

Morgan Stanley Asia Limited
46th Floor, International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

28 August, 2026

The Board of Directors

Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司)

Room 701, Block A, Building 7

Shenzhen International Innovation Hub

Dashi 1st Road

Xili, Nanshan District, Shenzhen

PRC

Dear Sirs,

Re: Consent to the issue of the prospectus of Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司) (the “Company”) in connection with the Global Offering

We refer to the prospectus of the Company dated 28 August, 2026 (the “Prospectus”) in connection with the Company's proposed global offering (the “**Global Offering**”) and the proposed listing of its H shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

We hereby give, and confirm that we have not withdrawn, (i) our consent to the issue of the Prospectus, with the inclusion therein of, and all references thereto, our name, qualifications and opinions, in the form and context in which they respectively appear in the Prospectus; and (ii) our consent to a statement of the aforesaid in the Prospectus.

We hereby consent to this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange. We also consent to this letter being made available on display as described in the section headed “Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display” in Appendix V to the Prospectus.

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For and on behalf of

Morgan Stanley Asia Limited



Name: Steven Li

Title: Executive Director

Huatai Financial Holdings (Hong Kong) Limited

62/F, The Center
99 Queen's Road
Central, Hong Kong

28 August, 2026

The Board of Directors

Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司)

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For and on behalf of

Huatai Financial Holdings (Hong Kong) Limited

A handwritten signature in dark ink, appearing to be 'Li Pan', is written over a horizontal line.

Name: Li Pan

Title: Executive Director



Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道 979 號
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Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

August 28, 2026

The Directors

Medcaptain Medical Technology Co., Ltd.

Dear Sirs,

Medcaptain Medical Technology Co., Ltd. (the "Company") and its subsidiaries (the "Group")

Listing on the Main Board of The Stock Exchange of Hong Kong Limited

We refer to the prospectus dated of the Company August 28, 2026 (the "Prospectus") in connection with the proposed initial listing of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited, a copy of which is attached and initialed by us on its front cover for the purpose of identification.

We hereby consent to the inclusion of our accountants' report dated August 28, 2026 on the historical financial information for the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026 and our accountants' report dated August 28, 2026 on the unaudited pro forma information as of March 31, 2026 in the Prospectus, and the references to our name in the form and context in which they are included.

This letter is solely being issued in connection with the filing of the Prospectus regarding the listing of the Company's H shares on The Stock Exchange of Hong Kong Limited and not for any other purpose.



Yours faithfully,


Certified Public Accountants
Hong Kong





深圳麥科田生物醫療技術股份有限公司
Medcaptain Medical Technology Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code : 2041

GLOBAL OFFERING

Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers

Morgan Stanley



华泰国际
HUATAI INTERNATIONAL

IMPORTANT

IMPORTANT: If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.

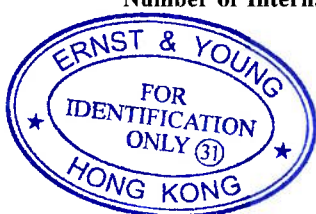


Medcaptain Medical Technology Co., Ltd. 深圳麥科田生物醫療技術股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	: 38,910,600 H Shares
Number of Hong Kong Offer Shares	: 3,891,100 H Shares (subject to reallocation)
Number of International Offer Shares	: 35,019,500 H Shares (subject to reallocation)
Offer Price	: HK\$15.42 per H Share, plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)
Nominal value	: RMB1.00 per H Share
Stock code	: 2041



*Joint Sponsors, Overall Coordinators, Joint Global Coordinators,
Joint Bookrunners, Joint Lead Managers*

Morgan Stanley

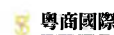
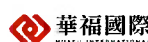


Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager



BNP PARIBAS

Joint Bookrunners and Joint Lead Managers



Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in "Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display" in Appendix V to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any other documents referred to above.

The Offer Price will be HK\$15.42 per Offer Share, unless otherwise announced. Applicants for the Hong Kong Offer Shares may be required to pay (subject to application channels), on application, the Offer Price of HK\$15.42 for each Hong Kong Offer Share together with brokerage fee of 1.0%, SFC transaction levy of 0.0027%, the AFRC transaction levy of 0.00015% and Hong Kong Stock Exchange trading fee of 0.00565%.

The Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may, with the consent of our Company, reduce the number of Offer Shares and/or the Offer Price below that stated in this prospectus (which is HK\$15.42) at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, notices of the reduction in the number of Offer Shares and/or the Offer Price will be published on our website at <https://www.medcaptain.com> and the Stock Exchange's website at www.hkexnews.hk not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. Further details are set forth in "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus. If applications for Hong Kong Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Hong Kong Public Offering, then such applications can be subsequently withdrawn if the number of Offer Shares and/or the Offer Price is so reduced.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. Such grounds are set out in "Underwriting". It is important that you refer to that section for further details.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold only (a) in the United States to "Qualified Institutional Buyers" in reliance on Rule 144A under the U.S. Securities Act or another exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and (b) outside the United States in offshore transactions in reliance on Regulation S.

ATTENTION

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk and our website at <https://www.medcaptain.com>. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

August 28, 2026

IMPORTANT

IMPORTANT NOTICE TO INVESTORS: FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Hong Kong Stock Exchange at www.hkexnews.hk under the “HKEXnews > New Listings > New Listing Information” section, and our website at <https://www.medcaptain.com>. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

To apply for the Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service	www.hkeipo.hk	Investors who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Friday, August 28, 2026 to 11:30 a.m. on Wednesday, September 2, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Wednesday, September 2, 2026, Hong Kong time.
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.	Investors who would not like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of this prospectus are identical to the printed prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an intermediary, broker or agent, please remind your customers, clients or principals, as applicable, that this prospectus is available online at the website addresses above.

IMPORTANT

Please refer to the section headed “How to Apply for Hong Kong Offer Shares” for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application must be for a minimum of 100 Hong Kong Offer Shares and in one of the numbers set out in the table. You are required to pay the amount next to the number you select.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Hong Kong Offer Shares you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer Shares.

If you are applying through the **HKSCC EIPO** channel, you are required to pre-fund your application based on the amount specified by your **broker** or **custodian**, as determined based on the applicable laws and regulations in Hong Kong.

No. of Hong Kong Offer Shares applied for	Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable ⁽²⁾ on application/ successful allotment
	HK\$		HK\$		HK\$		HK\$
100	1,557.55	2,500	38,938.78	30,000	467,265.32	600,000	9,345,306.42
200	3,115.09	3,000	46,726.53	40,000	623,020.43	700,000	10,902,857.49
300	4,672.65	3,500	54,514.29	50,000	778,775.54	800,000	12,460,408.55
400	6,230.21	4,000	62,302.04	60,000	934,530.64	900,000	14,017,959.64
500	7,787.76	4,500	70,089.79	70,000	1,090,285.75	1,000,000	15,575,510.70
600	9,345.30	5,000	77,877.56	80,000	1,246,040.86	1,500,000	23,363,266.06
700	10,902.86	6,000	93,453.07	90,000	1,401,795.96	1,945,500 ⁽¹⁾	30,302,156.07
800	12,460.41	7,000	109,028.57	100,000	1,557,551.06		
900	14,017.95	8,000	124,604.09	200,000	3,115,102.15		
1,000	15,575.51	9,000	140,179.60	300,000	4,672,653.21		
1,500	23,363.26	10,000	155,755.10	400,000	6,230,204.28		
2,000	31,151.02	20,000	311,510.21	500,000	7,787,755.36		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

No application for any other number of Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

EXPECTED TIMETABLE⁽¹⁾

If there is any change to the expected timetable of the Hong Kong Public Offering, we will issue an announcement on the respective websites of the Company at <https://www.medcaptain.com> and the Stock Exchange at www.hkexnews.hk.

The Hong Kong Public Offering commences 9:00 a.m. on Friday,
August 28, 2026

Latest time to complete electronic applications
under the **HK eIPO White Form**
service through the designated website
at www.hkeipo.hk⁽²⁾ 11:30 a.m. on Wednesday,
September 2, 2026

Application lists open⁽³⁾ 11:45 a.m. on Wednesday,
September 2, 2026

Latest time to (a) complete payment for
HK eIPO White Form applications by
effecting Internet banking transfer(s) or PPS
payment transfer(s) and (b) give
electronic application instructions to HKSCC⁽⁴⁾ 12:00 noon on Wednesday,
September 2, 2026

Application lists close⁽³⁾ 12:00 noon on Wednesday,
September 2, 2026

Announcement of the level of indications of interest
in the International Offering, the level of applications
in the Hong Kong Public Offering, and the basis of
allocation of the Hong Kong Offer Shares to be
published on the website of the Stock Exchange at
www.hkexnews.hk and the website of the Company
at <https://www.medcaptain.com> at or before 11:00 p.m. on Friday,
September 4, 2026

Results of allocations in the Hong Kong
Public Offering to be available through
a variety of channels as described in the
section headed “How to Apply for Hong Kong
Offer Shares — B. Publication of Results” from 11:00 p.m. on Friday,
September 4, 2026

H Share certificates in respect of wholly or
partially successful applications to be dispatched
or deposited into CCASS on or before⁽⁵⁾ Friday,
September 4, 2026

HK eIPO White Form e-Auto Refund payment
instructions/refund cheques in respect of
wholly or partially unsuccessful applications
to be dispatched on or before⁽⁶⁾ Monday,
September 7, 2026

EXPECTED TIMETABLE⁽¹⁾

Dealings in the H Shares on the Stock Exchange

expected to commence at 9:00 a.m. on Monday,
September 7, 2026

Notes:

- (1) All times and dates refer to Hong Kong local times and dates unless otherwise stated.
- (2) You will not be permitted to submit your application under the **HK eIPO White Form** service through the designated website at www.hkeipo.hk after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website at or prior to 11:30 a.m., you will be permitted to continue the application process by completing payment of application money until 12:00 noon on the last day for submitting applications, when the application lists close.
- (3) If there is a “black” rainstorm warning signal, a tropical cyclone warning signal number 8 or above and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Wednesday, September 2, 2026, the application lists will not open or close on that day. For further information, please refer to the section headed “How to Apply for Hong Kong Offer Shares — E. Bad Weather Arrangements” in this prospectus.
- (4) If you instruct your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** via CCASS terminals to apply for the Hong Kong Offer Shares on your behalf, you should contact your **broker** or **custodian** for the latest time for giving such instructions which may be different from the latest time as stated above.
- (5) H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date, which is expected to be on or around Monday, September 7, 2026, provided that the Global Offering becomes unconditional in all respects on or before then. Investors who trade H Shares on the basis of publicly available allocation details prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid do so entirely at their own risks.
- (6) **HK eIPO White Form** e-Auto Refund payment instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications. Part of the applicant’s identification document numbers, or, if the application is made by joint applicants, part of the identification document numbers of the first-named applicant, provided by the applicant(s) may be printed on the refund check, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant’s identification document numbers before encashment of the refund checks. Inaccurate completion of an applicant’s identification document numbers may invalidate or delay encashment of the refund checks.

The above expected timetable is a summary only. For details of the structure of the Global Offering, and the conditions and procedures for applications for Hong Kong Offer Shares, please read “Underwriting”, “Structure of the Global Offering” and “How to Apply for Hong Kong Offer Shares” carefully.

CONTENTS

IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

This prospectus is issued by us solely in connection with the Hong Kong Public Offering and the Hong Kong Offer Shares and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this prospectus pursuant to the Hong Kong Public Offering. This prospectus may not be used for the purpose of making, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Hong Kong Offer Shares in any jurisdiction other than Hong Kong and no action has been taken to permit the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus for purposes of a public offering and the offering and sale of the Hong Kong Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this prospectus to make your investment decision. The Hong Kong Public Offering is made solely on the basis of the information contained and the representations made in this prospectus. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not contained nor made in this prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, any of the Underwriters, the Capital Market Intermediaries, any of our or their respective directors, officers, employees, agents, or representatives of any of them or any other parties involved in the Global Offering.

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SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read the entire prospectus before you decide to invest in the Offer Shares.

There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed “Risk Factors.” You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We are a global medical device provider, serving clinical needs across a wide range of clinical departments, wards and offices within medical institutions, as well as community health centers, testing facilities and home care scenarios. As of March 31, 2026, our product portfolio included over (i) 60 life support products, (ii) 110 minimally invasive intervention products, and (iii) 150 in vitro diagnostics products, available in multiple models to accommodate diverse application needs. Our products have cumulatively reached over 140 countries and regions globally. In China, our products have cumulatively reached over 6,000 hospitals, including approximately 90% of Grade 3A (三級甲等) hospitals, covering 31 provinces, municipalities and autonomous regions.

Our success is rooted in our innovative research and development, or R&D, platform. By leveraging this platform, we efficiently develop and upgrade products across business units. By translating clinical insights into innovation, we ensure our innovative products are inspired by and effectively address real-world healthcare needs. Building on this foundation, we have established competitive advantages in each of our medical domains. According to CIC, we have achieved the following:

- **Life Support.** We have developed a series of innovative life support products, including among others, the world’s first remotely-controlled infusion system, and China’s first in-house developed multi-channel infusion workstation, infusion workstation compatible with magnetic resonance imaging, or MRI, environments, touchscreen infusion pump, touchscreen syringe pump and touchscreen enteral feeding pump. We (i) ranked first in China’s infusion workstation market in terms of sales value in each year from 2018 to 2025, and (ii) ranked first in China’s enteral feeding pump market in terms of sales value in each year from 2021 to 2025.
- **Minimally Invasive Intervention.** We are one of the few domestic brands in China with a proprietary endoscopic product portfolio, encompassing reusable and single-use endoscope systems, as well as related consumables. Among these, we (i) ranked among the top three by sales value in the China market for minimally invasive intervention consumables targeting the digestive system in each year from 2022 to 2025; and (ii) ranked among top five in the single-use cholangioscope market of China in terms of sales value in each year from 2023 to 2025.
- **In Vitro Diagnostics.** We launched the world’s first fully automated thromboelastography, or TEG, analyzer in 2021. We ranked among top five in China’s blood grouping device market in terms of sales value in 2025.

We have established a global footprint, with our medical device products distributed across the countries and regions in the Asia Pacific Area excluding Chinese Mainland, or APAC, Europe, Middle East and Africa, or EMEA, and the North America and South America, or AMER. During the Track Record Period, we had strategically positioned five R&D centers and six manufacturing centers across China and the UK. To enhance our international service capabilities, we have local representatives in strategic markets, including the UK, the Netherlands, Belgium, Turkey, India, Thailand, Indonesia, Mexico, Brazil and Colombia, enabling us to deliver timely and localized support to our global customer base. Backed by a strong global distribution network and regional service teams, we provide reliable sales and after-sales support across multiple time zones.

We have experienced overall growth during the Track Record Period as our revenue increased from RMB1,313.3 million in 2023 to RMB1,619.2 million in 2025, and from RMB354.7 million for the three months ended March 31, 2025 to RMB422.3 million for the three months ended March 31, 2026. Furthermore, our gross profit margin improved throughout the Track Record Period, from 49.6% in 2023 to 53.7% in 2025, and from 51.2% for the three months ended March 31, 2025 to 54.3% for the three months ended March 31, 2026. We achieved a profit turnaround in 2025, generating a net profit of RMB50.7 million. We recorded a net loss of RMB2.5 million for the three months ended March 31, 2026, primarily because we made share-based payments of RMB25.1 million under the Pre-IPO Share Option Scheme and incurred listing expenses of RMB12.5 million.

SUMMARY

OUR BUSINESS UNITS

We offer medical equipment and consumables across life support, minimally invasive intervention and in vitro diagnostics. The following table sets forth a breakdown of our revenue, gross profits and gross profit margins by business unit for the periods indicated:

	For the Year Ended December 31,									For the Three Months Ended March 31,					
	2023			2024			2025			2025			2026		
	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin
	Amount	Amount	%	Amount	Amount	%	Amount	Amount	%	Amount	Amount (Unaudited)	%	Amount	Amount	%
(RMB in thousands, except percentages)															
Life support	564,146	232,838	41.3	494,057	172,500	34.9	613,406	284,428	46.4	125,950	52,544	41.7	161,550	72,569	44.9
Minimally invasive intervention	586,545	324,125	55.3	721,327	416,078	57.7	812,207	482,694	59.4	187,570	110,174	58.7	208,619	128,858	61.8
In vitro diagnostics	162,606	94,473	58.1	183,977	106,494	57.9	193,539	102,538	53.0	41,223	19,077	46.3	52,153	27,777	53.3
Total	1,313,297	651,436	49.6	1,399,361	695,072	49.7	1,619,152	869,660	53.7	354,743	181,795	51.2	422,322	229,204	54.3

The following table sets forth a breakdown of our revenue by product for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(Unaudited)									
	(RMB in thousands, except percentages)									
Life support	564,146	43.0	494,057	35.4	613,406	37.9	125,950	35.5	161,550	38.3
Medication delivery	301,912	23.0	220,560	15.8	347,920	21.5	65,843	18.6	94,148	22.3
Anesthesia machine	195,130	14.9	209,622	15.0	163,868	10.1	41,669	11.7	35,190	8.3
Other life support products	67,104	5.1	63,875	4.6	101,618	6.3	18,438	5.2	32,212	7.6
Minimally invasive intervention	586,545	44.7	721,327	51.5	812,207	50.0	187,570	52.9	208,619	49.4
Products targeting digestive systems	554,109	42.2	687,274	49.1	763,923	47.0	177,008	49.9	201,214	47.6
Products targeting urological systems	32,436	2.5	34,053	2.4	48,284	3.0	10,562	3.0	7,405	1.8
In vitro diagnostics	162,606	12.3	183,977	13.1	193,539	12.1	41,223	11.6	52,153	12.3
Coagulation	64,656	4.9	57,555	4.0	47,837	3.0	11,247	3.2	14,531	3.4
Blood grouping	50,212	3.8	68,012	4.9	80,319	5.0	18,060	5.1	21,959	5.2
Chemiluminescence	18,576	1.4	25,366	1.8	30,484	1.9	6,455	1.8	8,025	1.9
Molecular diagnostics	29,162	2.2	33,044	2.4	34,899	2.2	5,461	1.5	7,638	1.8
Total	1,313,297	100.0	1,399,361	100.0	1,619,152	100.0	354,743	100.0	422,322	100.0

Life Support

Life support medical devices are predominantly utilized in the intensive care units, or ICUs, operating rooms and emergency rooms for the management and care of critically ill patients. As of March 31, 2026, we had established a comprehensive life support product portfolio, offering over 60 life support products, including (i) medication delivery products, (ii) anesthesia machines and vaporizers, and (iii) other life support products such as airway management, pulmonary function testing devices, deep vein thrombosis, or DVT, preventive pumps, vein illuminators, monitors, and veterinary life support products.

In 2025, the sales volumes of our key competitive life support products were (i) 91.5 thousand units of infusion and syringe pumps, (ii) 5.1 thousand units of infusion workstations, (iii) 6.0 thousand units of enteral feeding pumps, (iv) 1.3 thousand units of anesthesia machines, (v) 7.0 thousand units of vaporizers and (vi) 49.4 thousand units of venous thromboembolism, or VTE, prevention products.

Minimally Invasive Intervention

We are one of the few domestic brands in China with a proprietary endoscopic product portfolio, encompassing reusable and single-use endoscope systems, as well as consumables. Our minimally invasive intervention products are primarily used in the diagnosis and treatment of conditions relating to the digestive system, including the gastrointestinal, or GI, and hepatobiliary

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tracts, and the urological system. As of March 31, 2026, we had over 110 minimally invasive intervention products, including a wide range of products targeting the digestive system, as well as the ureteroscopy system and consumables in the diagnosis and treatment of conditions relating to the urological system.

In 2025, the sales volumes of our key competitive minimally invasive intervention products were (i) 18 million units of consumables for the digestive system, and (ii) 300 thousand units of other minimally invasive intervention consumables.

In Vitro Diagnostics

We offer a comprehensive portfolio of in vitro diagnostics products, including (i) TEG and conventional coagulation products, (ii) fully automated blood grouping analyzers designed for different application needs as well as a full range of compatible gel cards, (iii) chemiluminescent immunoassay (“CLIA”) testing analyzers and reagent kits, and (iv) molecular diagnostics equipment and testing kits. As of March 31, 2026, we had over 150 in vitro diagnostics products that support a testing menu of over 800 in vitro diagnostics test items, offering comprehensive diagnostic solutions for a wide range of testing needs.

In 2025, the sales volumes of our major in vitro diagnostics products were (i) 700 units of testing analyzers, (ii) 105 thousand units of gel cards, and (iii) 155 thousand units of testing kits.

In 2023, 2024 and 2025 and the three months ended March 31, 2026, our cost of sales primarily comprised (i) costs of raw materials, which represented 67.1%, 66.3%, 67.0% and 67.4% of our total cost of sales, respectively; (ii) manufacturing costs, which represented 23.5%, 24.9%, 24.2% and 23.6% of our total cost of sales, respectively; and (iii) direct labor costs, which represented 9.4%, 8.8%, 8.8% and 8.9% of our total cost of sales, respectively.

Product Pipeline

As of March 31, 2026, we had over 60 product candidates in the pipeline, including over 10 life support product candidates, over 30 minimally invasive intervention product candidates, and over 20 in vitro diagnostics product candidates.

MARKET OPPORTUNITIES AND COMPETITIVE LANDSCAPE

According to CIC, the medical device industries we primarily focused on have witnessed and are expected to maintain rapid growth. The life support medical device market is projected to further increase to US\$110.6 billion globally and RMB92.4 billion in China by 2030; the endoscopic minimally invasive intervention market is projected to further increase to US\$48.8 billion globally and RMB52.8 billion in China by 2030; and the in vitro diagnostics market is projected to further increase to US\$171.4 billion globally and RMB191.2 billion in China by 2030. In 2025, the top ten market players accounted for approximately 44.7%, 72.2% and 71.1% of the life support, minimally invasive intervention, and in vitro diagnostics markets in China, respectively, in terms of sales value. The identities of our key competitors vary by products. For details regarding our industry and competitive landscape, see “Industry Overview” in this prospectus.

OUR COMPETITIVE STRENGTHS AND STRATEGIES

We believe that the following competitive strengths contribute to our success and differentiate us from our competitors: (i) an integrated medical device provider with established presence across life support, minimally invasive intervention and in vitro diagnostics; (ii) comprehensive global value chain capabilities to drive sustainable expansion; (iii) robust R&D capabilities empowered by an integrated R&D platform; (iv) proven commercialization capabilities evidenced by expanding regional coverage and customer base; (v) proven track record of acquisitions and integrations to expand product portfolio and drive business growth; and (vi) visionary, dedicated and experienced management team and strong support from shareholders.

To achieve our vision, we plan to implement the following strategies: (i) further developing innovative products to strengthen our leadership; (ii) further enhancing our production capabilities and efficiency; (iii) further enhancing our global brand image with localized operations and international sales capabilities; (iv) seeking strategic acquisition and investment opportunities to further expand our business landscape; (v) further enhancing our R&D capabilities to rapidly achieve product upgrades and iteration; and (vi) attracting talent and optimizing our human resources system.

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SALES AND DISTRIBUTION

Sales Model

We have established an extensive sales network and distributed our products in over 140 countries and regions globally. During the Track Record Period, a substantial majority of our products were sold through distributors. To a lesser extent, we conducted direct sales to hospitals and other end customers, as well as engaged in sales of products to original design manufacturing, or ODM, customers outside China. The following table sets forth a breakdown of our revenue by sales channel for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except percentages)									
	(Unaudited)									
Sales to										
distributors . . .	1,151,837	87.8	1,179,828	84.3	1,345,014	83.1	314,034	88.5	371,610	88.0
ODM sales . . .	141,164	10.7	172,579	12.3	228,781	14.1	33,674	9.5	41,535	9.8
Direct sales . . .	20,296	1.5	46,954	3.4	45,357	2.8	6,945	2.0	9,177	2.2
Total	1,313,297	100.0	1,399,361	100.0	1,619,152	100.0	354,743	100.0	422,322	100.0

Sales to Distributors: During the Track Record Period, we maintained an extensive sales network. We had 2,538, 2,791, 2,773, 1,430 and 1,532 domestic distributors, and 907, 903, 934, 469 and 497 overseas distributors in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. The number of distributors is calculated based on their status as active or inactive, which is determined on whether we had sales in the year indicated and the preceding year. As of March 31, 2026, our distribution network covered 31 provinces, municipalities and autonomous regions in China, as well as over 140 countries and regions globally.

Direct Sales: We sell a portion of our products directly to hospitals and other end customers primarily in China and the UK. In 2023, 2024, 2025 and the three months ended March 31, 2026, our direct sales amounted to RMB20.3 million, RMB47.0 million, RMB45.4 million and RMB9.2 million, respectively, accounting for 1.5%, 3.4%, 2.8% and 2.2% of our total revenue for the respective periods.

ODM Sales: We also operate under an ODM model and sell a portion of our products directly to ODM customers outside China, most of which are overseas medical device companies with well-established brands in the relevant regional or local markets. Under this sales model, we are commissioned by our ODM customers to design, produce and supply products, which are ultimately sold under their brands. In 2023, 2024, 2025 and the three months ended March 31, 2026, we served 65, 87, 89 and 42 ODM customers, respectively, and our revenue generated from sales to ODM customers amounted to RMB141.2 million, RMB172.6 million, RMB228.8 million and RMB41.5 million, respectively, representing 10.7%, 12.3%, 14.1% and 9.8% of our total revenue for the respective periods.

For details of our sales models, see “Business — Sales, Distribution and Marketing”.

Pricing

During the Track Record Period, our sales channels included sales through distributors, direct sales, and sales to ODM customers, and our pricing policies varied by sales channel. Overall, in determining the prices of our products, we consider various factors, including the competitive advantages of our products, production costs, prices of competing products, differences in features between our products and those of competitors, and the target markets. The cost structure of our products primarily consists of raw material costs, direct labor costs and manufacturing costs, with raw materials being the principal component. Our pricing is also influenced by applicable medical device regulations, such as the Two-Invoice System. For details, see “Business — Pricing.” During the Track Record Period, we did not experience any material ex-factory price fluctuations in our major product categories.

CUSTOMERS AND SUPPLIERS

During the Track Record Period, we sold our products primarily through distributors. Our revenue generated from Chinese Mainland accounted for 61.6%, 55.0%, 51.7% and 53.6% of our total revenue in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. As of March 31, 2026, our products had been ultimately sold to over 6,000 hospitals in China, including approximately 90% of Grade 3A hospitals, covering 31 provinces, municipalities and autonomous

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regions in China. In addition, we generated 38.4%, 45.0%, 48.3% and 46.4% of our revenue from overseas sales in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. Our overseas customers primarily comprised distributors and a small number of direct customers. As of March 31, 2026, we had 497 active overseas distributors across EMEA, APAC and AMER regions, covering over 140 countries and regions worldwide. Except for Mexico which accounted for 7.2% of our revenue for the three months ended March 31, 2026, no single country or region outside Chinese Mainland accounted for more than 5.0% of our total revenue in any period during the Track Record Period. The end customers of our products were primarily hospitals and medical institutions. Revenue generated from our five largest customers accounted for 10.6%, 13.5%, 14.4% and 15.5% of our total revenue in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. Revenue generated from our largest customer accounted for 3.0%, 3.8%, 5.9% and 7.2% of our total revenue in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. For details, see “Business — Customers.”

During the Track Record Period, our suppliers mainly included suppliers of raw materials and components for medical equipment, providers of construction services and land providers for our manufacturing center. The raw materials and components we purchased primarily consisted of, among others, plastics, metals, sensors, and other product components. Purchases from our five largest suppliers accounted for 19.1%, 12.1%, 9.0% and 6.7% of our total purchases in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. Purchases from our largest supplier accounted for 8.9%, 3.6%, 2.2% and 2.3% of our total purchases in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. For details, see “Business — Raw Materials and Suppliers.”

RESEARCH AND DEVELOPMENT

We have established five R&D centers in Shenzhen, Changzhou, Nanjing, Shanghai, and the UK to support our product research and development activities. As of March 31, 2026, our in-house R&D team consisted of 502 members, accounting for 22.7% of our total workforce. Members of our R&D team are devoted to in-house development and innovation, while maintaining close communication with key opinion leaders, or KOLs, in academia and industry, who provide valuable guidance and insights in the research, development, applications and performance of our technologies and products. Our key information management systems include: (i) iCMS, an intelligent central system for hospital digital information management, (ii) iHLive, an information management system that focuses on the integration and management of in vitro diagnostics related data, facilitating accurate and timely diagnostic results; (iii) iSpiro, a respiratory chronic disease management system that focuses on continuous monitoring and management of chronic respiratory conditions, and (iv) ELFSensor, a pain management system that monitors pain management infusion status and medication efficacy. For details, see “Business — Research and Development.”

MANUFACTURING

We produce and assemble our products primarily at our manufacturing facilities. During the Track Record Period, we operated six manufacturing centers in Guangming District, Shenzhen, Guangdong Province, China; Pingshan District, Shenzhen, Guangdong Province, China; Abingdon, Oxford, U.K.; Changzhou, Jiangsu Province, China; Chongming District, Shanghai, China; and Changsha, Hunan Province, China, each specializing in specific areas of expertise. For details, see “Business — Manufacturing.”

Our production capacity is designed to be flexible and we periodically reallocate resources based on our internal assessment of sales performance in the prior year, expected order volumes, distributor engagement, and overall business planning. Leveraging shared production lines and workforce, we are able to dynamically adjust production capacity among different business units to align with market conditions and operational priorities. In 2024, we reduced the capacity allocated to our life support business unit, primarily due to a short-term adjustment in market demand. Adjustments in the capacity of other business units were also made in line with changes in expected sales volumes and order fulfillment requirements. These adjustments were part of our ordinary production planning process and were generally consistent with the revenue performance of each business unit during the Track Record Period. For details, see “Financial Information — Revenue — Revenue by Business Unit.” The overall utilization rates of our major product lines remained at high levels during the Track Record Period. For detailed analysis of the fluctuations of the utilization rates of our product lines, see “Business — Manufacturing.”

We are expanding our production capacity and upgrading our manufacturing facilities to support our increasingly diversified product pipeline and growing market demand. We are establishing a new R&D and manufacturing center in Changzhou, Jiangsu Province, with a planned gross floor area of 115,742 sq.m. As of March 31, 2026, certain production lines at this site had been completed and commenced operation. In addition, we are actively advancing other aspects of this site, such as equipment procurement, intelligent production line planning, and construction of

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supporting facilities. We expect the new center to enable us to further consolidate our existing production facilities and resources, streamline operational management, improve efficiency, and enhance synergies across our production lines. For details, see “Business — Manufacturing.”

