.), a wholly owned subsidiary of the Company, incorporated on December 15, 2015, of the People's Republic of China.</p>
<p>報告期 Report Period</p>	<p>December 31, 2017</p>
<p>董事會 Board of Directors</p>	<p>Board of Directors of the Company</p>
<p>本公司 The Company</p>	<p>the Company</p>
<p>SF 附則 Schedule</p>	<p>the Schedule of the Financial Statements (Article 571 of the Law of the People's Republic of China), prepared in accordance with the requirements of the Company</p>
<p>Share(s) 股份</p>	<p>Share(s) of the Company, in which the aggregate par value of the B100 shares of the Company is \$100 million (Share(s))</p>
<p>Share of(s) 股份</p>	<p>share(s) of the Share(s)</p>
<p>深圳怡寧醫院 (公司) Shenzhen Yining Hospital (Company)</p>	<p>深圳怡寧醫院有限公司 (Shenzhen Yining Hospital Co., Ltd. (Shenzhen Yining Hospital Co., Ltd.)), a wholly owned subsidiary of the Company, incorporated on September 22, 2014, of the People's Republic of China.</p>
<p>監事會 Board of Supervisors</p>	<p>Board of Supervisors of the Company</p>
<p>註冊地 Jurisdiction</p>	<p>the People's Republic of China (Article 622 of the Law of the People's Republic of China)</p>
<p>主要上市地 Main Listing Jurisdiction</p>	<p>the People's Republic of China (the Main Listing Jurisdiction)</p>
<p>特別委員會 Special Committee</p>	<p>Special Committee of the Special Committee</p>
<p>特別委員會 Special Committee</p>	<p>the Special Committee of the Special Committee</p>



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