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial information from our financial information for the Track Record Period, as extracted from the Accountants’ Report included in Appendix I to this prospectus. The summary financial information set forth below should be read together with, and is qualified in its entirety by reference to, our financial statements included elsewhere in this prospectus, including the related notes. Our financial information was prepared in accordance with IFRS.

Consolidated Statements of Comprehensive Profit or Loss

The following table sets forth our consolidated statements of comprehensive profit or loss for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except percentages)</i>									
	<i>(Unaudited)</i>									
Revenue	1,313,297	100.0	1,399,361	100.0	1,619,152	100.0	354,743	100.0	422,322	100.0
Cost of sales	(661,861)	(50.4)	(704,289)	(50.3)	(749,492)	(46.3)	(172,948)	(48.8)	(193,118)	(45.7)
Gross profit	651,436	49.6	695,072	49.7	869,660	53.7	181,795	51.2	229,204	54.3
Other income and gains	82,417	6.3	56,331	4.0	46,546	2.9	8,449	2.4	7,160	1.7
Selling and marketing expenses	(328,322)	(25.0)	(332,538)	(23.8)	(353,667)	(21.8)	(78,118)	(22.0)	(95,425)	(22.6)
Administrative expenses	(145,950)	(11.1)	(177,003)	(12.6)	(187,665)	(11.6)	(35,692)	(10.1)	(59,471)	(14.1)
Research and development expenses	(281,099)	(21.4)	(290,508)	(20.8)	(274,194)	(16.9)	(61,726)	(17.4)	(68,211)	(16.2)
Impairment on financial assets, net	(96)	0.0	(1,761)	(0.1)	(1,542)	(0.1)	(218)	(0.1)	(244)	(0.1)
Other expenses	(5,517)	(0.4)	(3,201)	(0.2)	(2,092)	(0.1)	(756)	(0.2)	(6,143)	(1.5)
Finance costs	(21,419)	(1.6)	(15,998)	(1.1)	(18,331)	(1.1)	(3,455)	(1.0)	(3,539)	(0.8)
Share of losses of an associate	(1,274)	(0.1)	(896)	(0.1)	—	—	—	—	—	—
(Loss)/profit before tax	(49,824)	(3.8)	(70,502)	(5.0)	78,715	4.9	10,279	2.9	3,331	0.8
Income tax expense	(14,684)	(1.1)	(26,115)	(1.9)	(27,977)	(1.7)	(5,056)	(1.4)	(5,858)	(1.4)
(Loss)/profit for the year/period	(64,508)	(4.9)	(96,617)	(6.9)	50,738	3.1	5,223	1.5	(2,527)	(0.6)
Attributable to:										
Owners of the parent	(63,709)	(4.9)	(96,400)	(6.9)	48,886	3.0	5,023	1.4	(3,100)	(0.7)
Non-controlling interests	(799)	(0.1)	(217)	0.0	1,852	0.1	200	0.1	573	0.1
	(64,508)	(4.9)	(96,617)	(6.9)	50,738	3.1	5,223	1.5	(2,527)	(0.6)

For details on the accounting treatment of redemption rights of the Pre-IPO Investors, and their financial impact, see “— Pre-IPO Investments” below and Note 34 to the Accountants’ Report in Appendix I to this prospectus. Our net loss increased from RMB64.5 million in 2023 to RMB96.6 million in 2024, primarily because our revenue growth moderated as market demand for life support products, which had been elevated in 2023, normalized in 2024. In 2025, we recorded a net profit of RMB50.7 million, primarily driven by sales growth across all business units, together with enhanced production and operational efficiency. For the three months ended March 31, 2026, we recorded a net loss of RMB2.5 million, primarily because we made share-based payments of RMB25.1 million under the Pre-IPO Share Option Scheme and incurred listing expenses of RMB12.5 million.

Non-IFRS Measures

To supplement our consolidated financial statements which are presented in accordance with IFRS, we also use certain non-IFRS financial measures, including adjusted profit/(loss) and adjusted EBITDA as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that such measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations in a manner consistent with how our management evaluates our business. However, these non-IFRS measures may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

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We define adjusted profit/(loss) for the period (non-IFRS measure) as the profit/(loss) for the period excluding share-based payment expenses and listing expenses. Share-based payment expenses are non-cash expenses arising from share awards granted to certain management personnel and employees and do not result in cash outflow. Listing expenses are expenses in relation to the Listing and the Global Offering. We define adjusted EBITDA (non-IFRS measure) as adjusted profit/(loss) for the period (non-IFRS measure) adding back net finance costs, income tax expense, depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets.

We therefore believe that adjusting these items provides potential investors and management with greater visibility to our operating results and financial performance, so that they can assess our underlying core performance undistorted. The following table reconciles our adjusted profit/(loss) (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) to the IFRS measures for the periods presented:

	For the Year Ended December 31,			For the Three Months Ended March 31,	
	2023	2024	2025	2025	2026
	(RMB in thousands, except percentages) (Unaudited)				
Profit/(loss) for the period	(64,508)	(96,617)	50,738	5,223	(2,527)
Add:					
Equity settled share-based payments	64,119	53,822	67,882	9,013	25,065
Listing expenses	1,616	17,750	9,899	858	12,485
Adjusted profit/(loss) for the period (non-IFRS measure)	1,227	(25,045)	128,519	15,094	35,023
Adjusted profit/(loss) margin (non-IFRS measure) (%) ⁽¹⁾	0.1	(1.8)	7.9	4.3	8.3
Add:					
Net finance costs	18,445	9,876	13,656	2,660	2,067
Income tax expense	14,684	26,115	27,977	5,056	5,858
Depreciation of property, plant and equipment	37,628	38,786	38,229	9,073	11,178
Depreciation of right-of-use assets	29,300	30,971	28,652	6,561	7,670
Amortization of intangible assets	48,900	52,522	52,816	13,660	13,479
Adjusted EBITDA (non-IFRS measure)	150,184	133,225	289,849	52,104	75,275
Adjusted EBITDA margin (non-IFRS measure) (%) ⁽²⁾	11.4	9.5	17.9	14.7	17.8

Notes:

- (1) Adjusted profit/(loss) margin (non-IFRS measure) is calculated by dividing the adjusted profit/(loss) (non-IFRS measure) by total revenue. We define adjusted profit/(loss) (non-IFRS measure) as the profit/(loss) for the period excluding share-based payment expenses and listing expenses.
- (2) Adjusted EBITDA margin (non-IFRS measure) is calculated by dividing the adjusted EBITDA (non-IFRS measure) by total revenue. We define adjusted EBITDA (non-IFRS measure) as the adjusted profit/(loss) (non-IFRS measure), adding back net finance costs and income tax expense or subtracting income tax benefits, and further adding back depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets.

In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our other income and gains amounted to RMB82.4 million, RMB56.3 million, RMB46.5 million, RMB8.4 million and RMB7.2 million, respectively, primarily consisting of (i) government grants income; (ii) bank interest income; (iii) investment income on investments classified as financial assets at FVTPL; (iv) investment income on investments classified as financial assets at FVOCI; (v) net foreign exchange gains; and (vi) fair value gains on financial assets at FVTPL.

We have achieved sustained business growth and reached profitability in 2025. Our Directors believe that this performance reflects the continued execution of our growth strategy and is underpinned by our commitment to product innovation, operational efficiency, and long-term value creation. Our revenue increased from RMB1,313.3 million in 2023 to RMB1,619.2 million in 2025, and our revenue increased from RMB354.7 million for the three months ended March 31, 2025 to RMB422.3 million for the three months ended March 31, 2026. Our gross profit margin improved from 49.6% in 2023 to 53.7% in 2025 and further to 54.3% for the three months ended March 31, 2026, reflecting a better product mix and improved economies of scale. In terms of profitability, we recorded a net profit of RMB50.7 million in 2025, compared with net losses of RMB64.5 million and RMB96.6 million in 2023 and 2024, respectively. We recorded a net loss of RMB2.5 million for the three months ended March 31, 2026 and our adjusted profit (non-IFRS measure) for the three months ended March 31, 2026 was RMB35.0 million. The net losses in 2023 and 2024 were primarily due to the broader challenging market environment, our continued investment in business expansion and product development, and the fact that our business had not yet reached sufficient scale to fully realize operating leverage, resulting in a relatively lower gross profit margin and

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higher expense ratios. However, our financial performance and core profitability improved substantially in 2025, driven by revenue growth, an improved product mix, greater economies of scale, enhanced sales efficiency and disciplined cost optimization, as our prior investments began to generate returns. Going forward, we will continue to streamline our development processes to improve overall capital efficiency. To control our selling and marketing expenses, we will continue to improve the productivity and operational efficiency of our sales team through continuous training, refined performance evaluation mechanisms, and more targeted sales strategies. To control our research and development expenses, we will focus our R&D resources and capital investments on high-priority and core initiatives that align with our commercialization strategy, dynamically reallocate our R&D personnel to our most critical projects, and strategically reduce the workload, material consumption and capital expenditures associated with non-core R&D initiatives.

Consolidated Statements of Financial Position

	As of December 31,			As of
	2023	2024	2025	March 31, 2026
	<i>(RMB in thousands)</i>			
Total non-current assets	1,933,474	1,956,129	1,994,843	1,976,379
Total current assets	822,089	848,832	936,241	965,012
Total assets	2,755,563	2,804,961	2,931,084	2,941,391
Total non-current liabilities	558,491	511,079	475,694	462,170
Total current liabilities	496,786	542,668	579,418	587,253
Total liabilities	1,055,277	1,053,747	1,055,112	1,049,423
Net current assets	325,303	306,164	356,823	377,759
Net assets	1,700,286	1,751,214	1,875,972	1,891,968

For details on the accounting treatment of redemption rights of the Pre-IPO Investors, and their financial impact, see “— Pre-IPO Investments” below and Note 34 to the Accountants’ Report in Appendix I to this prospectus. Our net assets increased from RMB1,700.3 million as of December 31, 2023 to RMB1,751.2 million as of December 31, 2024, in line with changes in our total equity, primarily reflecting (i) the issuance of shares of RMB92.3 million and (ii) equity-settled share-based payments of RMB53.8 million, partially offset by loss for the year of RMB96.6 million. Our net assets further increased to RMB1,876.0 million as of December 31, 2025 which was in line with changes in our total equity, primarily reflecting (i) equity-settled share-based payments of RMB67.9 million and (ii) profit for the year of RMB50.7 million. Our net assets further increased to RMB1,892.0 million as of March 31, 2026, in line with changes in our total equity, primarily reflecting equity-settled share-based payments of RMB25.1 million, partially offset by loss for the period of RMB2.5 million.

Consolidated Statements of Cash Flows

	For the Year Ended December 31,			For the Three Months Ended March 31,	
	2023	2024	2025	2025	2026
	<i>(RMB in thousands)</i>			<i>(Unaudited)</i>	
Net cash flows from/(used in) operating activities	64,845	183,350	203,794	(15,210)	38,047
Net cash flows used in investing activities	(260,424)	(118,345)	(89,775)	(94,925)	(34,080)
Net cash flows from/(used in) financing activities	127,272	(46,922)	(99,065)	31,999	24,743
Net (decrease)/increase in cash and cash equivalents	(68,307)	18,083	14,954	(78,136)	28,710
Cash and cash equivalents at beginning of the period	317,350	262,267	283,988	283,988	301,259
Effect of foreign exchange rate changes, net	13,224	3,638	2,317	2,233	(8,742)
Cash and cash equivalents at end of the period	262,267	283,988	301,259	208,085	321,227

SUMMARY

Key Financial Ratios

The table below sets forth the key financial ratios of our Group for the periods or as of the dates indicated:

	For the Year Ended/As of December 31,			For the Three Months Ended/As of March 31,
	2023	2024	2025	2026
Current ratio ⁽¹⁾	1.65	1.56	1.62	1.64
Quick ratio ⁽²⁾	1.18	1.14	1.16	1.21
Adjusted profit/(loss) margin (non-IFRS measure) (%) ⁽³⁾	0.1	(1.8)	7.9	8.3
Adjusted EBITDA margin (non-IFRS measure) (%) ⁽⁴⁾	11.4	9.5	17.9	17.8

Notes:

- (1) Current ratio represents current assets divided by current liabilities as of the same date.
- (2) Quick ratio represents current assets less inventories, divided by total current liabilities as of the same date.
- (3) Adjusted profit/(loss) margin (non-IFRS measure) is calculated by dividing the adjusted profit/(loss) (non-IFRS measure) by total revenue. We define adjusted profit/(loss) (non-IFRS measure) as the profit/(loss) for the period excluding share-based payment expenses and listing expenses.
- (4) Adjusted EBITDA margin (non-IFRS measure) is calculated by dividing the adjusted EBITDA (non-IFRS measure) by total revenue. We define adjusted EBITDA (non-IFRS measure) as the adjusted profit/(loss) (non-IFRS measure), adding back net finance costs and income tax expense or subtracting income tax benefits, and further adding back depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets.

OUR CONTROLLING SHAREHOLDERS

Mr. Liu, Mr. Zhong and Ms. Li entered into the Concert Party Agreement on November 18, 2020 to acknowledge and confirm their acting-in-concert relationship with respect to our Company. As of the Latest Practicable Date, Mr. Liu, Mr. Zhong and Ms. Li (1) held in aggregate 105,336,000 Class A Shares (representing approximately 21.08% of our total issued share capital) and (2) controlled through Ruixin Kangzhong LP, Juxian Kangzhong LP, Ruisen Kangzhong LP, Ruikun Kangzhong LP, Jucai Kangzhong LP, Ruiqian Kangzhong LP and Ruiyu Kangzhong LP an aggregate of 92,313,812 Class B Shares (representing approximately 18.47% of our total issued share capital), for which under the current WVR voting structure of our Company, our group of Controlling Shareholders controlled 79.14% of voting rights at general meetings of our Company (save and except for the Reserved Matters in relation to which each Class A Share and each Class B Share shall entitle its holder to one vote on poll). Upon completion of the Global Offering, our Company will unwind the WVR structure and our group of Controlling Shareholders will continue to control the exercise of the voting rights of 197,649,812 Shares, which represents approximately 36.70% of our total issued share capital (assuming that the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding). For further details, see “History, Development and Corporate Structure — Major Shareholding Changes of our Company — Our voting rights structure upon completion of the Global Offering” and “Relationship with our Controlling Shareholders”.

PRE-IPO INVESTMENTS

Our Company has conducted several rounds of Pre-IPO Investments from 2016 to 2024. See “History, Development and Corporate Structure — Pre-IPO Investments” for details of the principal terms of our Pre-IPO Investments and the identity and background of our Pre-IPO Investors.

Pursuant to the agreements entered into from February 2016 to March 2019 (collectively, the “**Agreements**”), our Company issued 140,800,000 ordinary shares to the Series A Investors, Series B Investors and the Series C Investors (collectively the “**Relevant Pre-IPO Investors**”) for a total net cash proceed of approximately RMB359,800,000 (collectively the “**Relevant Pre-IPO Investments**”). Pursuant to the Agreements, the Relevant Pre-IPO Investors were granted by our Company with certain special rights which included redemption rights, anti-dilution rights and liquidation rights (“**Relevant Special Rights**”). There was no exercise of the Relevant Special Rights granted by our Company throughout the Track Record Period. On June 26, 2025, our Company and the Relevant Pre-IPO Investors subsequently entered into a supplemental agreement, agreeing that the redemption rights and certain deemed liquidation events beyond our control

SUMMARY

granted by our Company to Relevant Pre-IPO investors have been irrecoverably terminated and shall be void ab initio. Taking into account the legal and regulatory framework of our Company's jurisdiction and the governing law of the supplemental agreement, the Directors considered that it is appropriate to present the Relevant Pre-IPO Investments as equity throughout the Track Record Period.

Had the Special Rights granted by our Company to the Relevant Pre-IPO Investors been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the supplemental agreements, (i) the redemption financial liabilities, total current liabilities, total non-current liabilities and net assets would have been:

	As of December 31,			As of March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Redemption financial liabilities . .	(512,713)	(545,877)	N/A (note 1)	(553,073)	N/A (note 1)
Total current liabilities	(1,009,499)	(1,088,545)		(1,182,007)	
Total non-current liabilities	(558,491)	(511,079)		(387,685)	
Net current liabilities	(187,410)	(239,713)		(334,809)	
Net assets	1,187,573	1,205,337		1,218,238	

; and (ii) the finance costs associated with the redemption financial liabilities, the net (losses)/profit for the years, basic and dilutive (losses)/earnings per share attributable to ordinary equity holders of the parent would have been:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Financial costs associated with the redemption financial liabilities .	(35,797)	(33,164)	(14,392)	(7,196)	N/A (note 1)
Total net (loss)/profit attributable to ordinary equity holders of the parent	(99,506)	(129,564)	34,494	(2,173)	
Basic and diluted (losses)/earnings per share	(0.21)	(0.26)	0.07	(0.01)	

Note:

- (1) As the Relevant Special Rights were terminated on June 26, 2025, the relevant disclosure does not apply to the consolidated statement of financial position as at December 31, 2025 and March 31, 2026, as well as the consolidated statement of profit or loss and other comprehensive income for the three months ended March 31, 2026.

For details, please refer to Note 34 to the Accountants' Report in Appendix I to this prospectus.

PRE-IPO SHARE OPTION SCHEME

Our Company has adopted a pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”). As at the date of this prospectus, our Company has granted outstanding share options under the Pre-IPO Share Option Scheme to subscribe for up to 23,897,500 H Shares, representing approximately 4.44% of the total issued share capital of our Company immediately following the Conversion of Unlisted Shares into H Shares and upon completion of the Global Offering (assuming the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding). Assuming full vesting and exercise of the outstanding Options, the shareholding percentage of our Shareholders immediately following the Listing would be diluted by approximately 4.25% as calculated based on 562,524,186 Shares then in issue. The principal terms of the Pre-IPO Share Option Scheme are summarized in “Appendix IV — Statutory and General Information — 5. Pre-IPO Share Option Scheme”.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK\$496.2 million, assuming an Offer Price of HK\$15.42 per H Share, after deducting the underwriting commissions and estimated expenses paid or payable by us in connection with the Global Offering.

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- Approximately 35.0%, or HK\$173.7 million, will be used for ongoing and planned R&D to further enrich our product lines to build a competitive portfolio;
- Approximately 20.0%, or HK\$99.2 million, will be used to develop our manufacturing centers to expand our production capacity, including investments in production facilities and upgrades of production lines;
- Approximately 20.0%, or HK\$99.2 million, will be used to further enhance our sales and marketing capabilities to support scalable business growth;
- Approximately 10.0%, or HK\$49.6 million, will be used to fund potential strategic investments and acquisitions globally that could complement and expand our product portfolio and technologies, and in turn further drive our business growth;
- Approximately 5.0%, or HK\$24.8 million, will be used to upgrade our IT infrastructure and digital platform; and
- Approximately 10.0%, or HK\$49.6 million, will be used for our working capital and other general corporate purposes.

See “Future Plans and Use of Proceeds” for further information.

APPLICATION FOR LISTING ON THE HONG KONG STOCK EXCHANGE

We have applied to the Stock Exchange for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering on the basis that we satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules, with reference to (i) our revenue for the financial year ended December 31, 2025, being RMB1,619.2 million (equivalent to HK\$1,777.6 million), which is over HK\$500 million; and (ii) our expected market capitalization at the time of the Listing of RMB7.2 billion (equivalent to approximately HK\$8.3 billion, based on the Offer Price of HK\$15.42 per H Share), which exceeds HK\$4 billion.

OFFERING STATISTICS

All statistics in the following table are based on the assumptions that (i) the Global Offering has been completed and 38,910,600 H Shares are issued pursuant to the Global Offering and (ii) the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding.

	Based on an Offer Price of HK\$15.42 per H Share
Market capitalization of our Shares ⁽¹⁾	HK\$8,305.6 million
Unaudited pro forma adjusted consolidated net tangible assets per Share ⁽²⁾	HK\$2.01

Notes:

- (1) The calculation of market capitalization of our Shares is based on 538,626,686 Shares expected to be in issue immediately following the completion of the Global Offering, assuming the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding. For details, see “Share Capital — Upon Completion of the Global Offering”.
- (2) The unaudited pro forma adjusted consolidated net tangible asset per Share is calculated after making the adjustments referred to in the preceding paragraphs and on the basis that 538,626,686 Shares were in issue, assuming that the Global Offering has been completed on March 31, 2026, assuming the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding.

DIVIDEND

No dividend was declared or paid by us during the Track Record Period. As of the Latest Practicable Date, we had not adopted a formal dividend policy or a fixed dividend distribution ratio. Any future determination to pay dividends will be made at the discretion of our Directors subject to our Articles of Association and the PRC Company Law, and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our Directors may deem relevant. As advised by our PRC Legal Advisor, no dividend shall be declared or payable, unless we have profits and reserves lawfully available for distribution. For details, see “Financial Information — Dividend.”

SUMMARY

LISTING EXPENSES

Our listing expenses mainly include (i) underwriting-related expenses, such as underwriting fees and commissions, and (ii) non-underwriting-related expenses, comprising professional fees paid to our legal advisers, Reporting Accountants and other professional parties for their services rendered in relation to the Listing and the Global Offering, and other fees and expenses. Listing expenses in relation to the Global Offering are estimated to be approximately RMB89.7 million (HK\$103.8 million) (including underwriting commission), at the Offer Price of HK\$15.42 per H Share. As of March 31, 2026, we incurred a total of RMB46.0 million (HK\$53.2 million) in listing expenses, of which RMB41.8 million was recognized in our consolidated statements of profit or loss, and RMB4.2 million was recognized in the consolidated statement of financial position to be accounted for as a deduction from equity upon Listing. We estimate that additional listing expenses of approximately RMB43.7 million (HK\$50.7 million) (including underwriting commissions and incentives of approximately RMB25.9 million (HK\$30.0 million), based on the Offer Price of HK\$15.42 per H Share) will be incurred by our Company, approximately RMB21.9 million (HK\$25.4 million) of which is expected to be charged to our consolidated statements of profit or loss, and approximately RMB21.8 million (HK\$25.2 million) of which is attributable to the issue of shares and will be deducted from equity upon Listing. Our listing expenses as a percentage of gross proceeds is 17.3%, at an Offer Price of HK\$15.42 per H Share. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

RISK FACTORS

Our operations and the Global Offering involve certain risks and uncertainties, which are set out in the section headed “Risk Factors” in this prospectus. You should read that section in its entirety carefully before you decide to invest in our H Shares. Some of the major risks we face include: (i) we may experience declines in market size, average selling prices and sales volume for our products, and our share of the markets in which we compete, which may materially and adversely affect our results of operations and financial condition; (ii) we may be unable to develop or successfully market new, commercially viable products and technologies or improve our existing products and technologies, in a timely manner, or at all; (iii) we face intense competition from both domestic and international competitors and may not be able to keep pace with the rapid technological changes in the medical device industry, which could have an adverse effect on our business, financial condition or results of operations; (iv) we are subject to the volume-based procurement scheme and the inclusion or exclusion of our products in the volume-based procurement scheme may affect the price, sales volume and accessibility of our products; (v) we may not be successful in the public tender process and lower bidding prices of our competitors and volume-based discounts and/or lower ex-factory prices offered by these competitors may undermine our position in the public tender process and in turn adversely impact our sales performance; and (vi) we are subject to an extensive and evolving medical device regulatory environment in different jurisdictions and regulatory regimes, such as the Two-Invoice System, which may impede or delay the approval or sale of our products.

COVID-19 IMPACT

The COVID-19 pandemic, which began in early 2020, affected markets worldwide through 2022, including in regions where we have business operations and where our customers, suppliers and business partners are located. In 2023, with the gradual normalization of on-site work, manufacturing activities and population mobility across China, hospitals adjusted their procurement schedules in anticipation of a recovery in patient inflow and procedural volumes. In particular, many public hospitals increased their procurement of life support equipment to replenish inventory levels and strengthen their emergency response capabilities, which contributed significantly to the growth in revenue from our life support products in 2023. In 2024, as hospitals continued to use equipment procured in the previous year, market demand for life support products normalized from the elevated level in 2023. As a result, our revenue from life support products decreased by 12.4%, from RMB564.1 million in 2023 to RMB494.1 million in 2024. Our revenue from life support products subsequently increased to RMB613.4 million in 2025. With the normalization of market conditions following the COVID-19 pandemic, we do not anticipate that the pandemic will have any further adverse impact on our business and financial performance. For related risks, see “Risk Factors — We face risks associated with public health crises, force majeure events, severe weather conditions, other natural disasters and geopolitical tensions which could significantly disrupt our business operations.”

SUMMARY

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Recent Development

On August 17, 2026, we received successful bid notices in respect of two parcels of land located in Guangming District, Shenzhen, with site areas of approximately 10,923 sq.m. and 9,834 sq.m., respectively. These two parcels of land are intended for manufacturing and office purposes.

No Material Adverse Change

Our Directors confirm that up to the date of this prospectus, there had been no material adverse change in our financial, operational or prospects since March 31, 2026, being the latest balance sheet date of our consolidated financial statements as set out in the Accountants' Report in Appendix I to this prospectus. In particular, since March 31, 2026, our revenue continued to increase. The revenue contribution from each of our three business units remained broadly consistent with their respective contributions for the first quarter of 2026, and the number of products offered in each business unit remained largely unchanged. Nevertheless, we expect our net profit for 2026 to decrease as compared with 2025, primarily due to equity-settled share-based payments and listing expenses.

Our research and development efforts have made meaningful progress since March 31, 2026 and we have continued to expand our product portfolio across our core business segments of life support, minimally invasive intervention and in vitro diagnostics. In particular, we achieved an important milestone in our minimally invasive intervention products with the NMPA approval of our electronic upper and lower GI endoscopes and our Supaera 50 Anesthesia System in our life support business unit has passed CE certification, which allows us to launch the product in the overseas markets. Together, these developments provide additional drivers for our future growth.

We believe the recent closure of the Strait of Hormuz and the resulting fluctuations in global oil prices are not expected to have a material adverse effect on our business operations, financial condition, or results of operations. This is primarily because plastic-related materials did not constitute a material component of our cost base during the Track Record Period representing only 6.8%, 5.7%, 6.9% and 6.9% of our total purchases in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, and therefore accounted for only a relatively small proportion of our total purchases. Furthermore, rather than directly procuring basic plastic particles that are more directly exposed to oil price volatility, we primarily procure processed injection-molded plastic components, which helps delay the pass-through of raw material price fluctuations and reduce their impact, and provides flexibility within our supply chain to absorb short-term price fluctuations. Supported by our proactive supply chain management, limited reliance on any single supplier, and early engagement with suppliers, we believe that the closure of the Strait of Hormuz and the related fluctuations in global oil prices are not expected to materially and adversely affect our raw material costs and our supply chain.

DEFINITIONS

In this prospectus, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below.

“Accountants’ Report”	the accountants’ report dated August 28, 2026, the text of which is set out in Appendix I to this Prospectus
“affiliate(s)”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AFRC”	Accounting and Financial Reporting Council
“AMER”	the North America and South America
“APAC”	countries and regions in the Asia Pacific Area excluding Chinese Mainland
“Articles” or “Articles of Association”	the articles of association of our Company adopted on August 25, 2025 with effect upon Listing (as amended from time to time), a summary of which is set out in Appendix III to this prospectus
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Baiyou Biotech”	Shenzhen Baiyou Biotechnology Co., Ltd. (深圳市百優生物科技有限公司), a limited liability company incorporated in the PRC on December 8, 2020, a wholly-owned subsidiary of Mabsky
“Board” or “Board of Directors”	the board of Directors of the Company
“Business Day”	a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
“Caring Medical”	Suzhou Caring Medical Co., Ltd. (蘇州國科美潤達醫療技術有限公司), a limited liability company incorporated in the PRC on October 23, 2014, a wholly-owned subsidiary of the Company
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Changzhou Hengke”	Changzhou Hengke Molding Technology Co., Ltd. (常州市恆可模塑科技有限公司), a limited liability company incorporated in the PRC on June 22, 2021, a wholly-owned subsidiary of Vedkang Medical

DEFINITIONS

“Changzhou Jinfurui”	Changzhou Jinfurui Medical Instrument Co., Ltd. (常州錦福瑞醫療器械有限公司), a limited liability company incorporated in the PRC on July 11, 2017, a wholly-owned subsidiary of Vedkang Medical
“Changzhou Jiuhong”	Changzhou Jiuhong Medical Instrument Co., Ltd. (常州市久虹醫療器械有限公司), a limited liability company incorporated in the PRC on July 28, 2003, a wholly-owned subsidiary of Vedkang Medical
“Changzhou Runpu”	Changzhou Runpu Electronics Co., Ltd. (常州潤樸電子有限公司), a limited liability company incorporated in the PRC on September 26, 2022, a wholly-owned subsidiary of Runpu Biotech
“China”, “Chinese Mainland” or “the PRC”	the People’s Republic of China which, for the purposes of this prospectus and for geographical reference only, excluding the regions of Hong Kong, Macau and Taiwan of the People’s Republic of China
“Class A Shares”	class A shares in the share capital of our Company prior to the Listing with a par value of RMB1.00 each, which used to confer weighted voting rights in our Company to their holders and will be re-designated as our H Shares or Unlisted Shares (as applicable) upon Listing
“Class B Shares”	class B shares of the share capital of our Company prior to the Listing with a par value of RMB1.00 each, which did not confer any weighted voting rights in our Company to their holders and will be re-designated as our H Shares or Unlisted Shares (as applicable) upon Listing
“CIC”	China Insights Industry Consultancy Limited
“CIC Report”	the industry report we commissioned CIC to prepare on the medical device market
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company” or “our Company”	Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司), formerly registered under the name Shenzhen Yusheng Medical Technology Co., Ltd. (深圳玉升醫療科技有限公司), a joint stock company with limited liability established in the PRC on April 26, 2011

DEFINITIONS

“Concert Party(ies)”	Mr. Liu, Mr. Zhong and Ms. Li, being parties to the Concert Party Agreement
“Concert Party Agreement”	the currently effective concert party agreement entered into among the Concert Parties dated November 18, 2020, the details of which are set out in “History, Development and Corporate Structure — Concert Party Arrangement”
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“connected transaction(s)”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules, and, unless the context requires otherwise, refers to Mr. Liu, Mr. Zhong, Ms. Li, Juxian Kangzhong LP, Ruisen Kangzhong LP, Ruikun Kangzhong LP, Jucai Kangzhong LP, Ruiqian Kangzhong LP, Ruiyu Kangzhong LP and Ruixin Kangzhong LP
“Conversion of Unlisted Shares into H Shares”	the conversion of 440,311,086 Unlisted Shares into H Shares upon the completion of Global Offering, as described in further detail in the section headed “Share Capital”
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“COVID-19”	a viral respiratory disease caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of our Company
“EIT Law”	the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》)
“EMEA”	Europe, Middle East and Africa
“ESG”	Environmental, Social and Corporate Governance
“EU”	European Union
“Extreme Conditions”	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
“FDA”	The Food and Drug Administration of the United States

DEFINITIONS

“FINI”	Fast Interface for New Issuance, a new digital platform through which IPO market participants and regulators can manage the end-to-end settlement process for new listings in Hong Kong
“GBP”	British pounds, the lawful currency of the United Kingdom
“General Rules of HKSCC”	General Rules of HKSCC published by the Stock Exchange and as amended from time to time
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Group”, “our Group”, “our”, “we”, or “us”	our Company and our subsidiaries (or our Company and any one or more of our subsidiaries, as the context may require)
“Guide”	the Guide for New Listing Applicants issued by the Stock Exchange as amended, supplemented or otherwise modified from time to time
“H Share(s)”	Share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are to be converted from Unlisted Shares or subscribed for under the Global Offering and to be traded in Hong Kong dollars and listed on the Hong Kong Stock Exchange
“H Share Registrar”	Tricor Investor Services Limited
“ HK eIPO White Form ”	the application for Hong Kong Offer Shares to be issued in the applicant’s own name by submitting applications online through the designated website at www.hkeipo.hk
“ HK eIPO White Form Service Provider”	the HK eIPO White Form service provider as designated by our Company as specified on the designated website at www.hkeipo.hk
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“ HKSCC EIPO ”	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant’s stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC’s FINI system to apply for the Hong Kong Offer Shares on your behalf
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly owned subsidiary of the HKSCC

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“HKSCC Operational Procedures”	the operational procedures of HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC’s services and the operations and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, as from time to time in force
“HKSCC Participant”	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong dollars”, “HK\$” or “HKD”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong Offer Shares”	the 3,891,100 H Shares being initially offered by us for subscription pursuant to the Hong Kong Public Offering (subject to reallocation as described in the section headed “Structure of the Global Offering” in this prospectus)
“Hong Kong Public Offering”	the offer for subscription of the Hong Kong Offer Shares to the public in Hong Kong, on and subject to the terms and conditions described in the section headed “Structure of the Global Offering” in this prospectus
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering as listed in the section headed “Underwriting” in this prospectus
“Hong Kong Underwriting Agreement”	the underwriting agreement dated August 26, 2026 relating to the Hong Kong Public Offering entered into by, among others, our Company, the Joint Sponsors, the Sponsor-Overall Coordinators and the Hong Kong Underwriters, as further described in “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Hong Kong Underwriting Agreement”
“Hualong Kangzhong LP”	Zhuhai Hualong Kangzhong Investment Partnership Enterprise (Limited Partnership) (珠海華隆康眾投資合夥企業(有限合夥)), a limited partnership established in the PRC on December 15, 2021, an employee share incentive platform of our Group
“Hunan Vedkang”	Hunan Vedkang Medical Science and Technology Co., Ltd. (湖南唯德康醫療科技有限公司), a limited liability company incorporated in the PRC on January 18, 2022, a wholly-owned subsidiary of Vedkang Medical

DEFINITIONS

“IFRS”	the International Financial Reporting Standards, which as collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards and Interpretations issued by the International Accounting Standards Board
“Independent Third Party(ies)”	any person(s) or entity(ies) which is not a connected person of our Company within the meaning of the Listing Rules
“Intermed”	Intermed Limited, a limited liability company incorporated in England and Wales on May 16, 2007, an indirect wholly-owned subsidiary of our Company and the holding company of Penlon
“International Offer Shares”	the 35,019,500 H Shares being initially offered by us for subscription under the International Offering (subject to reallocation as described in the section headed “Structure of the Global Offering” in this prospectus)
“International Offering”	the conditional placing of the International Offer Shares at the Offer Price (a) in the United States to QIBs in reliance on Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act or (b) outside the United States in offshore transactions in reliance on Regulation S, in each case on and subject to the terms and conditions described in the section headed “Structure of the Global Offering” in this prospectus
“International Sanctions Legal Advisor”	Hogan Lovells Cadwalader International LLP (formerly Hogan Lovells International LLP), our legal advisor as to International Sanctions laws in connection with the Listing
“International Underwriters”	the underwriters of the International Offering listed in the International Underwriting Agreement
“International Underwriting Agreement”	the underwriting agreement relating to the International Offering which is expected to be entered into on or around September 2, 2026 by the Company, the Controlling Shareholders, the Sponsor-Overall Coordinators and the International Underwriters
“Jiangsu Tuyun”	Jiangsu Tuyun Medical Technology Co., Ltd. (江蘇圖雲醫療科技有限公司), a limited liability company incorporated in the PRC on February 8, 2021, a non-wholly owned subsidiary of Vedkang Medical
“Joint Bookrunners”	the joint bookrunners as named in “Directors and Parties Involved in the Global Offering”
“Joint Global Coordinators”	the joint global coordinators as named in “Directors and Parties Involved in the Global Offering”

DEFINITIONS

“Joint Lead Managers”	the joint lead managers as named in “Directors and Parties Involved in the Global Offering”
“Joint Sponsors”	Morgan Stanley Asia Limited and Huatai Financial Holdings (Hong Kong) Limited
“Jucai Kangzhong LP”	Zhuhai Jucai Kangzhong Investment Enterprise (Limited Partnership) (珠海聚才康眾投資企業(有限合夥)), a limited partnership established in the PRC on August 20, 2020, an employee share incentive platform of our Group and one of our Controlling Shareholders
“Juxian Kangzhong LP”	Shenzhen Juxian Kangzhong Enterprise Management Partnership (Limited Partnership) (深圳聚賢康眾企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on November 27, 2015, an employee share incentive platform of our Group and one of our Controlling Shareholders
“Kanghong Consulting”	Shenzhen Kanghong Consulting Management Enterprise (Limited Partnership) (深圳市康泓諮詢管理企業(有限合夥)), a limited partnership established in the PRC on January 22, 2021 and an employee shareholding platform of our Company, the general partner of which is DOU Wenxiang (竇文祥)
“Latest Practicable Date”	August 21, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication
“Listing”	listing of our H Shares on the Main Board of the Stock Exchange
“Listing Committee”	the listing committee of the Hong Kong Stock Exchange
“Listing Date”	the date, expected to be on or about Monday, September 7, 2026, on which the H Shares are listed and on which dealings in the H Shares are first permitted to commence on the Hong Kong Stock Exchange
“Listing Rules” or “Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
“Mabsky”	Mabsky Biotech Co., Ltd. (深圳生科原生物有限公司), a limited liability company incorporated in the PRC on September 13, 2004, a wholly-owned subsidiary of our Company

DEFINITIONS

“Mabsky Technology”	Shenzhen Mabsky Technology Co., Ltd. (深圳生科原技術有限公司), a limited liability company incorporated in the PRC on August 1, 2024, a wholly-owned subsidiary of Mabsky
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Main Board”	the stock exchange (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operates in parallel with GEM of the Hong Kong Stock Exchange
“Medcaptain Brazil”	Medcaptain Medical Brazil LTDA, a company incorporated in Brazil with limited liability on January 21, 2026, an indirect wholly-owned subsidiary of our Company
“Medcaptain EU”	Medcaptain Europe B.V., a company incorporated in the Netherlands with limited liability on February 10, 2016, an indirect wholly-owned subsidiary of our Company
“Medcaptain HK”	Medcaptain Medical Technology (Hong Kong) Limited (麥科田醫療技術有限公司), a company incorporated in Hong Kong with limited liability on June 4, 2015, a wholly-owned subsidiary of our Company
“Medcaptain Jiangsu”	Jiangsu Medcaptain Medical Technology Co., Ltd. (江蘇麥科田醫療技術有限公司), a limited liability company incorporated in the PRC on July 15, 2025, a wholly-owned subsidiary of our Company
“Medcaptain Life Science”	Medcaptain Life Science Co., Ltd. (深圳麥科田生命科學有限公司), a limited liability company incorporated in the PRC on May 2, 2018, a wholly-owned subsidiary of our Company
“Medcaptain Sichuan”	Sichuan Medcaptain Medical Technology Co., Ltd. (四川麥科田醫療技術有限公司), a limited liability company incorporated in the PRC on June 17, 2025, a wholly-owned subsidiary of our Company
“Medcaptain Software”	Medcaptain Software Technology Co., Ltd. (深圳麥科田軟件技術有限公司), a limited liability company incorporated in the PRC on May 13, 2015, a wholly-owned subsidiary of our Company
“Medcaptain Turkey”	Medcaptain Istanbul Medikal Teknoloji Limited Şirketi, a company incorporated in Turkey with limited liability on April 15, 2026, an indirect wholly-owned subsidiary of our Company

DEFINITIONS

“Medcaptain UK”	Medcaptain UK Limited, a limited liability company incorporated in England and Wales on October 22, 2021, an indirect wholly-owned subsidiary of our Company
“MOF”	Ministry of Finance of the PRC (中華人民共和國財政部)
“MOFCOM”	Ministry of Commerce of the PRC (中華人民共和國商務部)
“Mr. Liu”	Mr. LIU Jie, the chairman of our Board, an executive Director and the general manager of our Company, one of the Concert Parties and our Controlling Shareholders, and the spouse of Ms. Li
“Mr. Zhong”	Mr. ZHONG Yaoqi (鍾要齊), the vice chairman of our Board, an executive Director and an executive vice president of our Company, one of the Concert Parties and our Controlling Shareholders
“Ms. Li”	Ms. LI Hui (李輝), a non-executive Director, one of the Concert Parties and our Controlling Shareholders, and the spouse of Mr. Liu
“M&A”	mergers and acquisitions
“NDRC”	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
“NMPA”	the National Medical Products Administration of the PRC (國家藥品監督管理局), successor to the China Food and Drug Administration or CFDA (國家食品藥品監督管理總局)
“Nomination Committee”	the nomination committee of our Board
“NPC”	the National People’s Congress of the PRC (中華人民共和國全國人民代表大會)
“Offer Price”	HK\$15.42, being the price per Offer Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027%, Hong Kong Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) at which the Offer Shares are to be subscribed for and issued pursuant to the Global Offering as described in the section headed “Structure of the Global Offering” in this prospectus
“Offer Shares”	the Hong Kong Offer Shares and the International Offer Shares
“Overall Coordinators”	the overall coordinators as named in “Directors and Parties Involved in the Global Offering”

DEFINITIONS

“Overseas Listing Trial Measures”	The Trial Measures for the Administration on Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) promulgated by the CSRC on February 17, 2023 and became effective on March 31, 2023
“PBOC”	the People’s Bank of China (中國人民銀行), the central bank of the PRC
“Penlon”	Penlon Limited, a limited liability company incorporated in England and Wales on July 23, 1996, an indirect wholly-owned subsidiary of our Company
“PRC Company Law”	the Company Law of the People’s Republic of China (中華人民共和國公司法)
“PRC Government”	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them
“PRC Legal Advisor”	Jia Yuan Law Offices, the PRC legal advisor to our Company
“Pre-IPO Investment(s)”	the investments made by the Pre-IPO Investors in our Company prior to the Global Offering as described in “History, Development and Corporate Structure — Pre-IPO Investments”
“Pre-IPO Investor(s)”	the investors in our Company prior to the Global Offering as described in “History, Development and Corporate Structure — Pre-IPO Investments”
“prospectus”	this prospectus being issued in connection with the Hong Kong Public Offering
“Qualified Institutional Buyers” or “QIBs”	qualified institutional buyers within the meaning of Rule 144A under the U.S. Securities Act
“Regulation S”	Regulation S under the U.S. Securities Act
“Relevant Persons”	the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries any of their or the Company’s respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board

DEFINITIONS

“Reserved Matters”	those matters the resolutions with respect to which, prior to the unwinding of the WVR structure, each Share was entitled to one vote at general meetings of the Company pursuant to the Articles of Association as set out in the section headed “History, Development and Corporate Structure — Joint Stock Company Reform and Establishment of the WVR Structure”
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Ruikun Kangzhong LP”	Zhuhai Ruikun Kangzhong Investment Enterprise (Limited Partnership) (珠海瑞坤康眾投資企業(有限合夥)), a limited partnership established in the PRC on August 19, 2020, an employee share incentive platform of our Group and one of our Controlling Shareholders
“Ruiqian Kangzhong LP”	Zhuhai Ruiqian Kangzhong Investment Enterprise (Limited Partnership) (珠海瑞乾康眾投資企業(有限合夥)), a limited partnership established in the PRC on August 21, 2020, an employee share incentive platform of our Group and one of our Controlling Shareholders
“Ruisen Kangzhong LP”	Shenzhen Ruisen Kangzhong Investment Enterprise (Limited Partnership) (深圳瑞森康眾投資企業(有限合夥)), a limited partnership established in the PRC on June 13, 2016, an employee share incentive platform of our Group and one of our Controlling Shareholders
“Ruixin Kangzhong LP”	Shenzhen Ruixin Kangzhong Investment Enterprise (Limited Partnership) (深圳瑞鑫康眾投資企業(有限合夥)), a limited partnership established in the PRC on March 11, 2020, an employee share incentive platform of our Group and one of our Controlling Shareholders
“Ruiyu Kangzhong LP”	Zhuhai Ruiyu Kangzhong Investment Enterprise (Limited Partnership) (珠海瑞鈺康眾投資企業(有限合夥)), a limited partnership established in the PRC on August 21, 2020, an employee share incentive platform of our Group and one of our Controlling Shareholders
“Rule 144A”	Rule 144A under the U.S. Securities Act
“Runpu Biomedical”	Shanghai Runpu Biomedical Technology Co., Ltd. (上海潤普生科醫學科技有限公司), a limited liability company incorporated in the PRC on June 24, 2015, a wholly-owned subsidiary of Runpu Biotech
“Runpu Biotech”	Shanghai Runpu Biotechnology Co., Ltd. (上海潤普生物技術有限公司), a limited liability company incorporated in the PRC on November 16, 2010, a wholly-owned subsidiary of our Company

DEFINITIONS

“SAFE”	State Administration of Foreign Exchange of the PRC (中國國家外匯管理局)
“SAMR”	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
“Securities and Futures Commission” or “SFC”	the Securities and Futures Commission of Hong Kong
“Securities Law”	the Securities Law of the PRC (中華人民共和國證券法), as amended, supplemented or otherwise modified from time to time
“Series A Financing”	the series A financing round of the Pre-IPO Investments, the principal terms of which are summarized in “History, Development and Corporate Structure — Major Shareholding Changes of our Company”
“Series B Financing”	the series B financing round of the Pre-IPO Investments, the principal terms of which are summarized in “History, Development and Corporate Structure — Major Shareholding Changes of our Company”
“Series C Financing”	the series C financing round of the Pre-IPO Investments, the principal terms of which are summarized in “History, Development and Corporate Structure — Major Shareholding Changes of our Company”
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	Unlisted Share(s) and H Share(s) in the capital of our Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s)
“Sponsor-Overall Coordinators”	the sponsor-overall coordinators of the Global Offering as named in “Directors and Parties Involved in the Global Offering”
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“Strategy and ESG Committee”	the strategy and environmental, social and governance committee of the Board
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Takeovers Code” or “Hong Kong Takeovers Code”	the Codes on Takeovers and Mergers and Share Buybacks issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Track Record Period”	the period comprising financial years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026
“Underwriters”	the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “U.S.”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“Unlisted Share(s)”	Share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are not subject to the Conversion of Unlisted Shares into H Shares and not listed on any stock exchange
“U.S. dollars”, “US\$” or “USD”	United States dollars, the lawful currency of the United States
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended, supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
“VAT”	value-added tax
“Vedkang Medical”	Jiangsu Vedkang Medical Science and Technology Co., Ltd. (江蘇唯德康醫療科技有限公司), a limited liability company incorporated in the PRC on October 15, 2012, a wholly-owned subsidiary of our Company
“WVR structure”	the weighted voting rights structure adopted by our Company in November 2020, with each Class A Share entitling its holder to ten votes and each Class B Share entitling its holder to one vote at general meetings, which will cease upon Listing
“Xinghaohui Biotech”	Hangzhou Xinghaohui Biotechnology Co., Ltd. (杭州興浩暉生物科技有限公司), a former wholly-owned subsidiary of our Company acquired by our Company in March 2021 and de-registered in September 2023

DEFINITIONS

“Zhuhai Huachang LP”	Zhuhai Huachang Kangzhong Enterprise Management Partnership (Limited Partnership) (珠海華昌康眾企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on March 11, 2022, an employee share incentive platform of our Group
“Zhuhai Huahong LP”	Zhuhai Huahong Kangzhong Enterprise Management Partnership (Limited Partnership) (珠海華鴻康眾企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on March 11, 2022, an employee share incentive platform of our Group
“Zhuhai Huamao LP”	Zhuhai Huamao Kangzhong Enterprise Management Partnership (Limited Partnership) (珠海華茂康眾企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on March 11, 2022, an employee share incentive platform of our Group
“Zhuhai Huasheng LP”	Zhuhai Huasheng Kangzhong Enterprise Management Partnership (Limited Partnership) (珠海華晟康眾企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on March 11, 2022, an employee share incentive platform of our Group
“Zhuhai Huaxing LP”	Zhuhai Huaxing Kangzhong Enterprise Management Partnership (Limited Partnership) (珠海華興康眾企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on March 11, 2022, an employee share incentive platform of our Group

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain technical terms used in this prospectus. As such, these terms and their meanings may not correspond to standard industry meanings or usage of these terms.

“211”	a national initiative launched in 1995 by the PRC Government to strengthen approximately 100 higher education institutions in key disciplines
“985”	a national initiative launched in 1998 by the PRC Government to promote the development of world-class universities in China
“APTT”	activated partial thromboplastin time
“CIS”	clinical information system, an integrated system for managing clinical work flows and patient health information across healthcare settings
“CLIA”	chemiluminescence immunoassay, a laboratory technique measuring the concentration of substances using light emission
“CT”	computed tomography, an imaging technique that uses X-rays and computer processing to produce detailed cross-sectional images of the body
“DERS”	dose error reduction system, implemented in medical devices to minimize medication dosing errors
“DNA”	deoxyribonucleic acid, the genetic material that stores hereditary information in living organisms
“dPCR”	digital polymerase chain reaction, a novel method for the absolute quantification of target nucleic acids
“drug library”	a comprehensive database containing information on medications, their uses, dosages, and interactions
“DSA”	digital subtraction angiography, a fluoroscopy technique used in interventional radiology to clearly visualize blood vessels in a bony or dense soft tissue environment
“DVT”	deep vein thrombosis, a condition where a blood clot forms in a deep vein, potentially life-threatening
“EMR”	endoscopic mucosal resection
“ERCP”	endoscopic retrograde cholangiopancreatography, a procedure to diagnose and treat problems in the liver, gallbladder, bile ducts, and pancreas
“ERP”	enterprise resource planning

GLOSSARY OF TECHNICAL TERMS

“ESD”	endoscopic submucosal dissection
“FIB”	fibrinogen, a glycoprotein complex, produced in the liver, that circulates in the blood of all vertebrates
“GI”	gastrointestinal
“HIS”	hospital information system, an integrated system for managing the administrative, financial and clinical aspects of a hospital
“ICU”	intensive care unit, a specialized hospital unit that provides continuous monitoring and advanced care for critically ill patients
“IV”	intravenous
“IVD”	in vitro diagnostic, a technique for performing tests on samples taken from the human body to detect diseases, conditions, or infections
“KOLs”	key opinion leaders, individuals whose knowledge, experience and professional standing influence others within a specific field
“MRI”	magnetic resonance imaging, a medical imaging technique using magnetic fields and radio waves to visualize internal body structures
“ODM”	original design manufacturing, where a manufacturer designs and manufactures a product which is specified by the customer and eventually marketed and sold under the customer’s brand name or under no specific brand
“OEM”	original equipment manufacturing, where a manufacturer manufactures a product in accordance with the design, specifications and requirements provided by the customers, and such product is marketed and sold under the customer’s brand name or under no specific brand
“PCA”	patient-controlled analgesia, a method allowing patients to self-administer pain relief medication through a machine
“PCR”	polymerase chain reaction, a technique used to amplify small segments of DNA
“POCT”	point-of-care testing, a diagnostic testing conducted at or near the site of patient care for immediate results
“PT”	prothrombin time, a blood test that measures the time it takes for a clot to form in a blood sample

GLOSSARY OF TECHNICAL TERMS

“PTE”	pulmonary thromboembolism, a blockage in one of the pulmonary arteries in the lung
“qPCR”	quantitative polymerase chain reaction, a collection of methods for estimating the number of copies of a specific DNA template in a sample
“RNA”	ribonucleic acid, the nucleic acid that carries genetic information and helps make proteins
“R&D”	research and development
“TCI”	target-controlled infusion, an advanced method for delivering anesthesia with an automatically adjusted infusion rate
“TEG”	thromboelastography, a diagnostic test that measures blood coagulation efficiency
“TT”	thrombin time, a measure of how long the blood’s plasma takes to form a clot
“VTE”	venous thromboembolism, occurring when a blood clot forms in a vein

FORWARD-LOOKING STATEMENTS

We have included in this prospectus forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This prospectus contains certain forward-looking statements relating to our Company and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this prospectus, the words “aim,” “anticipate,” “believe,” “could,” “expect,” “going forward,” “intend,” “may,” “ought to,” “plan,” “project,” “seek,” “should,” “will,” “would” and the negative of these words and other similar expressions, as they relate to our Group or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks, uncertainties and other factors facing our Group that could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- changes in the macro environment, regional and global economy, as well as industry trends related to our operations;
- our ability to successfully implement our business plans, strategies, objectives and goals;
- our ability to obtain adequate capital resources to fund future development plans;
- our ability to control costs, as well as to achieve and maintain operational efficiency;
- changes in our customers’ demands and expectations;
- changes in the competitive landscape of the industries where we operate;
- our ability to protect our reputation and brand image, as well as trademarks, technologies, know-how, patents and other intellectual property rights;
- changes in local economic and political conditions and changes in compliance with international laws and regulations in the countries and regions where we operate;
- developments in technology and our ability to successfully keep up with technological advancement;
- our ability to attract and retain experienced professionals and other qualified employees and key personnel;
- changes in currency exchange rates; and
- the other risk factors discussed in this prospectus as well as other factors beyond our control.

The forward-looking statements are based on our current plans and estimates and speak only as of the date they were made. Nonetheless, due to the risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all. Further, subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise.

Accordingly, you should not place undue reliance on any forward-looking statements in this prospectus. All forward-looking statements contained in this prospectus are qualified by reference to this cautionary statement.

RISK FACTORS

You should carefully consider all of the information in this prospectus, including the risks and uncertainties described below, before making an investment in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, financial condition and results of operations. In any such case, the market price of our H Shares could decline, and you may lose all or part of your investment. These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in the section headed “Forward-Looking Statements” in this prospectus.

We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control. We have categorized these risks and uncertainties into: (i) risks relating to our business and industry; (ii) risks relating to doing business in countries and regions where we operate, and (iii) risks related to the Global Offering. Additional risks and uncertainties that are presently not known to us or not expressed or implied below or that we currently deem immaterial could also harm our business, financial condition, and results of operations. You should consider our business and prospects in light of the challenges we face, including those discussed in this section.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

We may experience declines in market size, average selling prices and sales volume for our products, and our share of the markets in which we compete, which may materially and adversely affect our results of operations and financial condition.

We offer an extensive selection of products for diverse clinical departments and scenarios across our three business units: life support, minimally invasive intervention and in vitro diagnostics. We cannot provide assurance that the markets in which we compete will grow, or that we will be able to sustain or enhance our market share, pricing competitiveness or sales volumes. Any reduction in market sizes or our market share, or any decrease in the average selling prices or sales volumes of our products, could materially and adversely impact our results of operations or financial condition.

Our continuing success is significantly dependent on our ability to meet evolving customer demands and expectations, as well as our ability to attract and retain customers.

Our continued success is significantly dependent on our ability to innovate in response to fierce market competition and shifting demands in the medical device industry. We may not fully meet evolving customer needs, and our existing R&D and distribution infrastructure may not be flexible enough to adapt to these changes. Furthermore, not all innovations may successfully integrate with or enhance our current products and operations, and we cannot guarantee that new developments will improve our operational efficiency, competitiveness, or reduce costs as anticipated.

While a substantial majority of our products were sold through distributors during the Track Record Period, part of our success rests on attracting new end customers and expanding cooperation with existing ones by offering high-quality products and services. The effective and successful execution of our plans is not assured. If our marketing strategies do not yield the expected efficiency, we may face challenges in maintaining reasonable selling and marketing expenses. Moreover, if our products and services are not perceived as high-quality, we may encounter difficulties in attracting and retaining customers and encouraging their use or upgrade of our products. We may also fail to diversify our product offerings, pursue new business opportunities, or achieve further business growth. Any of these potential failures could have a material and adverse impact on our business, financial condition, and results of operations.

RISK FACTORS

We may be unable to develop or successfully market new, commercially viable products or improve our existing products and technologies, in a timely manner, or at all.

Success in the medical device market depends on our foresight and agility in introducing innovative products that meet customer needs. However, the continuation of such innovation is not guaranteed. The development of new products and the identification of promising opportunities hinge on the effective allocation of technical, financial, and human resources. Despite our in-house R&D efforts and strategic collaborations, the outcome of these endeavors remains uncertain, influenced by our capacity to predict market needs, secure regulatory approvals, produce cost effectively, protect our intellectual property and capture market shares.

Even if we are able to develop new products and obtain the necessary registration certificates to commercialize such products, we cannot guarantee that our new products will be commercially successful or that such products will yield the anticipated returns to cover our prior investment or capital expenditure. Moreover, if imported medical device products demonstrate a competitive advantage in markets we operate, or our competitors consolidate the market faster than we do, our business may not continue to grow as we expected. All of the above could affect the demand for our products or cause our products to become obsolete, and we may not be able to respond and adapt to the introduction of new treatments, products or technologies or develop products that continue to be in demand, in which case our business, results of operations and prospects will be materially and adversely affected.

In addition, our products may not gain the market recognition as we initially expected, or at all, from doctors or hospitals. Our competitors may launch new and competing products earlier than us, which may have a negative impact on the pricing, market share or demand for our products. We may focus our efforts and resources on pipeline products or other potential technologies that ultimately prove to be unsuccessful, and our business, financial condition and results of operations may be materially and adversely affected as a result.

We face intense competition from both domestic and international competitors and may not be able to keep pace with the rapid technological changes in the medical device industry.

The medical device markets in which we participate are highly competitive, with intense rivalry across our product lines and in every region where we have a presence. According to CIC, in 2025, the top ten market players accounted for approximately 44.7%, 72.2% and 71.1% of the life support, minimally invasive intervention, and in vitro diagnostics markets in China, respectively, in terms of sales value. Our competitors include domestic and international medical device companies with extensive product portfolios and, in some cases, greater financial and marketing resources. We also face competition from non-medical device companies, including pharmaceutical companies and providers of various diagnostic tests, which may offer alternative therapies or diagnostics for disease states also amenable to treatment or diagnosis using our products. The competitive landscape of our products may intensify as a result of industry consolidation, the presence of specialized niche players and the emergence of new competitors. These could potentially include companies introducing innovative sales or distribution models to our industry or leveraging advanced technologies.

In addition, the medical device markets in which we participate are characterized by extensive R&D, evolving industry standards, gradual rollout of new products and technological change. Developments by other companies of products and/or services, processes or technologies may make our products or product candidates obsolete or less competitive and may negatively impact our sales. If we fail to develop or acquire new products or enhance existing products, such failure could have a material adverse effect on our business, financial condition or results of operations. In addition, a delay in the timing of the launch of next-generation products and the overall performance of, and continued physician confidence in, those products may result in declines in our market share and have an adverse impact on our business, financial condition or results of operations.

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Failure to integrate acquired businesses into our operations or challenges related to our strategic initiatives could adversely affect our business.

We have strategically integrated businesses that complement and synergize with our existing business and may make additional acquisitions and divestitures in the future. There are various risks and uncertainties associated with acquisition activities, including valuation risk, integration risks relating to acquired businesses and brands, and the risk that we may be unable to realize the anticipated benefits, synergies, cost savings or efficiencies. When making an acquisition, we may encounter difficulties in accurately assessing the financial condition, historical performance and future prospects of potential acquisition targets, particularly where information is limited, unaudited or prepared under different accounting standards. We completed two material acquisitions in 2022. We acquired the entire share capital of Intermed and its subsidiaries (including Penlon) for a consideration consisting of (i) cash of GBP17.00 million, which was paid in 2022; (ii) cash contingent consideration of GBP4.02 million, which was fully paid in 2022 and 2024; and (iii) non-monetary contingent consideration of GBP0.50 million, which are expected to be utilized from 2022 to 2026. We further acquired the entire share capital in Vedkang Medical for RMB1.7 billion in 2022. See “History, Development and Corporate Structure — Material Acquisitions.” The integration of acquired businesses necessitates substantial coordination across multiple functions, leading to additional expenses and significant management involvement. This could potentially divert resources from other strategic initiatives. Failure to effectively manage the integration could negatively impact our business. The integration of different corporate cultures, operational processes, or business models could be complex and time-consuming. Moreover, there is no certainty that acquired businesses will achieve or sustain profitability, given the influence of various market conditions, competitive dynamics, and regulatory changes. As a result, we may not be able to fully realize the potential synergies following a merger or acquisition. These inherent risks associated with acquisitions should be carefully considered by potential investors when evaluating our business strategy and future growth prospects.

We are subject to the volume-based procurement scheme. Inclusion or exclusion of our products in the volume-based procurement scheme may affect the price, sales volume and accessibility of our products.

The PRC Government has implemented policies to enhance the affordability of medical devices, including the volume-based procurement regime. See “Regulatory Overview — Laws and Regulations Relating to the Administration of Medical Devices — Tender Management for Medical Device Procurement” for details. As of March 31, 2026, the volume-based procurement scope covered in vitro diagnostics reagents and endoscope consumables in several provinces such as Anhui and Fujian, and it may expand to more regions and product categories in the future. During the Track Record Period, we had over 90 products included in the volume-based procurement schemes. For products covered by the volume-based procurement scheme, we generally offer volume-based discounts ranging from 30% to 70% off our standard ex-factory prices. As a result, we may continue to experience downward pressure on the prices of these products, which in turn may have a material adverse impact on our revenue, financial condition and results of operations. If a significant number of our products fail to be included in or renewed under relevant volume-based procurement scheme, or where we fail to respond to material changes in volume-based procurement scheme in a timely manner, the accessibility and sales volumes of our products could decline. In the aggregate, the impact could become material to our business, financial condition and results of operations. We may not be able to ensure effective adaptation to such changes.

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We may not be successful in the public tender process. Lower bidding prices submitted by our competitors and volume-based discounts and/or lower ex-factory prices offered by them may undermine our position in the public tender process and in turn adversely impact our sales performance.

We participate in public tender processes for certain of our products, such as in vitro diagnostics reagents and endoscope consumables. We are responsible for participating in such public tender processes to secure the right to sell our products to the public hospitals within a particular region. After the completion of such processes, if our products win the bids, such products would be eligible for future procurement by public hospitals in that particular region, and our bidding prices generally determine our maximum retail prices. The public tender process requirements, such as those relating to volume-based procurement, may impact our sales and hinder our ability to expand our overall sales network, and in turn, materially and adversely affect our business and results of operations. In addition, the public tender process could lead to increased pricing pressure for us, which would affect our profitability and financial position. We may face the challenge of balancing price competitiveness and product quality.

During the Track Record Period and up to the Latest Practicable Date, we participated in 38 rounds of regional volume-based procurement public tenders, among which our products were selected in 31 tenders, representing a successful rate of approximately 81.6%. For each tender, we typically submitted multiple product models, and the success rate refers to the proportion of tenders in which at least one product model was selected. Our bids during the public tender process may not be successful and our products may not be chosen for a number of reasons, including, among other things: (i) our prices are not competitive; (ii) our products fail to meet the relevant technical or quality requirements or are less clinically effective than competing products; (iii) any other aspect of our operations fails to meet the relevant requirements; (iv) even if our products win the bids and are qualified for procurement by public hospitals in a particular region, there is no guarantee that such entities would purchase our products, as they have the sole discretion to select among our products and other qualified competing products; or (v) our reputation is adversely affected by unforeseeable events.

We are subject to an extensive and evolving medical device regulatory environment in different jurisdictions and regulatory regimes, such as the Two-Invoice System, which may impede or delay the approval or sale of our products.

Our products, marketing, sales and development activities and manufacturing processes are subject to extensive and dynamic regulation by the regulatory authorities of the jurisdictions in which we operate. The regulatory framework of the medical device industry in the PRC addresses various aspects of a medical device company's operations, including approval, production, licensing, certification requirements and procedures, periodic renewal and reassessment processes, registration of new medical devices, quality control, pricing and distribution of medical devices and environmental protection. In recent years, the PRC government implemented a pilot program, known as the "Two-Invoice System" (兩票制). The Notice on Printing and Distributing the Reform Plan for the Management of High-value Medical Consumables (《關於印發<治理高值醫用耗材改革方案>的通知》) issued on July 19, 2019 by the General Office of the PRC State Council (the "Circular on High-Value Medical Consumables") encouraged local governments to apply the "Two-Invoice System" on high-value medical consumables on a case-by-case basis to promote the transparency of purchase and sales. See "Regulatory Overview — Laws and Regulations Relating to the Administration of Medical Devices — "Two-Invoice System" (兩票制) for Medical Devices." As the interpretation and enforcement of the "Two-Invoice System" in the medical device industry continue to evolve, we cannot predict how the implementation and enforcement will evolve in different provinces in China, or whether and how that will affect our business and results of operations in the future. In addition, the medical device manufacturing, medical device distribution, medical device retail, and the medical device industry in general in China are each subject to evolving government regulations and supervision. Any relevant unfavorable regulatory changes may increase our compliance burden. The Two-Invoice System, including its promotion, interpretation, and application to a broader range of medical devices, may undergo changes, potentially extending to a broader range of medical device products.

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Our global regulatory environment is becoming increasingly stringent and unpredictable, which could increase the time and complexity of obtaining regulatory approvals, as well as the clinical and regulatory costs of supporting those approvals. Several countries that did not previously have regulatory requirements for medical devices have established such requirements in recent years and other countries have expanded their existing regulations. Certain regulators are exhibiting less flexibility and are requiring local pre-clinical and clinical data in addition to global data. While harmonization of global regulations has been pursued, requirements continue to differ significantly among countries. We expect that the regulatory environment will continue to evolve, which could affect our ability, or increase the time and cost, to obtain future approvals for our products.

If we lose our existing distributors and fail to secure new distributors, our business and sales of products could be adversely affected.

We primarily rely on third-party distributors to distribute our commercialized products, and certain of our distributors engage sub-distributors to on-sell such products. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, revenue generated from our sales to distributors was RMB1,151.8 million, RMB1,179.8 million, RMB1,345.0 million, RMB314.0 million and RMB371.6 million, respectively, accounting for 87.8%, 84.3%, 83.1%, 88.5% and 88.0% of our total revenue in the same periods. In 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, we had a total of 3,445, 3,694, 3,707, 1,899 and 2,029 distributors, respectively. See “Business — Sales, Distribution and Marketing.” The performance of these distributors, including, among other things, their ability to on-sell our products, preserve our brand reputation, expand their businesses, and enhance their sales networks, is pivotal to our business growth and may directly influence our sales volume and profitability. Given our reliance on our distributors for the sale and distribution of our products and their role in hospital tender processes, any reduction, delay or cancelation of orders from our distributors, or our failure to renew distribution agreements, maintain good relationships with existing distributors, or timely identify and engage additional or replacement distributors may cause material fluctuations or declines in our revenue or the sustainability of our growth and have a substantial negative impact on our business, financial condition, and results of operations. Furthermore, any decline in our distributors’ performance could lead to a decrease in the productivity of our distributor network and could have a negative impact on our results of operations.

We may experience challenges when developing our network of distributors, especially in regions where we have relatively low or no presence. Competitors may require their distributors to sign exclusive distribution agreements that prohibit them from selling our products. This highly competitive environment could present substantial obstacles to our efforts to broaden our distributor network and extend our market penetration.

We may fail to effectively manage our network of distributors and their sub-distributors.

We rely on the distribution agreements and the policies and measures we have in place to manage our distributors, including their compliance with laws, rules, regulations and our policies. See “Business — Sales, Distribution and Marketing.” We cannot guarantee that we will be able to effectively manage our distributors, or that our distributors will not breach laws, rules, regulations, or our agreements and policies. If our distributors take one or more of the following actions, our business, results of operations, prospects and reputation may be adversely affected:

- breaching the distribution agreements or our policies and measures;
- maintaining excessive inventories resulting in channel-stuffing of our products;
- failing to adequately promote our products;
- failing to maintain the requisite licenses, permits or approvals, or failing to comply with applicable regulatory requirements when selling our products; or

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- violating anti-corruption, anti-bribery, competition or other laws and regulations of China or other jurisdictions.

Any disputes between us and our distributors, complaints by our distributors, violation or alleged violation by our distributors of the distribution agreements, our policies or any applicable laws and regulations could result in the erosion of our goodwill, a decrease in the market value of our brand and an unfavorable public perception about the quality of our products, which could have a material adverse effect on our business prospects, financial condition and results of operations. We also could be liable for damages or fines due to defects in the products marketed and sold by our distributors, which may have an adverse effect on our financial condition.

In addition, some of our distributors may engage sub-distributors to distribute our products. We mainly rely on our distributors to manage and control their sub-distributors in accordance with regulatory requirements, the terms of the distribution agreements we entered into with our distributors and our policies and measures that our distributors agree to comply with. We cannot assure you that we will be able to identify or correct all the sub-distributors' practices that are detrimental to our business in a timely manner or at all, which may adversely affect our results of operations and reputation. As there is no contractual relationship between us and these sub-distributors, we have no direct contractual recourse against them if their activities cause harm to our business or reputation.

Our distribution network covers locations in a number of different jurisdictions. As a result, our arrangements with those distributors are thus subject to the respective laws and regulations of those particular jurisdictions. There can be no assurance that we will be successful in detecting any non-compliance by our distributors with the provisions of their distribution agreements. The enforcement of our distribution agreements might involve complicated legal processes, which may adversely impact our business prospects, financial condition and results of operations.

We are subject to a variety of risks associated with global operations and expansion that could adversely affect our profitability and operating results.

Our success depends upon our ability to expand in our existing overseas markets and enter into new markets. We have achieved a significant global footprint, offering products in over 140 countries and regions cumulatively. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, revenue generated from overseas markets was RMB503.7 million, RMB629.8 million, RMB781.4 million, RMB155.5 million and RMB196.0 million, respectively, accounting for 38.4%, 45.0%, 48.3%, 43.8% and 46.4% of our total revenue, respectively. Our overseas revenue streams include sales made through distributors and direct channels, as well as sales to ODM customers. To further promote our brand and generate demand for our products and attract distributors in international markets, we expect to spend significantly more on marketing and promotion than we do in our existing markets. We may be unable to attract a sufficient number of distributors, and our selected distributors may not be suitable for selling our products. If our expansion efforts in existing and new markets are unsuccessful, our profitability and prospects would be materially and adversely affected. We are exposed to other risks associated with international operations, including, among other things:

- changes in a specific country or region's political and cultural climate or economic condition;
- foreign investment restrictions under applicable local laws;
- our ability to develop and maintain relationships with customers, suppliers and other local stakeholders;
- our ability to provide sufficient levels of technical support in different locations;

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- economic instability, inflation, recession or interest rate fluctuations;
- our ability to effectively manage and coordinate our employees across different geographic locations;
- our ability to comply with different regulatory requirements and standards;
- variations and changes in laws and regulations applicable to our operations in different jurisdictions, including the enforceability of intellectual property and contractual rights;
- trade restrictions, sanctions, political changes, disruptions in financial markets, and deterioration of economic conditions;
- customs regulations and the regulation of import and export of goods and raw materials;
- restrictions on our ability to transmit data internationally;
- our ability to obtain and renew licenses and other governmental authorizations that may be needed in international locations to support operations; and
- changes in tariffs, taxes and foreign currency exchange rates.

Our profitability and ability to implement business strategies, maintain market share and compete successfully in all major markets in which we operate may be compromised if we are unable to manage the foregoing and other risks related to regional or global operations successfully.

We may not be able to obtain, maintain or renew all the permits, licenses, and registration filings and certificates required for our business, operations and commercialization of our products in a timely manner.

Major aspects of our operations, including product registration or filing, manufacturing, packaging, sales and distribution, pricing and environmental protection, among other things, are regulated by comprehensive regulatory regimes of the jurisdictions in which we operate. In addition, we need to complete regulatory filings or obtain registration certificates for our products from the NMPA or its local branches in China, or from the competent regulatory authorities in other jurisdictions where we sell our products. In China, medical devices are classified into Class I, Class II and Class III depending on the degree of risk associated with each medical device and the extent of control needed to ensure safety and effectiveness. See “Regulatory Overview — Laws and Regulations Relating to the Administration of Medical Devices — Classification, Registration and Filing of Medical Devices.” The filing and registration process is unpredictable, and may be lengthy and costly, and depends on numerous factors, some of which are beyond our control, including the discretion of regulatory authorities. Even if we succeed in obtaining the necessary registration certificates for our products, any safety issues identified subsequently could lead to the suspension of sales and marketing activities and cancellation of the registration certificates for such products.

Our products are also sold to overseas markets. Regulatory authorities outside of China, such as the FDA and the European Medicines Agency, also have requirements for approval of medical devices that we must comply with to sell our products in those areas. In the EU, we are required to comply with the new Medical Device Regulation (“MDR”) effective from May 2021, which replaces the previous Medical Device Directives, as well as the In vitro Diagnostic Medical Devices Regulation (“IVDR”) effective from May 2022. These regulations require that medical device certifications be updated within specified timeframes to meet new compliance standards. We are currently transitioning our products in the EU to meet MDR and IVDR requirements, but this process will incur additional time and costs, and we cannot guarantee that all related products will successfully achieve new certification. If we encounter any delays or rejections during the certification transition, our business, financial condition, and results of operations may be adversely

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affected. In the United States, under the Federal Food, Drug, and Cosmetic Act (“**FDC Act**”), medical devices must receive FDA clearance or approval or an exemption from such clearance or approval before they can be commercially marketed in the United States. The process of obtaining the marketing approval or clearance could be time-consuming and resource-intensive. It may involve rigorous pre-clinical and clinical testing, limited indication expansion and increased post-market surveillance. Failure to obtain or maintain necessary approvals or licenses may materially and adversely affect our international expansion, limit our ability to access overseas markets, affect our global growth strategy and may have a material and adverse effect on our business, financial condition and results of operations.

Such permits, licenses and certificates that we hold are subject to periodic reviews and renewals by relevant government authorities, and the standards of such reviews and renewals may change from time to time. Failure to obtain or renew any permits, licenses and certificates necessary for our operations may result in penalties, fines, governmental sanctions, proceedings and/or suspension or revocation of our permits, licenses or certificates necessary to conduct our business, and may also result in an order to suspend or cease operations, which might significantly affect our business operations and financial situation. Furthermore, if the interpretation or implementation of existing laws and regulations changes or new regulations come into effect, we may be required to obtain additional permits, licenses or certificates, and we may not be successful in doing so. Such changes may also result in increased compliance costs or prevent our successful development, manufacture or commercialization of products, which would adversely affect our business, financial condition and results of operations.

Our products may be subject to clinical trials and other analyses conducted by us, our competitors or other third parties, the results of which may be unexpected, or perceived as unfavorable by the market, and could have a material adverse effect on our business, financial condition or results of operations.

We have a limited number of medical devices that need to undergo clinical trials. As part of the regulatory process of obtaining the registration certificates or marketing clearance for new products and new indications for existing products, we conduct and participate in clinical trials with a variety of study designs, patient populations and trial endpoints. Clinical trials are expensive and can take years to complete, and their outcomes are inherently uncertain. Failure can occur at any time during the clinical trial process. Unexpected or inconsistent clinical data from existing or future clinical trials or other analyses conducted by us, by our competitors or by third parties, including our acquired businesses, or the regulatory agencies’ or the market’s perception of this clinical data, may adversely impact our ability to obtain product approvals, our position in, and share of, the markets in which we participate and our business, financial condition, results of operations or future prospects. Our future clinical trial results may thus not be favorable, which may materially and adversely affect our business, results of operations and prospects.

The continuing development of our products requires ongoing cooperation with hospitals, doctors and academic institutions. However, there is no guarantee that we will be able to effectively expand and deepen our relationships with these stakeholders.

Our cooperation with hospitals, doctors and academic institutions plays an important role in our R&D, sales and marketing activities. By maintaining close ties with these stakeholders, we gain valuable insights into unmet clinical needs, doctors’ preferences, and practice trends, enabling us to develop market-responsive products and enhance existing ones. The cooperation also provides us with the access to professional expertise that supports the development and commercialization of our products, ensuring alignment with real-world clinical demands. We cannot assure you that we will be able to maintain or strengthen such cooperation, or that such efforts will yield the successful development of new products or increased sales. Even if they continue to cooperate with us, their market insights and perceptions may be inaccurate and lead us to develop products with limited market potential. Even if their insights are correct, we may fail to develop commercially viable products. Moreover, we cannot assure you that our academic promotion and marketing strategy will

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remain effective. In addition, the hospitals, patients, doctors and academics that we focus on may not continue to have a significant demand for our products or services covered by our product lines. Besides, doctors and experts typically wield significant influence in the medical industry. Our reputation and influence could be weakened if we are unable to maintain our cooperation with them. If we are unable to develop new products or generate returns from our cooperation with industry participants as anticipated, or at all, our business, financial condition and results of operations may be materially and adversely affected.

We face risks associated with ODM sales, which may adversely affect our business, financial condition and results of operations.

During the Track Record Period, a small portion of our revenue was derived from ODM sales. We designed, manufactured and delivered medical device products in accordance with the specifications of our ODM customers. We served 65, 87, 89 and 42 ODM customers in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, and our revenue from such sales amounted to RMB141.2 million, RMB172.6 million, RMB228.8 million and RMB41.5 million, respectively, representing 10.7%, 12.3%, 14.1% and 9.8% of our total revenue for the same periods. ODM customers may switch to other manufacturers that offer lower prices or more favorable terms. Furthermore, we may incur additional development costs or operational burdens to meet individual ODM customer requirements, and failure to meet such requirements could result in order cancellations or disputes. If we are unable to retain existing ODM customers, expand our ODM customer base, or negotiate commercially favorable terms with them, or if the products we develop for our ODM customers underperform in the market, our business, financial condition or results of operations may be adversely affected.

Our success depends on our ability to retain key members of our management team and to attract, retain and motivate other key personnel and qualified personnel.

Our future success is significantly dependent upon the continued service of our key executives and other key employees. However, if we lose the service of any senior management or key R&D personnel, we may face difficulties in finding suitable or qualified replacements and may incur additional expenses to recruit and train new personnel. Furthermore, as we expect to continue to expand our operations and develop new products, our ability to attract, retain and motivate qualified personnel remains critical.

Competition for personnel in the medical technology field is intense, and the availability of suitable and qualified candidates could be limited. We compete to attract and retain qualified research and development personnel with other medical device companies, universities and research institutions. Competition for such individuals could cause us to offer higher compensation and other benefits in order to attract and retain them, which could materially and adversely affect our financial condition and results of operations. We may be unable to attract or retain the personnel required to achieve our business objectives and failure to do so could severely disrupt our business and growth.

We rely primarily on our manufacturing facilities and are expanding our manufacturing facilities. Any disruption to our current manufacturing facility or in the build-out of the new or expanded capacity could reduce our sales and harm our reputation.

Our operations are significantly dependent on our manufacturing centers located in Shenzhen, Shanghai, Changzhou, Changsha in China, and Abingdon, Oxford in the UK. Overall, the utilization rates of our major product lines remained at high levels during the Track Record Period. For details, see “Business — Manufacturing.” Any natural disaster or unanticipated catastrophic events, including power interruptions, water shortages, storms, fires, earthquakes, terrorist attacks and wars, could significantly impair our ability to manufacture our products and operate our business. Our manufacturing centers and certain equipment would be challenging to replace and could

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necessitate a substantial lead-time for replacement. Catastrophic events may also destroy any inventory located in our manufacturing centers. The occurrence of any such event could have a material and adverse impact on our business, potentially causing significant operational disruptions and financial losses.

In addition, as of the Latest Practicable Date, our new R&D and manufacturing center in Changzhou was under construction and expansion. However, the success of such expansion projects depends on a number of factors that are beyond our control, such as the construction progress of the third-party constructors, regulatory approvals, changes in local laws and regulations and government policies, the availability of low-cost skilled labor and changes in customer demands. Moreover, such expansion projects may increase our capital expenditure and operating costs, such as higher staff costs as well as depreciation for production equipment and facilities and increase our cash outflows for operating and investing activities.

If we fail to accurately project demand for our products, we may encounter problems of inadequate supply or oversupply, which would materially and adversely affect our financial condition and results of operations, as well as damage our reputation and brand.

We develop our production plans based on historical data, distributor feedback and anticipated hospital procurement cycles. Since our distributors typically place orders based on the actual needs of end users and the purchasing cycles vary, demand forecasting remains inherently uncertain.

Our projections of market demand for our products in international markets are less reliable than our domestic projections because we have less information available and have limited sources on which to base our projections. Specifically, we often lack extensive knowledge of the local market conditions and the purchasing patterns, preferences, or cycles of international distributors. Furthermore, because shipping products to international distributors typically takes more time than shipping to domestic distributors, inaccurate projections of international demand could more likely result in unmet demand.

If we overestimate demand, we may purchase more raw materials or components than required. If we underestimate demand, our suppliers may have inadequate raw material or product component inventories, which could interrupt our manufacturing, and could result in lost sales.

Our results of operations could be negatively impacted by our inability to obtain raw materials in a timely and cost-effective manner.

We purchase raw materials and components from third party suppliers and manufacture and assemble our products at our manufacturing centers. The prices for these raw materials are subject to price volatility attributable to a number of factors that may be beyond our control, such as inflation, supplier capacity constraints, general economic conditions, demand from other industries for the same materials, the availability of complementary and substitute materials, and local and national regulatory requirements. In 2023, 2024, 2025 and the three months ended March 31, 2026, we incurred raw material costs of RMB444.3 million, RMB467.1 million, RMB502.5 million and RMB130.3 million, respectively, representing 67.1%, 66.3%, 67.0% and 67.4% of our cost of sales for the respective periods. In response to the risk of raw material price fluctuations, we keep abreast of market information about raw materials and take precautionary measures such as reservations and strategic stocking. Moreover, we strive to optimize our technological process, improve the utilization rate of raw materials, and strengthen management to strictly control production costs. However, these measures may not be effective. Any significant increases in our cost of raw materials may increase our cost of sales and negatively affect our profit margin and, more generally, our business, financial condition, results of operations and prospects.

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Failure to maintain an effective quality control system could have a material adverse effect on our business, financial condition and results of operations.

We are subject to a variety of laws and regulations in the jurisdictions where our products are sold, and industry guidelines relating to product quality. Accordingly, we need to implement and maintain an effective quality control system to perform various inspections over the course of our entire manufacturing and assembling process. We cannot assure you that our quality control system will continue to be effective. Any significant failure or deterioration of our quality control system in respect of, among other things, our production and assembling process and product inspection, may seriously damage our product quality. A decline in product quality could negatively impact our reputation in the market and among our existing or prospective customers. This could lead to reduced orders or loss of customers, severely harming our business, financial conditions, and operational results. Moreover, a failure in our quality control system could potentially lead to product recalls or safety alerts, which could result in significant costs, legal liabilities, and damage to our reputation.

Historically, certain deficiencies in our production quality control system were identified during on-site inspections conducted by regulatory authorities. As a result, we were required to temporarily suspend production and implement rectification measures. For details of these incidents, see “Business — Inventory and Quality Management”. We cannot guarantee that we will not face similar or new quality management issues in the future. Any failure to maintain an effective quality control system could materially adversely affect our business, financial condition, and results of operations.

We may be subject to potential product liability claims, product recalls and other risks related to our business operations. Any product recall would damage our brand name and could have a material adverse effect on our reputation, business, financial condition and results of operations.

Product liability claims against our products may include allegations of defects in design and manufacturing, improper handling or transportation of products, negligence, strict liability and a breach of warranties. We may be subject to product liability claims and product recalls if our products have latent quality issues that were undetected during our inspections and quality control. Even if our products do not have latent defects, other factors that are out of our control, such as the quality and skill of medical professionals using our products, may affect the safety and outcome of the treatment. Regardless of the merits or eventual outcome, liability claims and product recalls can lead to decreased demand for our products, trigger product recalls, tarnish our reputation, and divert management’s focus and resources, incurring significant litigation defense costs and potentially substantial monetary compensation. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material customer complaint or product return from customers.

During the Track Record Period, we voluntarily implemented two Class III recalls, including two batches of coagulation test kits and one batch of infusion equipment. Both recalls were initiated to update or revise the product labeling information. We informed customers of the correct labeling during the recall process and promptly updated the labels on the recalled products. Based on the Measures for the Administration of Medical Device Recalls (《醫療器械召回管理辦法》), a class III recall takes place where the use of the medical device presented a low probability of harm but still deemed necessary. For details, please refer to the paragraphs headed “Business — Inventory and Quality Management — Product Warranty, Return, Recall and Exchanges” in this prospectus. Except for these two recalls, we had not experienced any other product recall during the Track Record Period. However, we cannot assure you that we may not face product liability claims or conduct product recalls in future, which, if occurred, may have a material adverse impact on our business, financial condition and results of operations.

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We may not be able to seek compensation under our insurance policy for losses that we sustain as a result of product liability claims to all of our products. We may also be unable to acquire such insurance at a reasonable cost or in an amount adequate to satisfy any liability that may arise. In any such event, our business, financial condition and results of operations would be adversely and materially affected. For risks relating to our insurance coverage, see “— Risks Relating to Our Business and Industry — Our insurance coverage may not be sufficient to cover all losses associated with our business operations.”

We may not be able to effectively manage our inventory levels.

Our inventories primarily include (i) finished goods and work in progress, mainly representing life support, minimally invasive intervention and in vitro diagnostics medical equipment and consumables; and (ii) raw materials, such as plastics, metals, sensors, and other auxiliary materials and components. We manage our inventory levels based on our forecasts of the procurement lead time for our raw materials and finished products, as well as customer demand for our products. Supply of raw materials and finished products may be impacted by factors such as commodity price levels and restrictions on international trade. Customer demand can be affected by uncertainties, including regulatory approvals, timing and success of clinical trials, international tension and conflict and other factors beyond our control. Our inventories amounted to RMB237.0 million, RMB230.2 million, RMB263.4 million and RMB253.8 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively. Our inventory turnover days were 128, 121, 120 and 121 days in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. Any significant increase in our inventory turnover days may have a material adverse effect on our cash flow and liquidity position. If we fail to manage our inventory levels effectively, we may be subject to a higher risk of inventory obsolescence, a decline in the value of inventories, and potential inventory write-downs or write-offs. Procuring additional inventories may also require us to commit substantial working capital, which would prevent us from using such capital for other purposes. Any of the foregoing may adversely affect our results of operations and financial condition.

We are exposed to credit risk of trade and bills receivables.

We are exposed to credit risk related to delays in payment and defaults of our customers. We cannot guarantee that all our customers will settle payment in full as it falls due. If any of our customers becomes insolvent or delays its payment for our products, our cash flow, financial position and results of operations could be materially and adversely affected. Our trade and bills receivables primarily consisted of amounts due from distributors and other customers for purchase of our products. Our trade and bills receivables increased, from RMB104.8 million as of December 31, 2023 to RMB133.1 million as of December 31, 2024, to RMB168.2 million as of December 31, 2025 and further to RMB170.5 million as of March 31, 2026. In 2023, 2024, 2025 and the three months ended March 31, 2026, our average trade and bills receivables turnover days were 29, 31, 34 and 37 days, respectively. Any significant increase in trade and bills receivable turnover days may have a material adverse effect on our cash flow and liquidity position. See “Financial Information — Discussion of Certain Selected Items from the Consolidated Statements of Financial Position — Trade and Bills Receivables.” If we are not able to manage the credit risk associated with our trade and bills receivables effectively, our results of operations and financial condition may be adversely affected.

We recognized substantial intangible assets during the Track Record Period and may incur impairment charges related thereto, which may adversely affect our results of operations and financial condition.

Our intangible assets primarily included (i) patents for our medical products and R&D results; (ii) software, primarily including the enterprise management and financial software; (iii) customer relationship that represents the value derived from the interactions, loyalty, and connection our acquired businesses had with their customers; and (iv) brands that we acquired from the business combinations. As of December 31, 2023, 2024 and 2025 and March 31, 2026, we had intangible

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assets of RMB597.4 million, RMB550.2 million, RMB515.1 million and RMB499.3 million, respectively. We identified customer relationship and brands through business combinations. However, our acquired businesses may not generate the financial results that we expect, which could result in the occurrence of impairment charges. We periodically perform impairment tests. If we conclude that any of these intangible assets are impaired, we will write down the asset to its fair value and take a corresponding charge to our consolidated statements of profit or loss. As a result, in case of any significant impairment charges related to the aforementioned assets, our results of operations and financial condition may be negatively affected.

Our sales depend to a certain extent on the level of insurance reimbursement patients receive for treatments using our products.

Our ability to sell our products depends to a certain extent on the availability of governmental and private health insurance in the countries and regions where we have operations. We have pursued, and plan to actively pursue reimbursement opportunities globally. As of March 31, 2026, we had 100 products included in one or more provincial-level insurance reimbursement catalogues. However, we cannot be sure about the feasibility and extent of reimbursement. Reimbursement may impact the demand for, or the price of, any product for which we obtain regulatory approval. Obtaining reimbursement for our products may be particularly difficult because of the higher prices often associated with newly introduced technology or medical devices. In the absence of sufficient medical insurance coverage for the use of our products, patients may choose alternative treatment methods, and hospitals may recommend such alternative treatments, which would reduce demand for our products and our sales which could in turn materially and adversely affect our business prospects, financial condition, and results of operations. Moreover, we may need to lower the prices of our products in order to have them included in the medical insurance reimbursement list, and such price cut and reimbursement may not necessarily lead to increase in our sales and our results of operations may be adversely affected.

We may be unable to obtain and maintain effective and sufficient protection of intellectual property rights for our products and pipeline products in a timely manner and may be subject to intellectual property infringement claims or other disputes.

Effective and sufficient protection of our intellectual property is critical to maintaining our competitive position. For details of our intellectual property, see “Business — Intellectual Properties.” However, due to the complexity of patent application, the issuance of a patent may not be conclusive as to its inventorship, scope, validity or enforceability, and our patent applications may be challenged in courts or patent offices. The coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. Consequently, we do not know whether any of our technologies or products will be protectable or remain protected by valid and enforceable patents. In addition, the scope of patent protection in various jurisdictions is uncertain. Changes in either the patent laws or their interpretation may diminish our ability to protect our inventions, obtain, maintain, defend, and enforce our intellectual property rights and, more generally, could affect the value of our intellectual property or narrow the scope of our patent rights. Even if we successfully obtain patent protection for our products, we may face competition from other market players once the patent has expired.

Proceedings to maintain our intellectual property and proprietary rights could result in substantial costs, and we may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Furthermore, our competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to jurisdictions where we have patent protection, but where enforcement rights are not strong. These products may compete with our products or pipeline products and our patent rights or other intellectual property rights may not be effective or adequate to prevent them from competing.

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In addition, we may from time to time collaborate with medical institutions, academic institutions, or third-party organizations. In 2023, 2024 and 2025 and the three months ended March 31, 2026, we incurred RMB1.6 million, RMB0.2 million, RMB1.5 million and nil, respectively, in connection with the collaborations with such external parties. Should any ambiguity or disputes arise regarding intellectual property rights and commercialization rights of the R&D outcomes with our collaborators, or if these rights are not clearly defined in our collaboration agreements, this could impede our ability to fully utilize the intellectual property for commercial purposes. Besides, we design and manufacture products that are labeled with customers' own brands and trademarks in our overseas ODM sales. We may not be able to verify or guarantee that these customers legally own or have the right to use such brands or trademarks, and we may be unknowingly infringing upon third party intellectual property rights by manufacturing the ODM products. Such third parties might resort to litigation against us or other parties we have agreed to indemnify, which litigation could be based on either existing intellectual property or intellectual property that arises in the future.

We could in the future be subject to claims that we or our current or former employees, consultants or advisers have inadvertently or otherwise used or disclosed alleged intellectual property rights, trade secrets or other proprietary information of current or former employers, competitors or other third parties.

In the ordinary course of business, we may from time to time be subject to intellectual property claims or litigation. As of the Latest Practicable Date, we had not received any notices of material claims or complaints against us for intellectual property infringement. However, we cannot assure you that we will not be subject to any such intellectual property rights claims in the future. Involvement in such litigations and legal proceedings may also cause us to incur substantial expenses, divert the time and attention of our management or subject us to injunctions prohibiting the distribution and marketing of our products. Any such event could have a material and adverse effect on our business, financial condition and results of operations.

We typically undertake to defend, indemnify and hold our customers harmless from and against any liabilities and damages (including legal fees) resulting from any third-party claims, demands, suits or proceedings to the extent arising out of our products, or relating to our negligence or willful misconduct, or breach of contract. As a result, if any aspect of the products we sold to a customer infringes a third party's intellectual property rights, we could be exposed to substantial liability. Any material intellectual property infringement claim raised against us could have a material adverse impact on our reputation, business, financial condition and results of operations.

If our trademarks, trade names and other proprietary rights are not adequately protected, we may not be able to build name recognition in our markets of interest and our business may be adversely affected.

We own a number of trademarks in China and overseas. Our trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks, which may harm our brand and reputation. At times, competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively, and our business may be adversely affected. Moreover, we cannot assure you that our trademarks will not be imitated, or there will be no counterfeits sold to our customers under our trademarks. Customers may suffer from safety incidents caused by counterfeit products, which may subject us to costly investigations and counterfeit crack downs. Our efforts to enforce or

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protect our proprietary rights related to trademarks, trade secrets, domain names, copyrights or other intellectual property may be ineffective and could result in substantial costs and diversion of resources and could adversely affect our competitive position, business, financial condition, results of operations, and prospects.

We also seek to protect our proprietary technologies, in part, by entering into confidentiality agreements with parties that have access to them, such as our employees and certain other third parties. If any of our employees or other third parties who are parties to these agreements breach or violate the terms of any of these agreements or otherwise disclose our proprietary information, we may not have adequate remedies for any such breach or violation, and we could lose our trade secrets, which could materially and adversely affect our business and competitive position. Enforcing a claim that a third party illegally disclosed or misappropriated our trade secrets is difficult, expensive, and unpredictable. We are unable to prevent or prohibit other third parties from acquiring technology that is identical or similar to our trade secrets through their own research and development or reverse engineering effort, which could significantly undermine our business operations and competitive advantages.

If we or our acquired business become subject to litigation, legal or contractual disputes, governmental investigations or administrative proceedings, our management's attention may be diverted and we may incur substantial costs and liabilities.

We may from time to time become subject to various litigation, legal or contractual disputes, investigations or administrative proceedings arising in the ordinary course of our business. On-going or threatened litigation, legal or contractual disputes, investigations or administrative proceedings may divert our management's attention and consume their time and our other resources. Furthermore, any litigation, legal or contractual disputes, investigations or administrative proceedings which are initially not of material importance may escalate and become important to us, due to a variety of factors, such as the facts and circumstances of the cases, the likelihood of loss, the monetary amount at stake and the parties involved. If any verdict or award is rendered against us or if we settle with any third parties, we could be required to pay significant monetary damages, assume other liabilities and even to suspend or terminate the related business projects. In addition, negative publicity arising from litigation, legal or contractual disputes, investigations or administrative proceedings may damage our reputation and adversely affect the image of our brands and products. Consequently, our business, financial condition and results of operations may be materially and adversely affected.

Illegal actions, misconduct or any failure by our employees or third parties, particularly suppliers, distributors or other business partners, could materially and adversely affect our business, results of operations and reputation, and we may not be fully indemnified by such parties.

Our reputation and operations may be harmed by illegal actions or unsatisfactory performance by our suppliers, distributors and other business partners. We cannot guarantee our suppliers', distributors' and other business partners' compliance with laws, and we may be subject to claims arising from their non-compliance. In such situations, if no claim can be asserted by us against a supplier, distributor or other business partners, or if the amounts that we claim cannot be fully recovered from them, we may have to bear the losses, which could have a material and adverse effect on our business, financial condition and results of operations.

We may experience fluctuations in labor costs or labor shortages.

Our success depends in part upon our ability to attract, motivate and retain a sufficient number of qualified employees. In 2023, 2024, 2025 and the three months ended March 31, 2026, we incurred direct labor costs of RMB62.3 million, RMB61.7 million, RMB66.2 million and RMB17.2 million, respectively. Increasing market competition may cause market demand and competition for qualified employees to intensify. If we face labor shortages or significant increases in labor costs

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caused by intense competition, higher employee turnover rates, increases in salaries or other employee benefit costs or changes to labor laws and regulations, our operating costs could increase significantly, which could materially and adversely affect our results of operations.

If labor disputes occur, we may be subject to fines, incur settlement costs, inflict reputational damage and experience operational disruptions, which may have a material and adverse effect on our business, financial condition and results of operations.

A breach, cyber-attack or other disruption to information technology systems or data could materially and adversely affect our business, financial condition or results of operations.

We rely on our information technology systems to effectively manage our accounting and financial functions, product orders, inventory, and our research and development data. We also rely on our information technology systems to collect and store data and information we obtain in the ordinary course of our business. Our information technology systems may be disrupted by (i) damage or interruptions from earthquakes, fire, flood and other natural disasters; (ii) attacks from computer viruses or hackers, power loss; and (iii) computer system, Internet, telecommunications or data network failure. We could be subject to risks caused by misappropriation, misuse, leakage, falsification or intentional or accidental release or loss of information maintained in our information systems. If a material breach of our information technology systems occurs, market perception of the effectiveness of our security measures could be harmed and our reputation and credibility could be damaged. We could be required to expend significant amounts of money and other resources to repair or replace information systems and be subject to regulatory actions or claims involving privacy issues related to data collection and use practices and other data privacy laws and regulations. Any of the foregoing could disrupt our business and product development, result in decreased sales and increased overhead costs and adversely affect our business, financial condition and results of operations.

Compliance with applicable data-related laws and regulations could require additional expenditures and consequently affect our business, financial condition and results of operations.

We are subject to various cybersecurity, data security and personal information protection laws and regulations. See “Regulatory Overview — Other Laws and Regulations — Laws and Regulations on Information Security and Data Privacy” and “Regulatory Overview — Other Laws and Regulations — Laws and Regulations on Overseas Securities Offering and Listing by Domestic Companies” for details.

Changes and developments in the enforcement of cybersecurity, data security and personal information protection laws and regulations present challenges in ensuring comprehensive compliance and increase our operational costs, as we must allocate time and resources to address various compliance requirements. While we have implemented rigorous and comprehensive policies regarding the collection, processing, sharing, disclosure, authorization and protection of data usage and privacy, and have taken necessary measures to comply with applicable cybersecurity, data security and personal information protection laws and regulations, given the evolving legal and regulatory landscape, no assurance can be given as to the effectiveness of these policies and measures adopted by us or our suppliers or other business partners. Any non-compliance or perceived non-compliance by us with any applicable cybersecurity, data security or personal information protection regulations, any such non-compliance by our business partners, or any failure or perceived failure by our employees to adhere to our internal control measures, may result in negative publicity against us, as well as legal proceedings or regulatory actions. Such outcomes could lead to the imposition of fines, revocation of licenses, suspension of relevant operations, or other legal or administrative penalties, which may damage our reputation, deter existing and potential customers, and expose us to fines and damages. Consequently, these matters could have a material adverse effect on our business, financial condition and results of operations.

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Any failure to fully comply with labor-related laws in the countries and regions where we operate may subject us to government investigations or require us to incur additional expenditures.

Companies operating in China are required to participate in various government sponsored employee benefit plans, including certain social insurance, housing funds and other welfare-oriented payment obligations, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of its employees up to a maximum amount specified by the relevant local government from time to time. The employee benefit plan requirement, however, has not been implemented consistently by the local governments in China given the different levels of economic development in different locations. We did not make full contributions to the social insurance and housing funds for our employees in accordance with the relevant PRC laws and regulations during the Track Record Period. During the Track Record Period and as of the Latest Practicable Date, we had not made social insurance and housing provident funds for some of our employees in full in accordance with the relevant PRC laws and regulations. We estimate that the shortfall amounted to RMB11.7 million, RMB17.1 million, RMB17.6 million and RMB4.0 million in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. For details, see “Business — Employees — Non-compliance of Social Insurance and Housing Provident Funds.” As a result, we may be required to pay the shortfall in social insurance contributions and housing funds contributions within a prescribed time period and even to pay penalties if we fail to do so.

Our leased property interests may be defective and our right to lease or use the properties may be challenged.

For real properties that we construct on our own, including those related to our manufacturing activities and offices, we must obtain various permits, certificates and other approvals from the relevant government authorities at various stages of property development, including the land use right certificates, planning permits, construction permits and building ownership certificates. For real properties that we use or lease, we are also subject to various PRC laws and regulations, including the requirement to register our lease agreements with the local housing bureau within 30 days after signing the lease agreements.

As of March 31, 2026, relevant lessors of our six leased properties for operational purposes had not provided relevant title ownership certificates or other similar proofs of such leased properties to us. These properties are primarily used as our offices. We cannot assure you that such lessors are entitled to lease the relevant property to us. If any of such lessors is not entitled to lease the property to us and the owner of the respective property declines to ratify, we may not be able to enforce our rights under the respective lease agreement against the owner. As of the Latest Practicable Date, we were not aware of any claim or challenge brought by any third parties concerning the use of our leased properties without obtaining proper ownership proof. If we are forced to vacate from our leased properties, although we believe suitable alternative locations are readily available on commercially reasonable terms, our business operations may be interrupted.

In addition, pursuant to applicable PRC laws and regulations, property lease agreements must be registered with the local branch of the Ministry of Housing and Urban-Rural Development of the PRC. As of March 31, 2026, lease agreements for our 31 leased properties for operational purposes in China had not been registered with the relevant PRC governmental authorities. According to our PRC Legal Advisor, the failure to make the relevant registrations does not in itself invalidate the leases, but we may be ordered by the relevant PRC governmental authorities that the filings be made within a given period of time, failing which, we may be subject to fines ranging from RMB1,000 and RMB10,000 for each of our unregistered lease agreements. We cannot assure you that we will not be subject to any penalties arising from the non-registration of our lease agreements and any disputes arising out of our leased properties in the future.

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Our insurance coverage may not be sufficient to cover all losses associated with our business operations.

We maintain different types of insurance policies, including social insurance for our employees, property insurance, product liability insurance and cargo insurance. See “Business — Insurance.” In line with industry practice, we have elected not to maintain certain types of insurances, such as business interruption insurance, and we cannot assure you that our insurance coverage is sufficient to prevent us from any loss, or that we will be able to successfully claim our losses under our current insurance policies on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial condition and results of operations could be materially and adversely affected.

We are subject to environmental protection and health and safety laws and regulations, and may be exposed to potential compliance costs and liabilities in relation to, among others, contamination, biological or chemical hazards, or personal injury.

Our operations are subject to national, provincial and local laws with respect to environmental protection, health and safety, including the treatment and discharge of pollutants into the environment and the use of toxic and hazardous chemicals. In addition, any of our construction projects can only be put into operation after the relevant administrative authorities in charge of environmental protection and health and safety have examined and approved the relevant facilities in certain jurisdictions. As requirements imposed by these laws and regulations may change and more stringent laws or regulations may be adopted, we may not be able to comply with, or accurately predict any potential substantial cost of complying with, these laws and regulations.

As the production of medical devices will generate wastewater, chemical contaminant, and waste gas, we cannot fully eliminate the risk of accidental contamination, biological or chemical hazards or personal injury at or in the vicinity of our manufacturing facilities during the process of our operations. We could be held liable for damages and clean-up costs, which could harm our business. Other adverse effects could result from such liability, including reputational damage resulting in the loss of business from customers. We may also be forced to close or suspend operations at certain affected facilities. All of the foregoing could have a material and adverse impact on our business, financial condition, results of operations and prospects.

During the Track Record Period and up to the Latest Practicable Date, we have not experienced any major accidents or employee casualties in our manufacturing facilities. Workplace incidents may take place for various reasons, including as a result of non-compliance with safety rules and regulations. As a result, we may be liable under applicable occupational health and safety laws and may be subject to significant penalties and/or compensation, which may materially and adversely affect our financial position and profitability.

We may be unable to obtain additional funding in a timely manner or on acceptable terms.

In order to expand our capacity, undertake desirable acquisitions, develop new products and remain competitive, we may require additional capital. We expect to satisfy any such capital commitments using part of the net proceeds from the Global Offering to be received by us, cash flow generated from our operations, bank facilities available to us and cash and cash equivalents on hand. To the extent we need additional financing, financing may be unavailable in amounts or on terms acceptable to us. Our ability to obtain additional capital is subject to a variety of uncertainties, including our future financial condition, results of operations and cash flows, general market conditions for capital raising activities, and global economic, political and other conditions. The sale of additional equity or equity linked securities could result in dilution to the Shares held by our Shareholders. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants restricting our operations or our ability to make acquisitions or pay dividends. Any failure to acquire sufficient additional capital to meet our capital requirements may materially and adversely affect our business, financial condition and results of operations.

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We are subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws.

Any non-compliance with anti-corruption, anti-bribery, anti-money laundering or financial and economic sanctions laws could subject us to whistleblower complaints, adverse media coverage, investigations, and severe administrative, civil and criminal sanctions, collateral consequences, remedial measures and legal expenses. In addition, many of our customers, including those in China, require us to follow strict anti-bribery and anti-money laundering policies as part of doing business with us. Our procedures and controls to monitor anti-bribery and anti-money laundering compliance may fail to protect us from reckless or criminal acts committed by our employees or agents. If we fail to comply with applicable anti-bribery laws and anti-money laundering laws, we may be subject to criminal and civil penalties and sanctions, incur significant expenses, our reputation could be harmed and our customers could cancel or not renew contracts for our services, all of which could have a material adverse effect on our business, financial condition and results of operations.

Certain countries, regions, or individual counterparties with which we trade or operate in, or may trade or operate in the future, may be or become the subject of economic sanctions of one or more countries that may have jurisdiction over all or portions of our operations. During the Track Record Period, certain of our medical device products had been distributed to certain countries that currently or used to be subject to territorial broad-base general and comprehensive sanctions, Iran and Syria. As confirmed by our International Sanctions Legal Advisor, given that our sales of medical equipment and accessories to these sanctioned countries do not represent a violation of the applicable international sanctions, we would not appear to have violated applicable sanctions law or regulation in the relevant jurisdictions, nor could that result in any material sanctions risk. However, as the regulatory regimes may change from time to time, there is no assurance we will be in compliance with the sanctions programs going forward. The number of authorities imposing and enforcing these types of sanctions has grown in recent years, and the complexity of the sanctions regimes has increased, making compliance with them more onerous and uncertain. Any violation of economic sanctions, or even an alleged or suspected violation, could harm our reputation and cause financial institutions or other counterparties to refuse to do business with us, which may negatively affect our business, our results of operations, or the Global Offering. In addition, changes in economic sanctions laws in the future could also adversely impact our business and investments in our Shares.

Changes in cross-border trade policies and international trade barriers, export control restrictions or the escalation of trade tensions, may adversely affect our business.

Recent international trade disputes and the uncertainties created by such disputes may disrupt the transnational flow of goods and significantly undermine the stability of the global and Chinese economy, thereby harming our business. Changes to trade policies, treaties and tariffs in the jurisdictions in which we operate or are contemplating operating, or the perception that these changes could occur, could adversely affect cross-border operations, our financial condition and results of operations. For example, trade disputes, increased tariffs or other restrictive trade policies between other countries and China may inhibit our ability to import and trade goods, and could materially impact our business. We may face an inability to meet customers' demand, or experience an increase in our operating costs, which may lead to a decrease in our profits.

There is currently significant uncertainty about the future relationship between China and certain other countries, such as the United States, with respect to trade policies, treaties, government regulations and tariffs. The United States has, through several rounds of increases, imposed higher tariffs on a wide range of goods imported from multiple countries, with most of these actions taking place in early 2025. The tariff increases on goods from China are particularly high, with most goods subject to tariffs of 145% since April 9, 2025. While some of these measures, but not those applicable to Chinese goods, have been suspended, U.S. tariff rates remain at historically high levels. China responded to the U.S. actions with retaliatory tariffs on most U.S. goods of 125% from April 12, 2025; China also implemented export restrictions on certain critical minerals and related products and took other regulatory measures aimed at the United States. On May 12, 2025, the United States and China jointly announced that each country would reduce its tariffs on goods of the other country by 115% for a 90-day period beginning May 14, 2025 and that the two sides would continue negotiations. On August 11, 2025, such tariff suspension was further

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extended for another 90 days. It remains unclear what additional actions, if any, will be taken by the U.S. or other governments regarding tariffs or other trade policies. These trade restrictions are expected to reduce trade volumes, cross-border investment, technological exchange, and other economic activities between major economies, and have a material adverse effect on global economic conditions and the stability of global financial and stock markets. Further governmental action related to tariffs or international trade policies, or additional tax or other regulatory changes in the international trade industry in the future could occur, which could adversely impact our business, results of operations, financial condition and prospects.

We face risks associated with public health crises, force majeure events, severe weather conditions, other natural disasters and geopolitical tensions which could significantly disrupt our business operations.

Our operations, and those of our third-party research institution collaborators, suppliers and other contractors and consultants, may be under the threat of natural disasters such as floods, earthquakes, sandstorms, snowstorms, fire or drought, the outbreak of a widespread health epidemic, such as swine flu, avian influenza, severe acute respiratory syndrome, or SARS, Ebola, Zika, COVID-19, force majeure events such as power, water or fuel shortages, failures, malfunction and breakdown of information management systems, unexpected maintenance or technical problems, or potential wars or terrorist attacks. Recent unrest, conflicts or the potential for war in the Middle East may raise energy prices, disrupt global supply chains and markets, and lead to increased market volatility. Our revenue generated from sales in the Middle East accounted for 5.3%, 5.1%, 4.4% and 2.9% of our total revenue in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. While we believe that the current conflicts and tensions in the Middle East will not have a material adverse impact on our business and financial performance, any material escalation of hostilities, conflicts or prolonged instability could potentially adversely affect our distributors, customer demand, logistics arrangements and/or operating costs in the region.

The occurrence of a disaster or a prolonged outbreak of an epidemic illness or other adverse public health developments could materially disrupt our business and operations. There also could occur serious natural disasters, which may result in loss of lives, injury, destruction of assets and disruption of our business and operations. Damage or extended periods of interruption to our corporate, development, research or manufacturing facilities due to fire, disaster, epidemics, power loss, communications failure, unauthorized entry or other events could cause us to cease or delay the development or commercialization of our products. As we rely on third parties on various services and supplies, the occurrence of any of the foregoing events could seriously harm our ability to obtain services or supplies if such third parties are affected by disasters, epidemics, business interruptions and other force majeure events. In addition, our insurance might not cover all losses under such circumstances and our business may be seriously harmed by such delays and interruption. Acts of war or terrorism may also injure our employees, disrupt our business network and destroy our markets. Any of the foregoing events and other events beyond our control could have an adverse effect on the overall business sentiment and environment, cause uncertainties in the regions where we conduct business and materially and adversely impact our business, financial condition and results of operations.

We incurred net losses during the Track Record Period and may incur net losses for the foreseeable future.

We continue to incur significant expenses related to our ongoing operations, and as a result, we incurred net losses of RMB64.5 million and RMB96.6 million, respectively, in 2023 and 2024. Although our financial performance turned into a net profit of RMB50.7 million in 2025, we recorded a net loss of RMB2.5 million in the three months ended March 31, 2026, primarily because we made share-based payments of RMB25.1 million under the Pre-IPO Share Option Scheme and incurred listing expenses of RMB12.5 million. We may continue to recognize share-based payment expenses in future periods in connection with the Pre-IPO Share Option Scheme and any other share incentive arrangements we may adopt. Such non-cash expenses, together with the additional costs

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of being a public company, may cause us to incur net losses in subsequent periods even if our underlying operating performance improves. In addition, we will start incurring costs associated with being and maintaining the status of a public company in Hong Kong after the Listing. The size of our future net losses will depend, in part, on the number and scale of our product development programs and the associated costs of those programs, the cost of commercializing any products, our share incentive arrangements, our plan on strategic acquisitions and other expenses in relation to our business operations. Our failure to become and remain profitable would decrease our value and could impair our ability to raise capital, maintain our R&D efforts, expand our business or continue our operations.

The historical results of operations and financial performance of our Company and our acquired businesses may not be indicative of our future growth.

In 2023, 2024, and 2025 and the three months ended March 31, 2025 and 2026, our revenue amounted to RMB1,313.3 million, RMB1,399.4 million, RMB1,619.2 million, RMB354.7 million and RMB422.3 million, respectively; and our gross profit amounted to RMB651.4 million, RMB695.1 million, RMB869.7 million, RMB181.8 million and RMB229.2 million, respectively. However, our historical revenue and gross profit may not be indicative of our future growth.

Furthermore, as the market and our business evolve, we may modify our operations, data and technology, sales and marketing, solutions and services. These changes may not achieve expected results and may have a material and adverse impact on our results of operations and financial condition. Our expenses may grow faster than our revenue, and our expenses may increase or may be greater than we expected. We cannot assure you that we will be able to achieve similar results or grow at the same speed as we did in the past or at all. Rather than relying on our historical operating and financial results to evaluate us, you should consider our business prospects in light of the risks and difficulties we may encounter as a company operating in emerging markets and dynamic industries, including, among other factors, (i) macroeconomic and other factors that affect the medical device markets in the countries and regions where we operate, (ii) our ability to expand our customer base, and to retain and grow the wallet share of our existing customers, (iii) our ability to maintain and expand our business infrastructure and networks, (iv) our ability to manage and further improve operational efficiency, and (v) our ability to execute acquisitions and investments, as well as successful integration. We may not be able to successfully address these or other challenges, which could adversely impact our business, results of operations and financial condition.

We have been and will continue investing heavily in our research and development, and such investment may negatively impact our profitability in the short term and may not generate the results we expect to achieve.

We have been investing heavily in our R&D efforts. Our R&D expenses amounted to RMB281.1 million, RMB290.5 million, RMB274.2 million and RMB68.2 million, representing 21.4%, 20.8%, 16.9% and 16.2% of our revenue, in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. The industry in which we operate is evolving quickly in terms of technological innovation. We expect that our R&D expenses may continue to increase in the future. The inherent uncertainties associated with development activities could pose challenges in obtaining and retaining adequate resources, including the engagement of qualified research and development personnel. Furthermore, even if our R&D efforts are successful and yield the expected results, we may still encounter practical difficulties in the commercialization of these outcomes. The process of transitioning from product development to market commercialization is complex and can present potential obstacles, which could impact our ability to realize a return on our research and development investments. Despite substantial resource allocation and concerted efforts towards R&D, we cannot guarantee that our technology will consistently maintain its leading position. Our competitors may develop more advanced or effective technologies, or the advent of new technologies could potentially render our existing products obsolete or less competitive.

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We may incur impairment losses on our goodwill in the future.

We recorded goodwill of RMB905.5 million, RMB905.5 million, RMB928.2 million and RMB927.8 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively, which primarily arose from our acquisition of Penlon, Vedkang Medical and Vedefar. See “History, Development and Corporate Structure” for details. Such goodwill recorded reflected the excess of the total acquisition consideration in the acquired company over the total fair value of identifiable net assets of the acquired company. We determine whether goodwill is impaired at least on an annual basis. There is no assurance that we will not incur impairment loss on goodwill going forward. Any significant impairment of our goodwill could have a material adverse effect on our business, financial condition and results of operations.

RISKS RELATING TO DOING BUSINESS IN COUNTRIES AND REGIONS WHERE WE OPERATE

Any adjustment embedded in the legal systems of certain geographic markets where we operate could affect our business, financial condition and results of operations.

Our operations span across various geographic markets, each with its unique legal system. We acknowledge the inherent uncertainties within the legal frameworks of some of the markets we operate in. Newly enacted laws and regulations may not comprehensively address all facets of economic activities in these markets. The interpretation and enforcement of such laws and regulations in these markets remain unsettled. As local authorities and courts have broad discretion to interpret and implement statutory provisions and contractual terms, the outcomes of administrative and court proceedings, including the enforcement of foreign arbitration awards may be difficult to predict. Such uncertainties may impact our understanding of legal requirements and our ability to enforce our contractual rights, and may expose us to unmerited or frivolous legal actions, claims concerning third party conduct, or threats.

Additionally, many of the legal systems in our operational markets are influenced by their respective government policies and internal rules. Some of these policies and rules may not be published promptly or at all, and could have retroactive effects. There are instances where key regulatory definitions are ambiguous, imprecise, or absent, or where regulatory interpretations diverge from court interpretations in analogous cases. Consequently, we may inadvertently violate certain policies or rules, only becoming aware of such violations after the fact. Furthermore, administrative and court proceedings in some of our markets may be prolonged, leading to significant costs and diversion of resources and management attention.

We recognize the possibility of new laws and regulations being adopted or interpreted as applicable to us in our geographic markets and elsewhere, which could impact our businesses and operations. The industries in which we operate may face increased scrutiny and regulation, necessitating the allocation of additional legal and other resources to comply with these regulations. Changes in existing laws or regulations, or the introduction of new laws and regulations in our markets, could potentially impede the growth of the medical devices industry and affect our business, financial condition, and operational results.

It may be difficult to effect service of process upon us or our directors or officers named in this prospectus or to enforce foreign court judgments against them.

We are a company incorporated under the laws of China, and a majority of our assets are located in China. In addition, most of our Directors and senior management reside within China, and the assets of our Directors and senior management are likely to be located within China. As a result, it may be difficult for you to effect service of process in China. Moreover, China does not have treaties with certain other jurisdictions that provide for the reciprocal recognition and enforcement of judicial rulings and awards.

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We cannot assure you that we will declare and distribute any dividends in the future.

There can be no assurance that we will declare and pay dividends because the declaration, payment and amount of dividends are subject to the discretion of our Directors, depending on, among other considerations, our operations, earnings, cash flows and financial position, operating and capital expenditure requirements, our strategic plans and prospects for business development, our constitutional documents and applicable law. For more details on our dividend policy, see “Financial Information — Dividend”.

Furthermore, under the PRC law and regulations, we may only pay dividends out of distributable profits. Distributable profits are our after-tax profits, less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make. As a result, we may not have sufficient or any distributable profit to enable us to make dividend distributions to our Shareholders, including in periods for which our financial statements indicate we are profitable. Any distributable profit not distributed in a given year is retained and available for distribution in subsequent years.

We are a PRC enterprise and we are subject to PRC tax on our global income, and any gains on the sales of our H Shares and dividends paid to investors may be subject to PRC income taxes.

We are subject to periodic examinations on fulfillment of our tax obligation under the PRC tax laws and regulations by PRC tax authorities. We cannot assure you that future examinations by PRC tax authorities would not result in fines, other penalties or action that could adversely affect our business, results of operations, financial condition and prospects, as well as our reputation. Furthermore, PRC tax laws and regulations may be adjusted from time to time. Our ability to attract and retain highly skilled foreign scientists and research personnel to work in China may be materially affected by such tax regulations and may also have an adverse effect on us.

Holders of our H Shares may be subject to PRC income tax obligations.

Under the current PRC tax laws and regulations, non-PRC resident individuals and non-PRC resident enterprises are subject to different tax obligations with respect to the dividends paid to them by us and the gains realized upon the sale or other disposition of H Shares.

According to the Individual Income Tax Law of the PRC and the Implementation Regulations for the Individual Income Tax Law of the PRC, both came into effect on January 1, 2019, the tax applicable to non-PRC resident individuals is proportionate at a rate of 20% for any dividends obtained from within China or gains on transfer of shares and shall be withheld and paid by the withholding agent. Pursuant to the Arrangement between the Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the “**Arrangements**”) executed on August 21, 2006, the PRC Government may levy taxes on the dividends paid by PRC companies to Hong Kong residents in accordance with the PRC laws, but the levied tax (in the case the beneficial owner of the dividends are not companies directly holding at least 25% of the equity interest in the company paying the dividends) shall not exceed 10% of the total dividends.

According to the Enterprise Income Tax Law of the PRC, which was newly revised and implemented on December 29, 2018, and the Implementation Regulations for the Enterprise Income Tax Law of the PRC, which was newly revised and implemented on April 23, 2019, if a non-resident enterprise has no presence or establishment within China, or if it has established a presence or establishment but the income obtained has no actual connection with such presence or establishment, it shall pay an enterprise income tax on its income derived from within China with a reduced rate of 10%. Pursuant to the Arrangements, dividends paid by PRC resident enterprises to Hong Kong residents can be taxed either in Hong Kong or in accordance with the PRC laws. However, if the beneficial owner of the dividends is a Hong Kong resident, the tax charged shall

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not exceed: (i) 5% of the total amount of dividends if the Hong Kong resident is a company that directly owns at least 25% of the capital of the PRC resident enterprise paying dividends; (ii) otherwise, 10% of the total amount of dividends.

Considering the above, non-PRC resident holders of our H Shares should be aware that they may be obligated to pay PRC income tax on the dividends and gains realized through sales or transfers by other means of the H Shares.

We may be affected by currency exchange regimes and exchange rate fluctuations.

Conversion of Renminbi into foreign currencies and remittance foreign currency out of the PRC under certain circumstances shall be conducted in accordance with certain laws and regulations with respect to foreign exchange. Under current PRC foreign exchange regulations, certain current account transactions like profit distributions, interest payments, and trade-related expenses can be conducted in foreign currencies without prior approval from the SAFE, as long as certain procedural requirements are met. However, capital account transactions such as capital transfers, direct investments, securities investments, and repayment of borrowings are subject to foreign exchange policies and require prior approval from SAFE or registration with SAFE or authorized banks. If the foreign exchange regulatory system affects our access to sufficient foreign currency to meet our currency needs, we may face challenges in paying our expenses as they become due.

Fluctuations in the exchange rate between the Renminbi and the Hong Kong dollar will affect the relative purchasing power in Renminbi terms of the net proceeds from the Global Offering, cause us to incur foreign exchange losses, and affect the relative value of any dividend we may issue. Movements in Renminbi exchange rates are affected by, among other things, changes in political and economic conditions and China's foreign exchange regime and policy. With the development of the foreign exchange market and progress towards interest rate liberalization and Renminbi internationalization, the PRC government may in the future announce further changes to the exchange rate system, and we cannot assure you that the Renminbi will not appreciate or depreciate significantly in value against other currencies in the future. It is difficult to predict how market forces or relevant government policies may impact the exchange rate between the Renminbi and other currencies in the future. As of the Latest Practicable Date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risks. In any event, the availability and effectiveness of these hedges may be limited, and we may not be able to hedge our exposure successfully, or at all.

RISKS RELATING TO THE GLOBAL OFFERING

No public market currently exists for our H Shares, and an active trading market for our H Shares may not develop and the market price for our H Shares may decline or become volatile.

Prior to the completion of the Global Offering, there has been no public market for our H Shares. The Offer Price for our H Shares was the result of negotiations among us and the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters), and the Offer Price may differ significantly from the market price for our H Shares following the Global Offering. We have applied to list and deal in our H Shares on the Stock Exchange. We cannot assure you that the Global Offering will result in the development of an active, liquid public trading market for our H Shares. In addition, the price and trading volumes of our H Shares may be volatile and could be fluctuate widely in response to factors beyond our control, such as the general market conditions of securities in Hong Kong and elsewhere in the world, the operating and stock price performance of other companies in our industry, or whether securities or industry analysts publish research reports regarding or recommend investment in our H Shares.

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Future sales or perceived sales of substantial amounts of our H Shares in the public market could have a material and adverse effect on the price of our H Shares and our ability to raise additional capital in the future.

The market price of our H Shares could decline as a result of future sales of a substantial number of our H Shares or other securities relating to our H Shares in the public market, or the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Future sales, or anticipated sales, of substantial amounts of our securities, including any future offerings, could also materially and adversely affect our ability to raise capital at a specific time and on terms favorable to us. In addition, our Shareholders may experience dilution of their holdings if we issue more securities in the future. New shares or shares-linked securities issued by us may also confer rights and privileges that take priority over those conferred by our H Shares.

According to the regulations by the State Council's securities regulatory authority and the Articles of Association, our Unlisted Shares may be converted into H Shares and such converted H Shares may be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted shares, the requisite internal approval processes have been duly completed and the filing with the relevant PRC regulatory authorities, including the CSRC, have been obtained. In addition, such conversion, trading and listing must comply with the regulations prescribed by the CSRC and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange. We can apply for the conversion of all or any portion of our Unlisted Shares on the Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of shares for entry on the H Share register. This could increase the supply of H Shares in the market, and future sales, or perceived sales, of the converted H Shares may materially and adversely affect the trading price of our H Shares.

You may incur immediate and significant dilution and may experience further dilution if we issue additional H Shares or other equity securities in the future, including pursuant to the share incentive schemes.

The Offer Price of the Offer Shares is higher than the net tangible asset value per Share immediately prior to the Global Offering. Therefore, purchasers of the Offer Shares in the Global Offering will experience an immediate dilution in pro forma net tangible asset value. In order to expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the Offer Shares may experience dilution in the net tangible asset value per share of their Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time. Furthermore, we may issue Shares pursuant to the share incentive schemes, which would further dilute Shareholders' interests in our Company.

Forward-looking statements contained in this prospectus are subject to risks and uncertainties.

This prospectus contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, and growth opportunities for existing operations, plans and objectives of management, certain pro forma information and other matters.

The words "anticipate," "believe," "could," "potential," "continue," "expect," "intend," "may," "plan," "seek," "will," "would," "should" and the negative of these terms and other similar expressions identify a number of these forward-looking statements. These forward-looking statements, including, among others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessary estimates reflecting the best judgment of our Directors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set out in "Risk Factors" in this

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prospectus. Accordingly, such statements are not a guarantee of future performance and you should not place undue reliance on any forward-looking information. All forward-looking statements in this prospectus are qualified by reference to this cautionary statement.

Certain facts and statistics derived from government sources contained in this prospectus may not be reliable.

We have derived certain facts and other statistics in this prospectus, particularly those relating to the general economy, the medical device industry, from information provided by various public sources, industry associations, independent research institutes and other third-party sources, including a report prepared by CIC that we commissioned. We have not independently verified information and statistics from official government sources. While we have taken reasonable care in the reproduction of the information, we cannot assure you as to the accuracy and reliability of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable with statistics produced for other economies, and you should not place undue reliance on them. Furthermore, we cannot assure you that they are stated or compiled on the same basis, or with the same degree of accuracy, as similar statistics presented elsewhere. In all cases, you should consider carefully how much weight or importance you should attach to or place on such facts or statistics.

You should read the entire prospectus carefully and only rely on the information included in this prospectus to make your investment decision, and we strongly caution you not to rely on any information contained in press articles or other media coverage relating to us, our H Shares or the Global Offering.

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the Global Offering. Prior to the publication of this prospectus, there may have been press and media coverage regarding us and the Global Offering. Such press and media coverage may include references to certain information that does not appear in this prospectus, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this prospectus, we disclaim responsibility for it, and you should not rely on such information.

WAIVERS AND EXEMPTIONS

In preparation for the Global Offering, our Company has sought and has been granted the following waivers from strict compliance with the relevant provisions of the Listing Rules and the following exemptions from compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong.

Our headquarters and most of our business operations are based, managed and conducted in the PRC. As our executive Directors play very important roles in our business operation, it is in our best interest for them to be based in the places where our Group has significant operations. We consider it practicably difficult and commercially unreasonable for us to arrange for two executive Directors to ordinarily reside in Hong Kong, either by means of relocation of our executive Directors to Hong Kong or appointment of additional executive Directors. Therefore, we do not have, and in the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 and 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 8.12 and 19A.15 of the Listing Rules, provided that our Company implements the following arrangements:

- (i) we have appointed Mr. YAN Renzhong (“**Mr. Yan**”) and Ms. SIOW Yuet Chew Grace (“**Ms. Siow**”) as our authorized representatives pursuant to Rule 3.05 of the Listing Rules. The authorized representatives will act as our Company’s principal channel of communication with the Stock Exchange. The authorized representatives will be readily contactable by phone and email to promptly deal with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon request of the Stock Exchange;
- (ii) when the Stock Exchange wishes to contact our Directors on any matter, each of our authorized representatives will have all necessary means to contact all of our Directors (including our independent non-executive Directors) promptly at all times. Our Company will also inform the Stock Exchange promptly in respect of any changes in our authorized representatives. We have provided the Stock Exchange with the contact details (i.e. mobile phone number, office phone number, email address and fax number (if applicable)) of all Directors to facilitate communication with the Stock Exchange;
- (iii) all Directors who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period upon the request of the Stock Exchange;
- (iv) we have appointed UOB Kay Hian (Hong Kong) Limited as our compliance advisor upon Listing pursuant to Rule 3A.19 of the Listing Rules for a period commencing on the Listing Date and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing Date. Our compliance advisor will have access at all times to our authorized representatives, our Directors and our senior management as prescribed by Rule 3A.23 of the Listing Rules, who will act as the additional channel of communication with the Stock Exchange when the authorized representatives are not available; and

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- (v) we have provided the Stock Exchange with the names, mobile phone numbers, office phone numbers, fax numbers and email addresses of at least two of our compliance adviser's officers who will act as our compliance adviser's contact persons between the Stock Exchange and our Company.

WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that (i) members of The Hong Kong Chartered Governance Institute; (ii) solicitors or barristers as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and (iii) certified public accountants as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong) are academic or professional qualifications considered to be acceptable by the Stock Exchange.

Note 2 to Rule 3.28 of the Listing Rules further provides that the Stock Exchange considers such factors, including (i) length of employment with the issuer and other issuers and the roles he/she played; (ii) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code; (iii) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and (iv) professional qualifications in other jurisdictions, in assessing the "relevant experience" of the individual.

Our Company has appointed Mr. Yan, who is also our executive Director, as one of our joint company secretaries. He has extensive experience in board and corporate management matters but presently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, we have appointed Ms. Siow, an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary and to provide assistance to Mr. Yan for an initial period of three years from the Listing Date to enable Mr. Yan to acquire the "relevant experience" under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules. Given Ms. Siow's professional qualification and experience, she will be able to explain to both Mr. Yan and us the relevant requirements under the Listing Rules and other applicable Hong Kong laws and regulations. Ms. Siow will also assist Mr. Yan in organizing Board meetings and Shareholders' meetings as well as other matters of our Company which are incidental to the duties of a company secretary. Ms. Siow is expected to work closely with Mr. Yan and will maintain regular contact with Mr. Yan. In addition, Mr. Yan will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules to enhance his knowledge of the Listing Rules during the three-year period from the Listing Date. Our Company will further ensure that Mr. Yan has access to the relevant training and support that would enhance his understanding of the Listing Rules and the duties of a company secretary of an issuer listed on the Stock Exchange. He will also be assisted by our compliance advisor and our legal advisers as to the Hong Kong laws on matters in relation to our ongoing compliance with the Listing Rules and the applicable laws and regulations.

Since Mr. Yan does not possess the formal qualifications required of a company secretary under Rule 3.28 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Mr. Yan may be appointed as a joint company secretary of our Company. The waiver is valid for an initial period of three years from the Listing Date on the conditions that (i) Mr. Yan must be assisted by Ms. Siow who possesses the qualifications and experience required under Rule 3.28 of the Listing Rules; and (ii) the waiver will be revoked immediately if and when Ms. Siow ceases to provide assistance to Mr. Yan as a joint company secretary or if there are material breaches of the Listing Rules by our Company. Before the

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expiration of the initial three-year period, the qualifications of Mr. Yan will be re-evaluated to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied and whether the need for ongoing assistance will continue. We will liaise with the Stock Exchange to enable it to assess whether Mr. Yan, having benefited from the assistance of Ms. Siow for the preceding three years, will have acquired the skills necessary to carry out the duties of a company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

WAIVER AND EXEMPTION IN RESPECT OF THE PRE-IPO SHARE OPTION SCHEME

The Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance prescribes certain disclosure requirements in relation to the share options granted by our Company (the “**Share Options Disclosure Requirements**”):

- (a) Rule 17.02(1)(b) of the Listing Rules stipulates that all the terms of a scheme must be clearly set out in this prospectus. Our Company is also required to disclose in this prospectus full details of all outstanding options and their potential dilution effect on the shareholdings upon Listing as well as the impact on the earnings per share arising from the exercise of such outstanding options or awards.
- (b) Paragraph 27 of Appendix D1A to the Listing Rules requires our Company to set out in this prospectus particulars of any capital of any member of our Group that is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee.
- (c) Paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires our Company to set out in this prospectus, among other things, details of the number, description and amount of any shares in or debentures of our Company which any person has, or is entitled to be given, an option to subscribe for, together with the certain particulars of the option, namely the period during which it is exercisable, the price to be paid for shares and debentures subscribed for under it, the consideration (if any) given or to be given for it or for the right to it and the names and addresses of the persons to whom it was given.

As at the Latest Practicable Date, our Company granted outstanding options under the Pre-IPO Share Option Scheme to 344 grantees (excluding 28 departed employees and one employee who voluntarily surrendered his options), including 3 Directors, 4 members of the senior management of the Company, 3 connected persons of the Company who are not our Director or senior management member, 14 other grantees granted with options to subscribe for 225,000 or more H Shares, and 320 other current employees of our Group, to subscribe for an aggregate of 23,897,500 H Shares (excluding 1,102,500 canceled options held by the aforementioned 29 current or former employees), representing approximately 4.99% and 4.44% of the total number of H Shares and Shares, respectively, in issue immediately following the unwinding of the WVR structure, the Conversion of the Unlisted Shares into H Shares and upon completion of the Global Offering (assuming the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding). For details of the Pre-IPO Share Option Scheme, see “Statutory and General Information — 5. Pre-IPO Share Option Scheme” in Appendix IV to this prospectus.

Our Company has applied to (i) the Stock Exchange for a waiver from strict compliance with the requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules; and (ii) to the SFC for a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with the disclosure requirements under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the options

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granted under the Pre-IPO Share Option Scheme, on the ground that strict compliance with the above requirements would be unduly burdensome for our Company and the waiver and the exemption would not prejudice the interest of the investing public for the following reasons:

- (a) given that 344 grantees (excluding 28 departed employees and one employee who voluntarily surrendered his options) are involved, strict compliance with the Share Option Disclosure Requirements in setting out full details of all the grantees under the Pre-IPO Share Option Scheme in this prospectus on an individual basis would be costly and unduly burdensome for our Company in light of a significant increase in cost and timing for information compilation and prospectus preparation;
- (b) the grant and exercise in full of the options granted under the Pre-IPO Share Option Scheme would not cause any material adverse impact on the financial position of our Company. As of the Latest Practicable Date, save for 3 grantees who are Directors, 4 grantees who are senior management of our Company, 3 grantees who are connected persons of our Company who are not our Director or senior management members and 14 other grantees granted with options to subscribe for 225,000 or more H Shares, with outstanding options to subscribe for an aggregate of 12,545,000 H Shares, representing approximately 2.33% of the total issued share capital immediately upon completion of the Global Offering (assuming the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding), the remaining 320 grantees (excluding the departed employees and the employee who voluntarily surrendered his options) are employees of our Group and Independent Third Parties with outstanding options to subscribe for an aggregate of 11,352,500 H Shares (excluding an aggregate of 1,102,500 canceled options held by the aforementioned 29 current or former employees), representing approximately 2.11% of the total issued share capital immediately upon completion of the Global Offering (assuming the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding). Strict compliance with the applicable Share Option Disclosure Requirements to disclose names, addresses and entitlements on an individual basis in this prospectus will require a number of additional pages of disclosure that does not provide any material information to the investing public;
- (c) lack of full compliance with the above disclosure requirements would not prevent our Company from providing its potential investors with information for them to make an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Company; and
- (d) material information relating to the options under the Pre-IPO Share Option Scheme has been disclosed in this prospectus to provide prospective investors with sufficient information to make an informed assessment of the potential dilutive effect and impact on earnings per H Share of the options in making their investment decision, and such information includes:
 - (i) a summary of the terms of the Pre-IPO Share Option Scheme;
 - (ii) the aggregate number of Shares subject to the options and the percentage to our total issued share capital represented by such number of Shares;
 - (iii) the dilutive effect and the impact on earnings per Share upon full exercise of the options immediately following completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing);

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- (iv) full details of the options granted by our Company to Directors, members of senior management, connected persons of our Company and other grantees granted with options to subscribe for 225,000 or more H Shares, on an individual basis, are disclosed in this Prospectus, and such details include all the particulars required under Rule 17.02(1)(b) and paragraph 27 of Appendix D1A to the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (v) in respect of the options under the Pre-IPO Share Option Scheme granted to remaining grantees (being the other grantees who are not Directors, members of senior management, connected persons of the Company, or those granted with options to subscribe for 225,000 or more H Shares), disclosure will be made, on an aggregate basis, including (i) their aggregate number of grantees and number of Shares underlying the options under the Pre-IPO Share Option Scheme; (ii) the consideration (if any) paid for the grant of the options under the Pre-IPO Share Option Scheme; and (iii) the exercise period of the options and the exercise price of the options granted under the Pre-IPO Share Option Scheme; and
- (vi) the particulars of the waiver and exemption granted by the Stock Exchange and the SFC, respectively.

The Stock Exchange has granted to our Company a waiver from strict compliance with the relevant requirements under the Listing Rules on the conditions that:

- (a) full details of the options under the Pre-IPO Share Option Scheme granted to each of the Directors, members of senior management, connected persons of our Company and other grantees granted with options to subscribe for 225,000 or more H Shares will be disclosed in the paragraph headed “Statutory and General Information — 5. Pre-IPO Share Option Scheme” in Appendix IV to this prospectus on an individual basis as required under the applicable Share Option Disclosure Requirements;
- (b) for the remaining grantees, disclosure will be made, on an aggregate basis, of (i) the aggregate number of grantees and the number of H Shares underlying the options granted to them under the Pre-IPO Share Option Scheme, (ii) the consideration (if any) paid for the grant of the options under the Pre-IPO Share Option Scheme, and (iii) exercise period and the exercise price for the options granted under the Pre-IPO Share Option Scheme;
- (c) in respect of the options granted by the Company under the Pre-IPO Share Option Scheme to grantees other than those referred to in (a) above, disclosures are made, on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grantee, being: 1 to 49,999 H Shares, 50,000 to 99,999 H Shares, and 100,000 to 200,000 H Shares. For each lot of H Shares underlying the Pre-IPO Share Option Scheme, the following details are disclosed in the prospectus: (1) aggregate number of grantees and number of Shares subject to the options, (2) the consideration paid for the grant of the options and (3) the exercise period and the exercise price for the options;
- (d) there will be disclosure in the paragraph headed “Statutory and General Information — 5. Pre-IPO Share Option Scheme” in Appendix IV to this prospectus for the aggregate number of H Shares underlying the options under the Pre-IPO Share Option Scheme and the percentage of our Company’s total issued share capital represented by such number of H Shares;

WAIVERS AND EXEMPTIONS

- (e) the dilutive effect and impact on earnings per H Share upon full exercise of the options under the Pre-IPO Share Option Scheme will be disclosed in the paragraph headed “Statutory and General Information — 5. Pre-IPO Share Option Scheme” in Appendix IV to this prospectus;
- (f) a summary of the principal terms of the Pre-IPO Share Option Scheme will be disclosed in the paragraph headed “Statutory and General Information — 5. Pre-IPO Share Option Scheme” in Appendix IV to this prospectus;
- (g) the particulars of this waiver and the exemption will be disclosed in this prospectus;
- (h) a full list of all the grantees (including those persons whose details have already been disclosed) under the Pre-IPO Share Option Scheme, containing all the details as required under the Share Option Disclosure Requirements will be made available for public inspection in accordance with Appendix V to this prospectus;
- (i) further information relating to the grantees who have been granted options is provided to the Stock Exchange; and
- (j) the certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting our Company from the disclosure requirements provided in paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

The SFC has granted us the certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance subject to the conditions that:

- (a) on an individual basis, full details of the options granted by the Company under the Pre-IPO Share Option Scheme to each of the Directors, senior management, connected persons of our Company and other grantees granted with options to subscribe for 225,000 or more H Shares are disclosed in “Statutory and General Information — 5. Pre-IPO Share Option Scheme” in Appendix IV to this prospectus, such details to include all the particulars required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) in respect of the options granted under the Pre-IPO Share Option Scheme to employees (other than those referred to in (a) above), disclosures are made on an aggregate basis, and categorized into lots based on number of H Shares underlying the options granted to each individual grantee, being: 1 to 49,999 H Shares, 50,000 to 99,999 H Shares, and 100,000 to 200,000 H Shares, and for each lot of H Shares underlying the Pre-IPO Share Option Scheme, the following details are disclosed in this prospectus: (1) the aggregate number of such grantees and the number of H Shares subject to the options, (2) the consideration paid for the grant of the options, and (3) the exercise period and the exercise price for the options;
- (c) a full list of all the grantees (including those persons referred to in (a) above) who have been granted options to subscribe for H Shares under the Pre-IPO Share Option Scheme, containing all the details as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance will be made available for public inspection in accordance with Appendix V to this prospectus; and
- (d) the particulars of this exemption will be disclosed in this prospectus and this prospectus will be issued on or before August 28, 2026.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus, for which our Directors (including any proposed director who is named as such in this prospectus) collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Cap 571V of the Laws of Hong Kong) and the Listing Rules. Our Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this prospectus misleading.

CSRC FILING

According to the Overseas Listing Trial Measures, we are required to complete the filing procedures with the CSRC in connection with the proposed Listing. We have submitted a filing to the CSRC for application for the Listing on September 15, 2025. The CSRC confirmed completion of such filing on February 13, 2026.

THE HONG KONG PUBLIC OFFERING AND THIS PROSPECTUS

This prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. The listing of our H Shares on the Stock Exchange is sponsored by the Joint Sponsors and the Global Offering is managed by the Overall Coordinators. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters pursuant to the Hong Kong Underwriting Agreement. The International Offering is expected to be fully underwritten by the International Underwriters pursuant to the terms of the International Underwriting Agreement. For details, see “Underwriting”.

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and on the terms and subject to the conditions set out herein and therein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this prospectus, and any information or representation not contained herein must not be relied upon as having been authorized by our Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their respective directors, officers, employees, advisers, agents or representatives, or any other persons or parties involved in the Global Offering.

Neither the delivery of this prospectus nor any subscription or acquisition made under it shall, under any circumstances, create any implication that there has been no change or development in our affairs since the date of this prospectus or that the information in this prospectus is correct as of any date subsequent to the date of this prospectus.

RESTRICTIONS ON OFFER AND SALE OF THE OFFER SHARES

Each person acquiring the Hong Kong Offer Shares will be required to, or be deemed to, confirm that he/she is aware of the restrictions on the offer and sale of the Hong Kong Offer Shares described in this prospectus.

No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, without limitation to the following, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation for subscription. The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Offer Shares have not been offered and sold, and will not be offered and sold, directly or indirectly, in the PRC or the United States.

APPLICATION FOR LISTING OF THE H SHARES ON THE HONG KONG STOCK EXCHANGE

We have applied to the Hong Kong Stock Exchange for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering and the Conversion of Unlisted Shares into H Shares.

No part of our Shares or loan capital is listed on or dealt in on any other stock exchange, and no such listing or permission to list is being or proposed to be sought as of the Latest Practicable Date. All the Offer Shares will be registered on our H Share register of members in order to enable them to be traded on the Stock Exchange.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotment made in respect of any application will be invalid if the listing of, and permission to deal in, our H Shares on the Hong Kong Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to our Company by or on behalf of the Hong Kong Stock Exchange.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, our H Shares on the Hong Kong Stock Exchange and compliance with the stock admission requirements of HKSCC, our H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in our H Shares on the Hong Kong Stock Exchange or on any other date as determined by HKSCC. Settlement of transactions between participants of the Hong Kong Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS. Investors should seek the advice of their stockbrokers or other professional advisers for details of the settlement arrangements as such arrangements may affect their rights and interests.

H SHARE REGISTER OF MEMBERS AND STAMP DUTY

All of the Offer Shares will be registered on our register of members of H Share to be maintained by our H Share Registrar, Tricor Investor Services Limited, in Hong Kong. Our principal register of members will be maintained by us at our headquarters in the PRC.

Dealings in our H Shares registered on the H Share register of members of our Company in Hong Kong will be subject to Hong Kong stamp duty.

Unless determined otherwise by our Company, dividends payable in respect of our H Shares will be paid to our Shareholders listed on the H Share register of members of our Company in Hong Kong, by ordinary post, at our Shareholders' risk, to the registered address of each Shareholder of our Company.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisers as to the taxation implications of subscribing for, purchasing, holding or disposal of, and/or dealing in our H Shares or exercising rights attached to them. None of us, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their respective directors, officers, employees, partners, agents, advisers or representatives or any other person or party involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchasing, holding, disposition of, or dealing in, our H Shares or exercising any rights attached to them.

EXCHANGE RATE CONVERSION

Solely for your convenience, this prospectus contains translations among certain amounts denominated in Renminbi, Hong Kong dollars and U.S. dollars. Unless indicated otherwise, (i) the translations between Renminbi and U.S. dollars were made at the rate of RMB6.7817 to US\$1.00, and the translations between Hong Kong dollars and Renminbi were made at the rate of RMB0.86466 to HK\$1.00, both being the PBOC rate prevailing on August 21, 2026; and (ii) the translations between U.S. dollars and Hong Kong dollars were made at the rate of HK\$7.8432 to US\$1.00. No representation is made that the amounts denominated in one currency could actually be converted into the amounts denominated in another currency at the rates indicated or at all.

LANGUAGE

If there is any inconsistency between this prospectus and its Chinese translation, this prospectus shall prevail. For ease of reference, the names of the Chinese laws and regulations, government authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in this prospectus in both the Chinese and English languages. In the event of any inconsistency, the Chinese name shall prevail.

ROUNDING

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed in any table, chart or elsewhere in this prospectus are due to rounding.

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

DIRECTORS

Name	Address	Nationality

Executive Directors

Mr. LIU Jie	Room 1801, Block C, Building 1 Shenwanhui Yun Center Phase One Baishi 3rd Road Nanshan District, Shenzhen PRC	Canadian

Mr. ZHONG Yaoqi (鍾要齊)	Room 3401, Block B China Resources City Runfu Phase II 28 Tonggu Road Yuehai Street Nanshan District, Shenzhen PRC	Chinese

Mr. YAN Renzhong (顏仁仲)	Room 212, Block 2 Nantian Building No. 2 Baihua 3rd Road Futian District, Shenzhen PRC	Chinese

Non-executive Directors

Ms. LI Hui (李輝)	Room 1801, Block C, Building 1 Shenwanhui Yun Center Phase One Baishi 3rd Road Nanshan District, Shenzhen PRC	Chinese

Mr. ZHANG Jiecheng (張劼鉞)	Room 602, No. 12 Lane 1018, Huimin Road Yangpu District, Shanghai PRC	Chinese

Dr. ZHOU Yi (周伊)	5B, 3002 Qiaoxianggongguan No. 3028 Qiaoxiang Road Futian District, Shenzhen PRC	Chinese

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

Name	Address	Nationality
Independent Non-executive Directors		
Dr. SHAO Liyang (邵理陽)	Room 301, Block 2 Teacher's Apartment 1088 Xueyuan Avenue Nanshan District, Shenzhen PRC	Chinese
Mr. ZHANG Hanbin (張漢斌)	Room B, 13/F, Unit 2, Building 7 Phase 2, The Peninsula City Garden Golden Century Road Dongjiaotou, Shekou Nanshan District, Shenzhen PRC	Chinese
Mr. TAM Man Hong (譚文康)	Flat B, 4/F, Ho King View 2 Braemar Hill Road North Point Hong Kong	Chinese (Hong Kong)

For details with respect to our Directors, see “Directors and Senior Management”.

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

PARTIES INVOLVED IN THE GLOBAL OFFERING

**Joint Sponsors, Sponsor-Overall
Coordinators, Overall Coordinators,
Joint Global Coordinators,
Joint Bookrunners, Joint Lead Managers
and Capital Market Intermediaries**

Morgan Stanley Asia Limited
46th Floor, International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

**Huatai Financial Holdings (Hong Kong)
Limited**
62/F, The Center
99 Queen's Road Central
Hong Kong

**Joint Global Coordinator,
Joint Bookrunner, Joint Lead Manager
and Capital Market Intermediary**

BNP Paribas Securities (Asia) Limited
60/F. and 63/F.
Two International Finance Center
8 Finance Street, Central
Hong Kong

**Joint Bookrunners, Joint Lead Managers
and Capital Market Intermediaries**

Celestial Securities Limited
28/F, Manhattan Place
23 Wang Tai Road
Kowloon Bay
Hong Kong

Eddid Securities and Futures Limited
21/F, CITIC Tower
1 Tim Mei Avenue, Central
Hong Kong

**Futu Securities International (Hong Kong)
Limited**
34/F, United Centre
No. 95 Queensway, Admiralty
Hong Kong

Huafu International Securities Limited
Units 2603-2606, 26/F, Infinitus Plaza
199 Des Voeux Road Central
Sheung Wan
Hong Kong

Jinluo Securities Limited
Room 606A, 6/F
Emperor Group Centre
288 Hennessy Road, Wan Chai
Hong Kong

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

SBI China Capital Financial Services Limited

4/F, Henley Building
5 Queen's Road Central, Central
Hong Kong

TradeGo Markets Limited

Room 3405, West Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

UOB Kay Hian (Hong Kong) Limited

6/F Harcourt House
39 Gloucester Road
Hong Kong

Yuet Sheung International Securities Limited

Room 2704, Shun Tak Centre West Tower
168-200 Connaught Road Central
Sheung Wan
Hong Kong

Legal Advisers to our Company

As to Hong Kong law and United States law

Herbert Smith Freehills Kramer

23/F, Gloucester Tower
15 Queen's Road Central
Hong Kong

As to PRC law

Jia Yuan Law Offices

45F, Media Finance Center
Pengcheng 1st Road
Futian District, Shenzhen
Guangdong Province, PRC

As to International Sanctions law

Hogan Lovells Cadwalader International LLP (formerly Hogan Lovells International LLP)

11/F, One Pacific Place
88 Queensway
Hong Kong

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

Legal Advisers to the Joint Sponsors and the Underwriters

As to Hong Kong law and United States law

O'Melveny & Myers

31/F, AIA Central
1 Connaught Road Central
Hong Kong

As to PRC law

Jingtian & Gongcheng

34/F, Tower 3, China Central Place
77 Jianguo Road
Chaoyang District
Beijing, PRC

Reporting Accountant and Auditor

Ernst & Young

Certified Public Accountants
Registered Public Interest Entity Auditor 27/F,
One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

Industry Consultant

China Insights Industry Consultancy Limited

10th Floor, Block B, Jing'an
International Center
88 Puji Road
Jing'an District
Shanghai
PRC

Receiving Bank

Bank of China (Hong Kong) Limited

1 Garden Road
Hong Kong

Compliance Advisor

UOB Kay Hian (Hong Kong) Limited

6/F, Harcourt House
39 Gloucester Road
Hong Kong

CORPORATE INFORMATION

Registered Office	Room 701, Block A, Building 7 Shenzhen International Innovation Hub Dashi 1st Road Xili, Nanshan District, Shenzhen PRC
Headquarters and Principal Place of Business in the PRC	Room 701, Block A, Building 7 Shenzhen International Innovation Hub Dashi 1st Road Xili, Nanshan District, Shenzhen PRC
Principal Place of Business in Hong Kong	Room 1916, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Company's Website	<u>www.medcaptain.com</u> <i>(The information contained in this website does not form part of this prospectus)</i>
Joint Company Secretaries	Mr. YAN Renzhong (顏仁仲) Room 212, Block 2 Nantian Building No. 2 Baihua 3rd Road Futian District, Shenzhen PRC Ms. SIOW, Grace Yuet Chew (蕭月秋) <i>Chartered Secretary</i> <i>Chartered Governance Professional</i> <i>Associate of the Hong Kong Chartered Governance Institute</i> <i>Associate of the Chartered Governance Institute</i> Room 1916, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Authorized Representatives	Mr. YAN Renzhong (顏仁仲) Room 212, Block 2 Nantian Building No. 2 Baihua 3rd Road Futian District, Shenzhen PRC

CORPORATE INFORMATION

	Ms. SIOW, Grace Yuet Chew (蕭月秋) <i>Chartered Secretary</i> <i>Chartered Governance Professional</i> <i>Associate of the Hong Kong Chartered Governance Institute</i> <i>Associate of the Chartered Governance Institute</i> Room 1916, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Audit Committee	Mr. TAM Man Hong (譚文康) (<i>Chairman</i>) Dr. SHAO Liyang (邵理陽) Mr. ZHANG Hanbin (張漢斌)
Nomination Committee	Dr. SHAO Liyang (邵理陽) (<i>Chairman</i>) Mr. ZHANG Hanbin (張漢斌) Ms. LI Hui (李輝)
Remuneration and Appraisal Committee	Mr. ZHANG Hanbin (張漢斌) (<i>Chairman</i>) Mr. LIU Jie Mr. TAM Man Hong (譚文康)
Strategy and ESG Committee	Mr. LIU Jie (<i>Chairman</i>) Mr. ZHONG Yaoqi (鍾要齊) Dr. SHAO Liyang (邵理陽)
H Share Registrar	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal Bank	Bank of China Limited, Shenzhen Xili Branch East Tower, Dingxin Mansion Liuxian Boulevard Xili, Nanshan District, Shenzhen PRC

INDUSTRY OVERVIEW

The information presented in this section, unless otherwise indicated, is derived from various official government publications and other publications generally believed to be reliable and from the market research report prepared by CIC, which we commissioned. However, information and statistics from official government sources have not been independently verified by us or any other parties involved in the Global Offering (other than CIC), and no representation is given as to their accuracy. Accordingly, the information from official sources contained herein may not be accurate and should not be unduly relied upon. For discussion of risks related to our industry, see “Risk Factors — Risks Relating to Our Business and Industry” in this prospectus.

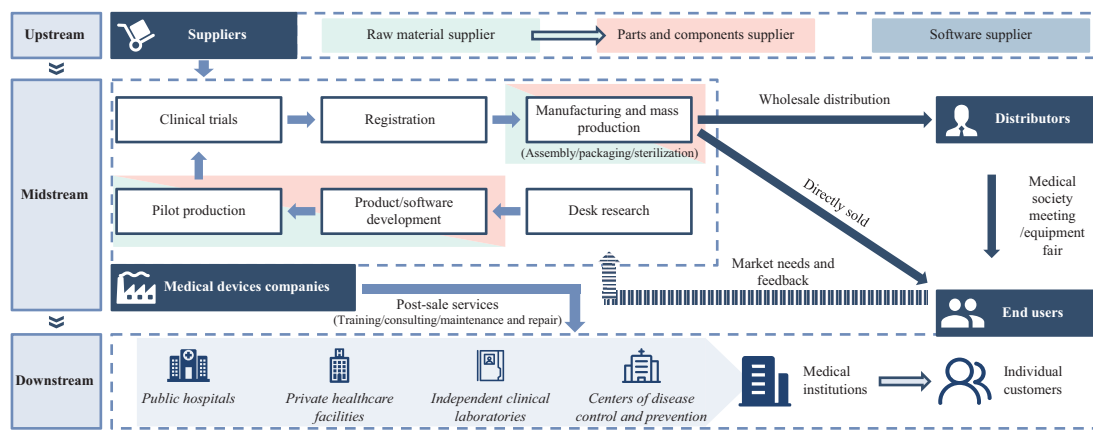
MEDICAL DEVICE INDUSTRY

The medical device industry offers a diverse array of products, including both equipment and consumables, spans various medical fields such as life support, medical imaging, minimally invasive intervention and in vitro diagnostics. With the advancement of information and intelligent technologies, the industry has expanded into healthcare IT systems, such as remote medical systems, hospital information systems and clinical trial management systems. Continuously evolving with market trends, the medical device industry is advancing diagnostic and treatment capabilities, enhancing user experiences, and progressing towards more precise and intelligent healthcare solutions. The medical device market is generally characterized by large multinational corporations with comprehensive product lines and integrated capabilities serving diverse clinical departments globally, and smaller companies typically focus on specific domains.

The global medical device market has consistently shown rapid growth trends, primarily driven by several key factors: (i) an increasing aging population and a growing prevalence of chronic diseases have spurred market demand; (ii) the expansion of healthcare infrastructure in emerging markets, including the construction of new hospitals and the addition of ICUs and hospital beds, has fueled demand for medical devices; (iii) technological advancements and the introduction of healthcare IT systems have led to market demand iteration; (iv) increased patient affordability has boosted the willingness to consume healthcare products and services; and (v) favorable regulatory and policy incentives support industry development. As a result, the global medical device market increased from US\$464.2 billion in 2018 to US\$675.1 billion in 2025, at a CAGR of 5.5%, and it is expected to reach US\$888.6 billion in 2030, at a CAGR of 5.6% from 2025. The medical device market in China increased from RMB562.9 billion in 2018 to RMB1,144.7 billion in 2025, at a CAGR of 10.7%, and it is expected to reach RMB1,719.2 billion in 2030, at a CAGR of 8.5% from 2025 to 2030.

Value Chain of the Medical Device Market

The value chain of the medical device market typically includes upstream suppliers, medical device companies, distributors, and end customers.



Source: Journal of Engineering Studies; CIC Report

INDUSTRY OVERVIEW

- **Suppliers.** Suppliers provide medical device companies with the necessary raw materials for production. For life support products, the primary raw materials include medical-grade plastics, electronic components and accessories. For minimally invasive interventional products, the main raw materials are medical-grade stainless steel, titanium, and specialized polymers. For in vitro diagnostics products, the key raw materials include reagents, enzymes, substrates, microsphere, magnetic beads, primer and probes. Additionally, common materials such as packaging materials and casings for devices are also essential across all product categories, ensuring the safe transport and durability of the medical devices.
- **Medical Device Companies.** Medical device companies are responsible for the R&D, registration, and production of their products. In terms of sales, these companies typically utilize a combination of distribution channels and direct sales methods. Medical device companies also take on the responsibilities of after-sales service for their products.
- **Distributors.** Medical devices are primarily marketed through distributors. Under the distribution model, distributors either sell medical devices directly to medical institutions and other end customers through their own sales channels or engage sub-distributors to extend their reach.
- **Customers under OEM/ODM Model.** Medical device companies may utilize the OEM/ODM model in addition to traditional distribution and direct sales models. Under the OEM/ODM model, a medical device company is commissioned by OEM/ODM customers to design, produce and supply products, which are then further processed and packaged by these customers to be sold under their own brands.
- **End Customers.** Hospitals are the primary end customers for medical devices. Other end customers also include diagnostic centers, community health centers, disease control and prevention centers and individual users.

Entry Barriers to the Medical Device Market

Entry barriers to medical device market include the following:

- **Technical barriers and R&D risks.** Established market participants have accumulated years of technology and know-how, industry experience and in-depth understanding of the clinical needs of different product lines and markets. In addition, R&D activities require significant expenditures and carry inherent uncertainties. Companies in the early stages of development often lack the experience necessary to manage these challenges effectively.
- **Strict regulatory approval processes.** In China, particularly for high-risk Class III devices, a stringent clinical testing and marketing registration process is mandatory. In the U.S., the FDA regulates the approval processes, demanding proof of both safety and efficacy for new devices. In Europe, the pre-market evaluation mainly requires proof of safety for new products. New manufacturers must navigate complex regulatory landscapes and meet high compliance standards to launch their products.
- **Establishment of solid sales channel.** The sale of medical devices depends heavily on established distribution and sales channels. Particularly for public medical institutions, procurement processes are subject to governmental regulations and policies, such as centralized procurement requirements. New entrants need to invest significant time and resources to build a qualified distributor network to navigate these complexities and successfully get their products accepted into hospitals.

INDUSTRY OVERVIEW

- ***Comprehensive product portfolio and solutions.*** Different medical conditions and treatments require specialized device specifications. Offering a comprehensive product portfolio ensures compatibility and provides tailored solutions in one package, which is favored by healthcare professionals. This integrated approach enhances R&D, manufacturing, and commercial efficiencies, creating a competitive advantage that new entrants find challenging to match.
- ***High barriers in strategic acquisition.*** The medical device industry is highly fragmented and technologically diverse, where becoming a competitive comprehensive solutions provider often requires targeted strategic acquisitions to build a broader product portfolio and technology stack. However, such acquisitions in the medical device industry come with inherent challenges, such as clinical approval pathways, regulatory alignment, and post-acquisition integration of R&D and production capabilities. As a result, only companies with deep sector expertise, strong regulatory know-how, and seasoned M&A experience are typically capable of executing and integrating such acquisitions effectively.

LIFE SUPPORT

Life support medical devices are mainly utilized in the ICUs, operating rooms and emergency rooms, including infusion systems, anesthesia machine, airway management equipment, monitors, oxygen concentrators, pulmonary function testing equipment, VTE prevention equipment and others.

The global life support medical device market has grown from US\$49.2 billion in 2018 to US\$80.4 billion in 2025, at a CAGR of 7.3%, and it is expected to increase to US\$110.6 billion in 2030, at a CAGR of 6.6% from 2025 to 2030. Similarly, the life support medical device market in China has grown from RMB31.1 billion in 2018 to RMB60.9 billion in 2025, at a CAGR of 10.1% and it is expected to further increase to RMB92.4 billion in 2030, at a CAGR of 8.7% from 2025 to 2030. In 2025, the top ten market players accounted for approximately 44.7% of the life support market in China, in terms of sales value.

Medication Delivery

The medication delivery system comprises equipment products including pump devices, infusion workstations and intelligent management systems, as well as related consumable products.

- ***Pump devices and consumables.*** The pump devices are automatic and controllable infusion devices, which use mechanical driving force to accurately control the drops or the flow rate of the infusion, ensuring precise and safe delivery of the dose into the patient's body. The pump devices primarily include infusion pumps, syringe pumps, ambulatory pumps and enteral feeding pumps. Related consumables primarily include infusion tubing sets, nutrition bags and other pump-related consumables.
- ***Infusion workstations.*** The infusion workstations, designed to be used alongside infusion and syringe pumps, offer a modular system that facilitates the flexible combination of infusion devices. These workstations allow for the easy adjustment of the number of pumps based on infusion requirements, and their intelligent cascading feature supports automatic, continuous infusion, reducing the risks associated with frequent medication changes and precisely controlling dosages.
- ***Infusion management systems.*** Infusion management systems collect and transmit real-time data from syringe pumps, infusion pumps, and infusion workstations across different wards. This allows for continuous monitoring of the operational status of each device, ensuring efficient and effective management of the infusion process.

INDUSTRY OVERVIEW

Market for Medication Delivery Systems

The global medication delivery system market has grown from US\$5.1 billion in 2018 to US\$9.0 billion in 2025, at a CAGR of 8.4%, and it is expected to reach US\$13.5 billion in 2030, at a CAGR of 8.4% from 2025 to 2030. The medication delivery market in China has grown from RMB3.2 billion in 2018 to RMB6.7 billion in 2025 at a CAGR of 10.9%, and it is expected to increase to RMB11.7 billion in 2030, at CAGR of 12.0% from 2025 to 2030.

Competitive Landscape of the Medication Delivery System Market in China

The medication delivery system market in China is relatively concentrated. The chart below shows the competitive landscape of China's medical delivery systems.

Competitive Landscape of Medication Delivery System in China, 2025

Ranking	Company	Company origin	Market share by sales value*
1	Company A	China	21.1%
2	The Company	China	9.9%
3	Company B	Overseas	9.0%
4	Company C	Overseas	7.4%
5	Company D	China	6.7%

Source: CIC

Notes:

- * The medication delivery system calculated includes infusion pumps, syringe pumps, enteral feeding pumps, infusion workstations and central monitoring systems. The sales values are calculated based on ex-factory prices of the medication delivery system products.
- (1) Company A is a public company established in the 1990s and headquartered in Shenzhen, which was listed on the Shenzhen Stock Exchange and primarily engages in life information and support, in vitro diagnostics, and medical imaging.
- (2) Company B is a private company established in the 1830s and headquartered in Germany, which primarily engages in medical devices and pharmaceuticals.
- (3) Company C is established in the 1990s and headquartered in Germany, which primarily engages in infusion, blood delivery and clinical nutrition. The parent group of Company C was listed on the Frankfurt Stock Exchange.
- (4) Company D is a private company established in the 2000s and headquartered in Shenzhen, China, which primarily engages in life support, in vitro diagnostics, medical imaging, and medical information technology.

Anesthesia Machine

Anesthesia machine plays a crucial role in hospital operating rooms. Anesthesia machine facilitates ventilation for surgical patients, delivers them volatile anesthetic agents to maintain the required state of general anesthesia, and continuously monitors both the patient's condition and the machine's status to ensure the procedure safety. Modern anesthesia machines integrate anesthetic vaporizers, ventilators, and monitoring equipment with electronic control technologies. The vaporizer is a key component of the anesthesia machine to convert the liquid anesthetic agent into vapor.

INDUSTRY OVERVIEW

Market Size of the Anesthesia Machine Market

The global anesthesia machine market has grown from US\$0.7 billion in 2018 to US\$1.0 billion in 2025, at a CAGR of 6.7%, and it is expected to reach US\$1.3 billion in 2030, at a CAGR of 4.7% from 2025 to 2030. The anesthesia machine market in China has grown from RMB0.9 billion in 2018 to RMB1.7 billion in 2025 at a CAGR of 8.8%, and it is expected to increase to RMB2.3 billion in 2030, at CAGR of 6.4% from 2025 to 2030.

The vaporizer, as a key component of the anesthesia machine, is also for sale as a standalone product in the market. The global anesthesia vaporizer market has grown from US\$75.8 million in 2018 to US\$107.3 million in 2025, at a CAGR of 5.1%, and it is expected to further increase to US\$131.7 million in 2030, at a CAGR of 4.2% from 2025 to 2030. The anesthesia vaporizer market in China has grown from RMB100.5 million in 2018 to RMB188.8 million in 2025, at a CAGR of 9.7%, and it is expected to further increase to RMB302.4 million in 2030, at a CAGR of 9.5% from 2025 to 2030.

Competitive Landscape of the Anesthesia Machine Market

The market for anesthesia machines has been dominated by foreign brands, with a relatively small market share contributed by domestic manufacturers. The Company is among the few Chinese medical device companies that ranked among top market players in the global anesthesia machine and anesthesia vaporizer market.

Competitive landscape of Global Anesthesia Machine, 2025

Ranking	Company	Company origin	Market share by sales value*
1	Company I	Overseas	21.2%
2	Company J	Overseas	17.7%
3	Company K	Overseas	15.6%
4	Company L	Overseas	10.3%
5	Company A	China	4.8%
6	Company M	Overseas	4.0%
7	The Company	China	2.4%
8	Company N	Overseas	2.0%
9	Company D	China	1.9%
10	Company O	Overseas	1.8%

Source: CIC

Notes:

- * The sales values are calculated based on ex-factory prices of the anesthesia machine products.
- (1) Company I is a public company with a history of over 100 years and headquartered in Chicago, USA, which was listed on the Nasdaq and primarily engages in medical imaging, ultrasound equipment, patient monitoring, and digital healthcare solutions.
 - (2) Company J is a public company established in the 1880s and headquartered in Germany, which was included in the German DAX index and primarily engages in a series of medical equipment and technologies, including anesthesia workstations, ventilators, patient monitoring equipment, thermal insulation equipment, and medical gas management systems.
 - (3) Company K is a public company established in the 1890s and headquartered in Netherlands, which was listed on the New York Stock Exchange and primarily engages in health technologies, encompassing diagnostic imaging, image-guided therapy, patient monitoring, health information technology, home care, and personal health.
 - (4) Company L is a public company established in the 1900s and headquartered in Sweden, which was listed on the Stockholm Stock Exchange and primarily engages in acute care, surgical procedures, and life sciences.

INDUSTRY OVERVIEW

- (5) Company M is a private company established in the 1910 and headquartered in Illinois, USA, which primarily engages in medical device and consumables manufacturing, surgical solutions and infection control, distribution and supply chain services.
- (6) Company N is a private company established in the 1940s and headquartered in the UK, which is part of another public company and primarily engages in the research and development, manufacturing, and sales of medical devices and equipment, including infusion systems and vascular access systems.
- (7) Company O is a private company established in the 1880s and headquartered in Germany, which primarily engages in the research, development, manufacturing, and sales of high-end medical equipment, including anesthesia workstations and respiratory therapy systems.

Others

Airway Management Devices

Airway management devices are essential for securing a patient's airway and ensuring stable vital signs, among which laryngoscopes serve as a critical tool during intubation procedures. Airway management device is commonly used in anesthesia, first aid, monitoring care, and other scenarios such as chronic obstructive pulmonary disease with respiratory failure. The global market for airway management devices has grown from US\$9.8 billion in 2018 to US\$16.8 billion in 2025, at a CAGR of 8.0%, and it is expected to increase to US\$23.9 billion in 2030, at a CAGR of 7.3% from 2025 to 2030. The airway management devices market in China has grown from RMB9.8 billion in 2018 to RMB17.1 billion in 2025, at a CAGR of 8.3%, and it is expected to reach a size of RMB23.2 billion in 2030, at a CAGR of 6.3% from 2025 to 2030.

The video laryngoscope utilizes image transmission technology to provide an indirect view of the larynx, enhancing the intubation process with a magnified field of view and improved visibility due to the blade's angle. This device facilitates better visualization for endotracheal intubation, requiring less force and thereby minimizing the risk of injury to soft tissues and teeth. The global video laryngoscope market has grown from US\$291.5 million in 2018 to US\$501.0 million in 2025, at a CAGR of 8.0%, and it is expected to further increase to US\$776.8 million in 2030, at a CAGR of 9.2% from 2025 to 2030. The video laryngoscope market in China increased from RMB301.7 million in 2018 to RMB479.5 million in 2025, at a CAGR of 6.8%, and it is expected to reach RMB754.3 million in 2030, at a CAGR of 9.5% from 2025 to 2030.

Bronchoscopes

Bronchoscopes, available in rigid, fiber optic, and electronic variants, are designed for use in a range of challenging airway scenarios. They are particularly valuable for tracheal intubation under awake sedation with topical anesthesia which offers a versatile solution for complex airway management. The global bronchoscope market has grown from US\$2.0 billion in 2018 to US\$3.1 billion in 2025, at a CAGR of 6.8%, and it is expected to further increase to US\$4.1 billion in 2030, at a CAGR of 5.7% from 2025 to 2030. The bronchoscope market in China increased from RMB2.3 billion in 2018 to RMB4.3 billion in 2025, at a CAGR of 9.5%, and it is expected to reach RMB6.6 billion in 2030, at a CAGR of 9.3% from 2025 to 2030.

Pulmonary Function Testing Device

The pulmonary function testing device is for assessment of lung function by analyzing parameters of the exhaled gas from the subject. The pulmonary function testing equipment includes (i) workstations for hospital and health testing center use, assessing comprehensive pulmonary function; and (ii) portable devices designed for community healthcare settings and home use.

INDUSTRY OVERVIEW

The global pulmonary function device market has grown from US\$559.5 million in 2018 to US\$905.6 million in 2025, at a CAGR of 7.1%, and it is expected to reach US\$1,278.6 million in 2030, at a CAGR of 7.1% from 2025 to 2030. The pulmonary function device market in China has grown from RMB73.6 million in 2018 to RMB131.6 million in 2025, at a CAGR of 8.7%, and it is expected to reach RMB203.4 million in 2030, at a CAGR of 9.1% from 2025 to 2030.

VTE Prevention Equipment

VTE includes DVT and PTE. PTE is a disease caused by the abnormal clotting of blood in the deep veins. DVT detachment can lead to pulmonary artery embolism, resulting in impaired gas exchange, thromboembolic pulmonary hypertension, right heart failure, and in severe cases, respiratory distress, shock, or even death. Extensive research data has demonstrated that VTE prevention is a cost-effective intervention that significantly improves patient safety.

The global VTE prevention equipment market has grown from US\$341.6 million in 2018 to US\$460.4 million in 2025, at a CAGR of 4.4%, and it is expected to reach a size of US\$558.9 million in 2030, at a CAGR of 4.0% from 2025 to 2030. The VTE prevention equipment market in China has grown from RMB128.8 million in 2018 to RMB262.4 million in 2025, at a CAGR of 10.7%, and it is expected to reach RMB393.8 million in 2030, at a CAGR of 8.5% from 2025 to 2030.

Oxygen Concentrator

Oxygen concentrator is a motor-driven medical device for producing oxygen, with core hardware components including a compressor, molecular sieve, four-way valve, filter, cooling and noise reduction system. Oxygen concentrators generate medical-grade, high-purity oxygen at room temperature, primarily serving (i) patients with neurological, cardiovascular, cerebrovascular, and respiratory diseases, (ii) individuals with high blood pressure, diabetes, and high cholesterol, and (iii) those suffering from obesity-induced oxygen deficiency.

The global oxygen concentrator market has grown from US\$10.0 billion in 2018 to US\$17.5 billion in 2025, at a CAGR of 8.2%, and it is expected to reach US\$22.2 billion in 2030, at a CAGR of 4.9% from 2025 to 2030. The oxygen concentrator market in China has grown from RMB3.6 billion in 2018 to RMB8.0 billion in 2025, at a CAGR of 12.2%, and it is expected to reach RMB10.7 billion in 2030, at a CAGR of 5.9% from 2025 to 2030.

Patient Monitor

Patient monitor is a medical device which collects, analyzes and transmits physiological parameters of patients in real-time, such as respiration, pulse, body temperature, blood pressure, heart rate and blood oxygen saturation, these parameters help medical staff to analyze the patient's current condition and to make correct judgments. Patient monitors are widely used in operating rooms, ICUs, emergency departments, psychiatric wards, CT rooms, pediatric and neonatal care units, general wards and maternity wards.

The global patient monitor market has grown from US\$2.4 billion in 2018 to US\$3.8 billion in 2025, at a CAGR of 6.8%, and it is expected to reach US\$5.3 billion in 2030, at a CAGR of 7.0% from 2025 to 2030. The patient monitor market in China increased from RMB2.6 billion in 2018 to RMB4.4 billion in 2025, at a CAGR of 8.1%, and it is expected to reach RMB6.9 billion in 2030, at a CAGR of 9.3% from 2025 to 2030.

INDUSTRY OVERVIEW

Market Challenges and Entry Barriers of Life Support Industry

The key challenges and entry barriers for market participants in the life support industry include the following:

- *Regulatory and product certification.* Life support devices are subject to stringent regulatory oversight. Depending on their risk classification and intended use, new products must undergo comprehensive type testing and technical validations such as reliability and stability assessments, and may also be required to conduct clinical evaluation or clinical trials. The long and costly approval process, together with uncertain regulatory outcomes, presents a substantial barrier for new entrants.
- *R&D and technological barriers.* Life support products may involve an integration of precision mechanics, embedded software, intelligent algorithms, and biocompatible materials. Their development requires sustained R&D investment and strong interdisciplinary capabilities, resulting in a high technological threshold.
- *Capital support and economies of scale.* The life support industry is capital-intensive. Setting up GMP-compliant cleanrooms, production lines, and a reliable global supply chain requires substantial investment. Established players benefit from economies of scale, enabling them to lower unit costs and maintain competitive pricing, making it difficult for new entrants to compete.
- *Brand Reputation and Customer Loyalty.* Hospitals prioritize clinical track records and brand credibility when selecting life support products. Leading brands enjoy long-standing customer trust and institutional relationships. New entrants must invest heavily in clinical validation, and relationship-building.

Growth Drivers and Future Trends of Life Support Market

The future market trends for the life support market include the following:

- *AI-assisted systems and precision mechanics.* Technological advances in AI-assisted systems and precision mechanics are expected to drive growth in the life-support medical device industry. Next-generation infusion monitoring systems increasingly integrate AI to enable real-time data transmission, early detection of abnormalities, and remote diagnostics with improved accuracy and reduced latency. In parallel, AI-enabled infusion pumps can automatically adjust flow rates based on patient conditions, while precision mechanical components ensure reliable micro-level control. These developments are designed to enhance patient safety, reduce human error, and improve clinical efficiency, thereby supporting market adoption and industry growth.
- *Expansion of application scenarios.* Life support products are evolving towards portability, enhancing their use across diverse scenarios. In addition to hospitals, these products are gradually being applied in community healthcare and home healthcare settings. As populations age, the demand for home healthcare devices grows, playing a crucial role in supporting the elderly outside hospitals and easing the strain on healthcare systems.
- *Public hospital expansion focus.* The 2020 “Program for Building Public Health Control and Treatment Capacity” mandates ICU enhancements and the provision of essential life support tools like monitoring systems and ventilators. Currently, China’s per capita ICU bed ratio significantly trails behind developed nations, indicating vast potential for expansion. For instance, while China reported only 12.8 ICU beds per 100,000 people in 2023, the United States boasted 29.4 beds. The concerted effort to bolster ICU capacities directly influences life support product demand.

MINIMALLY INVASIVE INTERVENTION

Minimally invasive interventional surgery is a procedure that utilizes interventional instruments to diagnose and treat patients through vascular or non-vascular channels according to different operating methods, causing minimal trauma and guided by imaging techniques. The non-vascular access is mainly performed through the natural orifice of the human body or into the interior of the human body through tiny incisions. The common medical devices used in these procedures include endoscopes, puncture needles, dilation balloons, guide wires, catheters, stents, and lithotomy baskets.

Endoscopes. Endoscope is a type of minimally invasive interventional inspection instrument composed of image sensor, optical lens, light source and mechanical device. It is used to examine the internal organs visually and diagnose or assist in surgery. Endoscopes have various classification methods: (i) according to the imaging principle of the endoscope, it can be divided into optical endoscopes and electronic endoscopes; (ii) according to the allowable number of uses of endoscope, it can be classified into single-use endoscopes and reusable endoscopes; (iii) according to the rigidity of the endoscope, it is categorized into rigid endoscopes and flexible endoscopes. Furthermore, endoscopes can also be classified according to the detection areas they reach, such as cholangioscopes, duodenoscopes, ureteroscopes and nasopharyngoscopes.

Consumables. Consumables for minimally invasive interventional surgery are tools designed to facilitate various surgical procedures while minimizing the need for large incisions. Consumables are typically single use to ensure sanitation and reduce the risk of infection.

The global market for endoscopic minimally invasive intervention devices, including endoscopes and endoscopic consumables, has increased from US\$22.0 billion in 2018 to US\$34.8 billion in 2025, at a CAGR of 6.8%, and it is expected to further increase to US\$48.8 billion in 2030, at a CAGR of 7.0% from 2025 to 2030. The market in China has increased from RMB14.9 billion in 2018 to RMB28.3 billion in 2025, at a CAGR of 9.7%, and it is expected to reach RMB52.8 billion in 2030, at a CAGR of 13.3% from 2025 to 2030. In 2025, the top ten market players accounted for approximately 72.2% of the minimally invasive intervention market in China, in terms of sales value.

Products Targeting Digestive Systems

The human digestive system consists of the GI tract and the accessory organs of digestion, including gallbladder, biliary tract, pancreas and liver. Minimally invasive interventional surgeries commonly address digestive system diseases such as biliary and pancreatic cancers, GI cancers, biliary and pancreatic stone diseases, and intra-abdominal diseases. Commonly performed minimally invasive surgeries include (i) ERCP, a procedure that combines with endoscopy and fluoroscopic imaging to examine the pancreatic and biliary ducts; (ii) ESD, a procedure removes cancerous lesions from the GI tract without necessitating the removal of the affected organ; and (iii) EMR, a procedure for removal of sessile or flat neoplasms confined to the superficial layers (mucosa and submucosa) of the GI tract.

The global market for minimally invasive interventional surgery targeting the digestive system has grown from US\$7.0 billion in 2018 to US\$11.0 billion in 2025, at a CAGR of 6.7%, and it is expected to reach US\$16.4 billion in 2030, at a CAGR of 8.4% from 2025 to 2030. The market in China increased from RMB5.3 billion in 2018 to RMB10.7 billion in 2025, at a CAGR of 10.6%, and it is expected to increase to RMB19.4 billion in 2030, at a CAGR of 12.6% from 2025 to 2030.

Specifically, the global market for minimally invasive interventional consumables targeting the digestive system has grown from US\$4.0 billion in 2018 to US\$5.7 billion in 2025, at a CAGR of 5.4%, and it is expected to reach US\$8.6 billion in 2030, at a CAGR of 8.6% from 2025 to 2030. The market in China increased from RMB1.4 billion in 2018 to RMB2.8 billion in 2025, at a CAGR of 10.2%, and it is expected to increase to RMB5.1 billion in 2030, at a CAGR of 12.3% from 2025 to 2030.

INDUSTRY OVERVIEW

Competitive Landscape of Digestive System Minimally Invasive Interventional Consumables in China, 2025

Ranking	Company	Company origin	Market share by sales value*
1	Company V	China	38.5%
2	Company W	Overseas	22.9%
3	The Company	China	21.5%
4	Company X	China	8.0%
5	Company Y	Overseas	3.5%

Source: CIC

Notes:

- * The sales values are calculated based on ex-factory prices of the minimally invasive interventional consumables targeting the digestive system.
- (1) Company V is a public company established in the 2000s and headquartered in Nanjing, which was listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange, and primarily engages in the research, development, manufacturing, and sales of minimally invasive medical devices.
 - (2) Company W is a public company established in the 1970s and headquartered in Massachusetts, USA, which was listed on the New York Stock Exchange and primarily engages in the research, development, production, and sales of medical devices, including interventional cardiology and oncology products. Its increased market share in 2025 primarily resulted from an acquisition completed during the year.
 - (3) Company X is a public company established in the 2010s and headquartered in Hangzhou, which was listed on the Shanghai Stock Exchange's Science and Technology Innovation Board and primarily engages in medical manufacturing of minimally invasive endoscopic diagnostic and therapeutic devices.
 - (4) Company Y is a public company established in the 1910s and headquartered in Tokyo, Japan, which was listed on the Tokyo Stock Exchange Prime Market and primarily engages in endoscopy systems and full-spectrum medical solutions.

Products Targeting Urological System

The urinary system, also known as the urinary tract or renal system, consists of the kidneys, ureters, bladder, and the urethra. Minimally invasive interventional surgeries commonly address digestive system and urinary system diseases, including, among others, urinary system stones, kidney cancer, urinary cancer, prostate cancer, testis cancer, benign prostatic hyperplasia, varicocele and urinary tract obstruction.

The global market for minimally invasive intervention devices targeting urological system has grown from US\$4.8 billion in 2018 to US\$7.2 billion in 2025, at a CAGR of 5.9%, and it is expected to reach US\$9.8 billion in 2030, at a CAGR of 6.3% from 2025 to 2030. The China market for minimally invasive intervention devices targeting urological system has grown from RMB2.2 billion in 2018 to RMB4.8 billion in 2025 at a CAGR of 11.7%, and it is expected to increase to RMB7.6 billion in 2030, at CAGR of 9.9% from 2025 to 2030.

In particular, the global single-use ureteroscope market has grown from US\$62.7 million in 2018 to US\$360.5 million in 2025, at a CAGR of 28.4%, and it is expected to reach US\$777.8 million in 2030, at a CAGR of 16.6% from 2025 to 2030. The market in China has grown from RMB45.8 million in 2020 to RMB571.7 million in 2025 at CAGR of 65.7% and it is expected to reach RMB1,291.5 million in 2030, representing a CAGR of 17.7% from 2025 to 2030.

INDUSTRY OVERVIEW

Market Challenges and Entry Barriers of Minimally Invasive Intervention Industry

The key challenges and entry barriers for market participants in the minimally invasive intervention industry include the following:

- *Regulatory and clinical procedures.* Minimally invasive interventional products are typically classified as Class II or III medical devices and require extensive type testing and clinical validation, and even clinical trials before market approval. The approval process is long and costly, posing high entry thresholds in terms of time and capital.
- *Capital and manufacturing capabilities.* Production of minimally invasive intervention products requires cleanroom facilities, precision equipment, and mature process control. Achieving compliant, stable, and cost-effective mass production demands significant investment and scale, which are often difficult for new entrants to attain.
- *Sales and clinical support.* Commercialization of minimally invasive intervention products relies on professional sales teams that can provide clinical support such as surgical assistance and training. Building such networks and hospital relationships requires years of investment and experience, and it is difficult for new entrants to penetrate the market quickly.
- *Intellectual property protection.* Leading companies hold strong patent portfolios covering key materials and device designs. New entrants face challenges avoiding infringement and developing differentiated products.

Growth Drivers and Future Trends of Minimally Invasive Intervention Market

Driven by an increase in growing population and chronic disease prevalence, an increase in the early diagnosis of digestive cancers and supporting policies, the future market trends for the minimally invasive intervention market include the following:

- *Increasing penetration of single-use endoscopes and consumables:* The demand for single-use endoscopes and consumables is rising, driven by their lower infection risks and increasing adoption in both tertiary and secondary hospitals. Technological advancements in image processing and sensor technologies are enhancing the image quality of single-use endoscopes.
- *Product innovation and application scenario expansion.* AI-assisted systems that can efficiently and accurately extract image information will gradually be integrated into the endoscopes and will work with other innovative technologies, such as 3D imaging, enhancing diagnostic accuracy and procedural efficiency.
- *Domestic substitution to imported products.* High-value consumables remain largely dominated by multinational companies. However, with persistent investment in innovation by domestic manufacturers and supportive government policies, domestic non-vascular consumables are expected to increasingly replace international counterparts.

IN VITRO DIAGNOSTICS

In vitro diagnostics tests involve analyzing samples taken from the human body, such as blood, tissue, or urine, to detect diseases, conditions, and infections. The primary components of in vitro diagnostics testing are instruments, reagents, and consumables, which collectively facilitate the examination of biological samples for disease diagnosis, treatment guidance and health monitoring. According to the testing principles or testing methods, the in vitro diagnostics testing can generally be divided into following categories:

- *Blood Diagnosis.* Blood diagnostics analyzes blood components and indicators to assess health conditions and support disease diagnosis. Blood grouping and coagulation are two types of commonly performed blood tests.
- *Immunoassays.* Immunoassays utilize immune responses between antigens and antibodies to test infectious diseases and cancers. Common detection techniques include enzyme-linked immunosorbent assay, collaurum and CLIA. Immunoassays now represent the largest market segment within the in vitro diagnostics industry and continue to experience rapid growth.
- *Molecular Diagnostics.* Molecular diagnostics involves taking DNA or RNA, the unique genetic code found in our cells, and analyzing the sequences for red flags that can pinpoint the potential emergence of a specific disease. Key technologies involved include PCR and next-generation sequencing. Molecular diagnostics are mainly used to detect cancers, genetic diseases, and infectious diseases.
- *Biochemical Diagnosis.* Biochemical diagnosis primarily utilizes biochemical reactions to analyze various substances within the body, including enzymes, sugars, lipids, proteins, non-protein nitrogenous substances, and inorganic ions. It is mainly used to assess liver function, kidney function, and other vital indicators.
- *Microbiological Diagnosis.* Microbiological diagnosis involves using methods such as drug sensitivity tests, microorganism culture, morphological observation, and biochemical reactions to identify and analyze bacterial or fungal infections.
- *Morphological Detection.* Morphological detection observes the morphological features of objects under a microscope to identify and analyze various specimens, such as blood cells, body fluids, and feces.

In vitro diagnostics testing is categorized into two main types — laboratory-based diagnostics and POCT. Traditional laboratory testing encompasses a multi-step process that includes patient sample collection, transportation to a centralized laboratory, and subsequent processing steps. POCT is conducted near the site of patient care and uses portable, handheld devices to perform rapid tests directly on samples.

The global in vitro diagnostics market grew from US\$66.8 billion in 2018 to US\$118.1 billion in 2025, at a CAGR of 8.5%, and it is expected to further increase to US\$171.4 billion in 2030, at a CAGR of 7.7% from 2025 to 2030. The in vitro diagnostics market in China increased from RMB74.4 billion in 2018 to RMB122.5 billion in 2025, at a CAGR of 7.4%, and it is expected to further increase to RMB191.2 billion in 2030, at a CAGR of 9.3% from 2025 to 2030. In 2025, the top ten market players accounted for approximately 71.1% of the in vitro diagnostics market in China, in terms of sales value.

Coagulation

Blood coagulation is the physiological process that leads to hemostasis, transforming blood from a liquid to a non-flowing gel state. Coagulation testing measures a patient's blood clotting ability through conventional indicators including PT, APTT, TT and FIB levels. Furthermore, TEG as an emerging test, is gaining importance in this testing area. TEG assesses whole blood samples and offers a comprehensive approach to evaluating blood coagulation efficiency including platelet function, clot strength, fibrinolysis, dissolution state, clot solidity and elasticity. For patients with acute and critical conditions, such as myocardial infarction, stroke, as well as those undergoing procedures like stent placement or thrombolytic therapy, coagulation testing serves as a vital clinical indicator. It helps in assessing the progression of the patient's condition and in deciding the subsequent course of treatment. TEG is recommended for clotting function detection and transfusion management, perioperative management and guiding the antiplatelet therapy.

The global coagulation device market has grown from US\$1,528.1 million in 2018 to US\$3,548.5 million in 2025, at a CAGR of 12.8%, and it is expected to reach US\$6,088.4 million in 2030, at a CAGR of 11.4% from 2025 to 2030. The coagulation device market in China has grown from RMB3.7 billion in 2018 to RMB8.8 billion in 2025 at a CAGR of 13.3%, and it is expected to increase to RMB15.3 billion in 2030, at CAGR of 11.7% from 2025 to 2030.

Market for TEG Devices in China

TEG device market in China has rapidly grown from RMB297.6 million in 2018 to RMB1,142.3 million in 2025, at a CAGR of 21.2%, and it is expected to further increase to RMB2,517.1 million in 2030, at a CAGR of 17.1% from 2025 to 2030. TEG devices can be categorized into fully automated mode and semi-automated mode. The semi-automated mode, being introduced earlier, currently dominates the market. However, as fully automated devices are progressively promoted, their market share is expected to gradually increase.

Blood Grouping

Blood grouping classifies blood based on the presence of specific antigens and antibodies. The primary systems are the ABO and Rh blood groups. The ABO system categorizes blood into four types: A, B, AB, and O. The Rh system, specifically RhD antigen, classifies blood as either RhD positive or RhD negative based on the presence or absence of this specific antigen. These classifications are crucial for determining compatibility in blood transfusions, collecting donor blood, diagnosing neonatal hemolytic diseases, and conducting pre-transplant tests. Additionally, blood grouping is employed in paternity testing, forensic identification, and the investigation of certain diseases, making it an essential tool in both medical and legal fields. Currently, the main testing methods for blood grouping include the microcolumn gel method and hemagglutination test.

INDUSTRY OVERVIEW

Market for Blood Grouping Devices in China

The blood grouping devices market in China increased from RMB885.3 million in 2018 to RMB1,874.2 million in 2025, at a CAGR of 11.3%, and it is expected to further increase to RMB3,082.3 million in 2030, at a CAGR of 10.5% from 2025 to 2030. Due to its testing characteristics and high consumption of disposables, the blood grouping market is primarily driven by sales of reagents and test kits, accounting for about 80% of the total market, with the remainder attributed to equipment sales.

Competitive Landscape of Blood Grouping Device Market in China

In 2025, the top ten players of blood grouping devices collectively accounted for approximately 75% of the market share in China in terms of sales value. Among the top five market players, there are four domestic companies including Changchun Boxun, Aikang Bio, Libo Med and the Company. The overseas market player is ORTHO.

Competitive Landscape of Blood Grouping Device Market in China, 2025

Ranking	Company	Company origin	Market share by sales value*
1	Company FF	China	28.5%
2	Company GG	Overseas	19.2%
3	Company HH	China	14.3%
4	Company II	China	9.9%
5	The Company	China	3.9%

Source: CIC

Notes:

- * The sales values are calculated based on ex-factory prices of the blood grouping devices.
- (1) Company FF is a private company established in the 2000s and headquartered in Jilin, which primarily engaged in the research, development, production, and sales of in vitro diagnostic reagents, including microcolumn gel immunoassay technology, monoclonal antibodies, and molecular detection technology.
 - (2) Company GG is a public company established in the 1930s and headquartered in New Jersey, USA, which was listed on the Nasdaq and primarily engages in in vitro diagnostics of laboratory testing and blood grouping solutions.
 - (3) Company HH is a private company established in the 2000s and headquartered in Guangdong, which primarily engages in enzyme-linked immunosorbent assay, blood grouping, chemiluminescence immunoassay and point-of-care testing.
 - (4) Company II is a private company established in the 2000s and headquartered in Jiangsu, which primarily engages in blood cell serological grouping, molecular biological testing, and oncology testing solutions.

Chemiluminescence

CLIA has become a crucial routine immunoassay technique in clinical laboratories, spanning various fields including cancer, cardiovascular diseases, infectious diseases, and endocrinology. It encompasses virtually all immunodiagnostic tests. Based on the chemiluminescence method employed, it can be further categorized into direct chemiluminescence, enzyme chemiluminescence, electrochemiluminescence, and luminescent oxygen channel immunoassays. The chemiluminescence market in China has seen rapid growth from RMB19.2 billion in 2018 to RMB41.1 billion in 2025, at a CAGR of 11.5% and it is expected to further increase to RMB58.2 billion in 2030, at a CAGR of 7.2% from 2025 to 2030.

INDUSTRY OVERVIEW

Chemiluminescence POCT, by developing fully automated detection equipment of smaller size, has enabled rapid and timely detection. It offers advantages over traditional detection methods regarding testing volume, variety of sample types, reagent usability, and ease of operation. It streamlines the testing process and saves time consumed in sample transportation, pre-processing, organization, labeling and distribution. The chemiluminescence POCT market in China has grown from RMB3.9 billion in 2018 to RMB11.8 billion in 2025, at a CAGR of 17.3%, and it is expected to reach RMB22.5 billion in 2030, at a CAGR of 13.7% from 2025 to 2030.

Molecular Diagnostics

PCR is widely used as a standalone molecular diagnostic technique for amplifying DNA sequences. PCR serves as a key tool for detecting genetic material and is also an essential step in next-generation sequencing. PCR diagnostics can generally be categorized by three types: (i) Qualitative PCR technology, which employs agarose gel electrophoresis for analysis, is primarily utilized in scientific research. This method focuses on detecting the presence or absence of a target sequence. (ii) Quantitative PCR technology, also known as real-time qPCR, offering rapid results, high precision, and the ability to quantify the amount of target nucleic acid in a sample. (iii) dPCR, which enable absolute quantification of nucleic acids without the need for standard curves, offer enhanced sensitivity, precision, and reproducibility, particularly useful for detecting low-abundance targets, precise gene expression analysis, and variations in genetic sequences. The PCR market in China has grown from RMB4.5 billion in 2018 to RMB13.3 billion in 2025, at a CAGR of 16.7%, and it is expected to reach RMB21.8 billion in 2030, at a CAGR of 10.4% from 2025 to 2030.

Market Challenges and Entry Barriers of In Vitro Diagnostics Industry

The key challenges and entry barriers for market participants in the in vitro diagnostics industry include the following:

- *Product registration and quality control requirements.* As regulated medical products, in vitro diagnostic reagents and instruments are subject to mandatory registration or filing with the NMPA. In addition, companies must establish and maintain a robust quality management system in accordance with the Good Manufacturing Practices for Medical Devices. These requirements result in lengthy registration cycles and substantial capital investment, forming an administrative and compliance barrier to market entry.
- *Capital-intensive “Reagent + Instrument” business model.* The in vitro diagnostics industry commonly adopts a bundled business model that combines the sale of diagnostic instruments with the ongoing sale of proprietary reagents. To secure long-term customer retention, companies must bear the upfront costs of instrument R&D, manufacturing, or depreciation from equipment placement. New entrants without sufficient financial strength or a sustainable pipeline of proprietary reagents often find it difficult to operate under this model.
- *Sales channel establishment and specialized service requirements.* Effective distribution of in vitro diagnostics products relies on extensive sales networks that cover hospitals, third-party laboratories, and primary healthcare institutions. In parallel, dedicated sales and technical support teams with professional clinical laboratory knowledge are needed to deliver timely services such as instrument installation, user training, maintenance, and troubleshooting.

INDUSTRY OVERVIEW

Growth Drivers and Trends of In Vitro Diagnostics Industry

Driven by an increase in chronic disease prevalence, recommendations from authoritative medical guidelines and consensus, expanded in vitro diagnostics application scenarios, and broader insurance coverage, the in vitro diagnostics market is expected to further develop. Future trends are anticipated to include the following:

- *Domestic substitution to imported in vitro diagnostics products.* Historically, the in vitro diagnostics market has been dominated by multinational medical device companies. However, as domestic brands continue to evolve and benefit from technological advancements and favorable policy support, these brands are not only gaining market share but are also expected to further increase their presence and expand into upstream markets.
- *Easier access to in vitro diagnostics with supportive regulation and policy.* As the in vitro diagnostics industry advances, regulatory bodies around the world are refining their frameworks to ensure patient safety while encouraging innovation. This has led to an increasing standardization of regulatory requirements across different regions, simplifying the approval process for new in vitro diagnostics products. Such standardization accelerates the global rollout of new diagnostic technologies and supports innovation by easing market access for novel developments.
- *More consumer-friendly testing process.* The deepening patient education is fostering a demand for direct-to-consumer diagnostic tests and wellness assessments. This trend is prompting in vitro diagnostics companies to design more user-friendly testing kits and digital health tools.
- *The expansion of in vitro diagnostics applications in primary healthcare settings.* The expansion of primary-level maternal and child health centers, particularly in underserved areas, is improving access to healthcare services for expectant mothers and infants. As more of these primary healthcare facilities are established or upgraded to deliver comprehensive care, the demand for diagnostic equipment and consumables will grow. This demand extends to tools for biochemical analysis, molecular diagnostics, and imaging techniques — key components of in vitro diagnostics essential for effective healthcare delivery in these settings.

PRICE TREND OF RAW MATERIALS

Various raw materials are used for the production of equipment and consumable medical devices, such as 0.49mm steel wire, motors, lithium-ion batteries, dextran gel, and pressure sensors.

The price of 0.49mm steel wire ranges from RMB5,000 to RMB6,500 per ton during the Track Record Period, depending on factors such as the type of steel used (e.g., high-carbon steel or stainless steel) and the surface treatment applied (e.g., galvanization or polishing). Key drivers of pricing include the prices of industrial metals such as iron, energy inputs such as electricity and coal, environmental regulations, downstream demand, and international trade policies.

The prices of motors vary depending on the motor type and power rating. For instance, alternating current motors and direct current motors with power ratings below 10kW are typically priced between a few hundreds to thousands RMB per unit. Driven by the growing demand for intelligent manufacturing, the prices of high-end servo motors have experienced more significant increases. Key pricing factors include fluctuations in the prices of upstream raw materials such as copper, aluminum and rare earth metals, energy efficiency requirements, product brands, and governmental subsidies.

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The price of lithium-ion batteries varies depending on their type, capacity, and application, and generally amounting to several hundred RMB per kWh. In recent years, prices of lithium-ion batteries have shown a downward trend due to industry overcapacity and continued technological advancement. Key price determinants include the prices of upstream raw materials such as lithium carbonate, lithium hydroxide, nickel, and cobalt.

The price of dextran gel typically ranges from several hundred to several thousand RMB per 100 grams, depending on product performance. Industrial-grade dextran gel is generally more affordable than laboratory-grade variants, and imported brands are priced higher than domestic brands in China. With the ongoing trend of domestic substitution in China, prices are expected to decline further. Key pricing factors include the cost of dextran and cross-linking agents, the preparation process, brand positioning, and procurement volume.

The price of pressure sensors varies based on measurement accuracy and range. While prices have generally declined in recent years driven by the adoption of MEMS technology and domestic substitution in China, high-precision sensors remain relatively expensive. Pricing is also affected by factors such as material compatibility with the measured medium, output signal specifications, brand premium, and overall purchase volume.

SOURCE OF INFORMATION

This section contains information extracted from the CIC Report prepared by China Insights Consultancy independently, which is commissioned by us in connection with the Global Offering. We expect to pay China Insights Consultancy a total of RMB1.4 million for the CIC Report and our use of the report. China Insights Consultancy is a consulting company which provides industry consulting services, commercial due diligence and strategic consulting services for a variety of industries. We selected the specific product markets disclosed in the “Industry Overview” section based on the revenue contribution of the relevant products to the Company’s overall business. We are of the view that the payment of such fee does not impair the fairness of the conclusions drawn in the CIC Report. We have extracted certain information from the CIC Report in this section, as well as in the sections headed “Summary,” “Risk Factors,” “Business,” “Financial Information” and elsewhere in this prospectus to provide our potential investors with a more comprehensive presentation of the industry in which we operate.

During the preparation of the CIC Report, China Insights Consultancy performed both primary and secondary research, and obtained knowledge, statistics, information on and industry insights into the medical device market in China and globally. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analyzing data from various publicly available data sources. The exchange rates used in the CIC Report are set out as follows: The translations between Renminbi and U.S. dollar are made at the rate of RMB7.1 to US\$1.0. The CIC Report was compiled based on the following assumptions: (i) the overall social, economic and political environment globally and in China is expected to remain stable during the forecast period; (ii) Global and China’s economic and industrial development is likely to maintain a steady growth trend over the next decade; (iii) related key industry drivers are likely to continue driving the growth of the medical device market, in particular the markets for life support, minimally invasive intervention and in vitro diagnostics; and (iv) there is no extreme force majeure or industry regulation in which the market may be affected dramatically or fundamentally. Our Directors have confirmed, after making reasonable inquiries and exercising reasonable care, that there is no adverse change in the market information since the date of the CIC Report which may qualify, contradict or impact the information disclosed in this section.

REGULATORY OVERVIEW

PRC REGULATORY OVERVIEW

Our business operations in the PRC are subject to a large number of laws and regulations, as well as extensive government supervision. This section sets out a summary of the major laws, regulations, rules and policies that may have a significant impact on our business operations in the PRC.

LAWS AND REGULATIONS RELATING TO THE ADMINISTRATION OF MEDICAL DEVICES

Our business operations in the PRC are subject to a number of laws and regulations relating to the administration of medical devices. The principal regulator of the medical device industry of the PRC is the National Medical Products Administration (the “NMPA”) and its local branches, formerly known as the State Food and Drug Administration (the “former SFDA”) and its local branches.

Classification, Registration and Filing of Medical Devices

Pursuant to the Regulations on Supervision and Administration of Medical Devices (《醫療器械監督管理條例》) promulgated by the State Council on January 4, 2000, last amended on December 6, 2024, and effective on January 20, 2025, medical devices are subject to classified management in the PRC and are classified into three categories by their degree of risk. Class I refers to low-risk medical devices with their safety and effectiveness ensured through routine administration. Class II refers to medium-risk medical devices with their safety and effectiveness under strict control and administration. Class III refers to high-risk medical devices which require special measures for strict control and administration to ensure their safety and effectiveness. Class I medical devices are subject to filing-based product administration, while Class II and Class III devices are subject to registration-based product administration. Drug supervision and administration authorities under the State Council formulate the rules and catalogs for medical device classification, timely analyze and assess the changes of risks concerning medical devices, and adjust their classification rules and catalogs based on their production, operation and use.

Pursuant to the Measures for the Administration of Registration and Filing of Medical Devices (《醫療器械註冊與備案管理辦法》) became effective on October 1, 2021, for filing domestic Class I medical devices, filing materials shall be submitted to the local drug supervision and administration authorities of the municipal people’s government. Domestic Class II and Class III medical devices are subject to registration-based administration, under which Class II medical devices shall be examined by the drug supervision and administration authorities of a people’s government at the provincial, autonomous region and municipal level; and Class III medical devices shall be examined by the drug supervision and administration authorities of the State Council, with a medical device registration certificate (醫療器械註冊登記證) to be issued upon approval.

The Measures for the Administration of Registration and Filing of Medical Devices sets out the details of product development, clinical evaluation, registration system verification, product registration, registration of changes, renewal registration and product filing, as well as special registration procedures such as innovative product registration procedures, priority registration procedures and emergency registration procedures.

Clinical Trials for Medical Devices

According to the Measures for the Administration of Registration and Filing of Medical Devices, clinical trials are not required for the filing of Class I medical devices but are required for the application for registering Class II and Class III medical devices. Medical devices may be exempt from a clinical trial under any of the following circumstances: (i) with a clear working mechanism, established design, mature manufacturing processes, years of application of similar medical devices on the market with no record of material adverse events, and no change to the

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general purpose of the device; (ii) safety and effectiveness of the medical device proven through non-clinical evaluation; (iii) safety and effectiveness of the medical device proven through the analysis and evaluation of the data obtained from the clinical trial or application of similar medical devices.

Jointly promulgated by the former SFDA and the former National Health Commission on March 24, 2022, and effective from May 1, 2022, the Good Clinical Practice for Medical Devices (《醫療器械臨床試驗質量管理規範》) covers the entire process of a clinical trial of medical devices, including, among others, the protocol design, execution, monitoring, verification and inspection, as well as data collection, recording, analysis and conclusion and reporting procedure of a clinical trial. To carry out clinical trials of medical devices, the applicant shall organize to prepare a scientific and reasonable clinical trial protocol based on the categories, risks and intended uses of the medical devices for clinical experiments.

Special Examination Procedures for Innovative Medical Devices (“Green Path”)

On October 8, 2017, the General Office of the CPC Central Committee and the General Office of the State Council jointly issued the Opinions on Deepening the Reform of the Evaluation and Approval Systems and Encouraging Innovation on Medicine and Medical Devices (《關於深化審評審批制度改革鼓勵藥品醫療器械創新的意見》) (the “Innovation Opinions”), which aims to encourage the innovation of medical devices. Pursuant to the Innovation Opinions, priority review and approval will be granted to innovative medical devices supported by the National Key Science and Technology Projects and the National Key Research and Development Program of the PRC, clinically trialed by the National Clinical Research Center, and approved by the management department of the National Clinical Research Center.

The Special Examination Procedures for Innovative Medical Devices (《創新醫療器械特別審查程序》), promulgated by the NMPA on November 2, 2018, and effective from December 1, 2018, elaborates on the specific conditions under which special procedures apply to the examination of medical devices.

Production Permit of Medical Devices

Pursuant to the Measures for the Supervision and Administration of Medical Device Production (《醫療器械生產監督管理辦法》) promulgated by the former SFDA on July 20, 2004, and last amended on March 10, 2022 and effective on May 1, 2022, a medical device manufacturer shall have all the following conditions: (i) production sites, environmental conditions, production equipment and professional technicians suitable for such medical devices produced; (ii) organizations or professional examination staff and examination equipment to carry out quality examinations for such medical devices produced; (iii) management systems to ensure the quality of such medical devices; (iv) after-sale services capabilities suitable for such medical devices produced; and (v) requirements in line with the provisions of the product research and development and production technique documents.

An enterprise engaged in the production of Class I medical devices shall file for the production of such devices with the municipal food and drug supervision and administration authorities in the district where the enterprise is located and submit proofs of qualifications for the production of such medical devices. Any changes to the contents of such filing proofs shall be filed. Enterprises engaged in the production of Class II and Class III medical devices shall apply for a Medical Device Production Permit (《醫療器械生產許可證》) with the drug supervision and administration authorities of the province, autonomous region or municipality where the enterprise is located, and submit proofs of qualifications for production of such medical devices and the registration certificates for such medical devices produced. For any changes to the contents of the

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Medical Device Production Permit, an application shall be made to the original issuing authorities to register such changes. The Medical Device Production Permit is valid for five years, and the registrant shall apply to the original issuing authorities for renewal within 90 to 30 working days prior to the expiration date.

Medical Device Production and Quality Management Standards

Pursuant to the Quality Management Standards for Medical Device Production (《醫療器械生產質量管理規範》) (the “Production Quality Management Standards”) promulgated by the former SFDA on December 29, 2014, and effective on March 1, 2015, an enterprise engaged in medical device production shall establish a sound quality management system as required under the Production Quality Management Standards and shall ensure its effective operation. The enterprise shall establish procurement control procedures and a supplier audit system to evaluate its suppliers and ensure that the products purchased meet statutory requirements. The enterprise shall keep a true, accurate, complete and traceable record of the purchase, production and inspection of raw materials. The enterprise shall manage its risks throughout the process of design and development, production, sales and after-sales services. The measures taken shall be appropriate to the risks associated with the product.

According to the Notice on Issuing On-site Inspection Guidelines of Medical Device Production Quality Management Standards and Three Other Guidelines (《關於印發<醫療器械生產質量管理規範現場檢查指導原則>等四個指導原則的通知》) promulgated by the former SFDA on September 25, 2015, and effective on the same date, during the on-site verification of medical device registration and the on-site inspection of production licensing (including changes), the inspection team shall issue conclusive recommendations for on-site inspection according to such guidelines. The recommendations are divided into three categories, namely “pass”, “fail” or “review after rectification”. During supervision and inspection, the enterprise shall be required to suspend production for rectification if found to breach the requirements on key items or on general items which may have a direct impact on product quality; the enterprise shall be required to rectify within a prescribed period if only found to breach the requirements on general items which have no direct impact on product quality. Regulators shall issue the final inspection results upon reviewing the conclusive recommendations and on-site inspection information submitted by the inspection team.

Management of Medical Device Operations

Pursuant to the Measures for the Supervision and Administration of Medical Devices Operation (《醫療器械經營監督管理辦法》) promulgated by the former SFDA on July 30, 2014, and respectively amended on November 17, 2017, and March 10, 2022, an enterprise engaged in medical devices operation shall align its operation and storage premises with the scope and scale of operation, and engage quality management agencies or personnel in line with medical devices operation. An enterprise engaged in the operation of Class II medical devices shall file with the municipal drug supervision and administration authorities in the district where the enterprise is located and submit proof that the enterprise has met the conditions on the operation of such medical devices and an enterprise engaged in the operation of Class III medical devices shall apply for a Medical Device Operation Permit (《醫療器械經營許可證》) with the municipal drug supervision and administration authorities in the district where the enterprise is located, and submit proofs that the enterprise has met the conditions on the operation of such medical devices.

The drug supervision and administration authorities that have received the application for an operation permit shall issue the Medical Device Operation Permit to the enterprise which has met the requirements. The Medical Device Operation Permit is valid for five years and renewable in accordance with relevant provisions. Enterprise engaged in medical device operation shall not operate or use medical devices that are not registered or filed, or without qualification proofs, or have expired or become invalid or eliminated.

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Medical device registrants, filers or manufacturers who sell medical devices at their residential or production address do not need to apply for an operation permit or undergo filing; those who store and conduct spot sales of medical devices at other venues shall apply for an operation permit or undergo filing in accordance with the regulations.

Pursuant to the Quality Management Standards for Medical Device Operation (《醫療器械經營質量管理規範》) promulgated by the former SFDA, effective on December 12, 2014, last amended on December 4, 2023 and would come effective from July 1, 2024, an enterprise engaged in the operation of medical devices shall take effective quality control measures in procurement, inspection and acceptance, storage, sales, transportation, after-sales service and other aspects, to ensure product quality and safety.

Pursuant to the Regulations on Supervision and Administration of Medical Devices, an enterprise engaged in medical device operation shall check the qualifications of the supplier and the qualification proofs of the medical devices, as well as establish an inspection record system for goods when it purchases medical devices. An enterprise engaged in the wholesale business of Class II and Class III medical devices and the retail business of Class III medical devices shall also establish a sales record system. Matters on the record shall include: (1) the name, model, specification and quantity of medical devices; (2) the production batch number, expiration date and date of sale of medical devices; (3) the name of the manufacturer; (4) the name, address and contact information of the supplier or purchaser; (5) the serial numbers of relevant license proofs. The inspection records of goods purchased and sales records shall be true and kept for a period of time as prescribed by the food and drug supervision and management authorities of the State Council.

Tender Management for Medical Device Procurement

Pursuant to the Notice of the Ministry of Health on Further Strengthening the Administration of Centralized Procurement of Medical Devices (《衛生部關於進一步加強醫療器械集中採購管理的通知》) promulgated on June 21, 2007, all non-profit medical institutions organized by governments, industries and state-owned enterprises at all levels shall participate in the centralized procurement of medical devices.

Pursuant to the Notice of Opinions on Reform of Pricing System of Pharmaceuticals and Medical Services (《關於印發改革藥品和醫療服務價格形成機制的意見的通知》) issued on November 9, 2009, the State shall strengthen the regulation on the pricing of medical devices. For high-value medical devices, especially implantable (interventional) medical devices, efforts shall be made to result in reasonable pricing by such measures as limiting the price difference rate during circulation and publishing market price information. High-value medical devices usually refer to medical devices that act directly on the human body with strict safety requirements, considerable clinical consumption and relatively high prices.

According to the Work Standards on Centralized Procurement of High-Value Medical Consumables (Trial) (《高值醫用耗材集中採購工作規範(試行)》) issued on December 17, 2012, online centralized procurement of high-value medical consumables (the “Centralized Procurement”) shall be led by the government and carried out in provinces (autonomous regions and municipalities). Medical institutions, medical supplies manufacturers and operators shall engage in such procurement through the centralized procurement work platform established by provinces (autonomous regions and municipalities). The centralized procurement authorities of each province (region or municipality) are responsible for preparing a catalog of high-value medical devices for centralized procurement in their respective administrative region. The high-value medical consumables listed in the centralized procurement catalog can be procured through open bidding, an invitation for tendering or other means prescribed by state laws and regulations. After the purchase price is determined, the public medical institutions in the region concerned shall engage in procurement strictly at public bidding prices.

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On July 19, 2019, the General Office of the State Council issued the Notice on Issuing the Reform Plan for the Management of High-value Medical Consumables (《關於印發<治理高值醫用耗材改革方案>的通知》) (the “High-Value Medical Consumables Notice”). Pursuant to the High-Value Medical Consumables Notice, high-value medical consumables are medical supplies that act directly on the human body, with strict safety requirements, high clinical use, relatively high prices and heavy financial burden on the public. The High-value Medical Consumables Notice sets out reform plans for regulating high-value medical consumables, including: (i) the National Healthcare Security Bureau, the National Medical Products Administration and the National Health Commission will gradually unify the classification and numbering of high-value medical consumables for national medical insurance by the end of 2020, and explore the application for connecting the registration, procurement and use of high-value medical consumables; (ii) an access system will be established for the high-value medical consumables under basic medical insurance, with management based on the high-value medical consumables catalog and improvement of the dynamic adjustment mechanism for the catalog. The National Health Commission and the Ministry of Finance (the “MOF”) shall introduce access management measures by the end of June 2020; (iii) the mark-ups of medical supplies in public medical institutions shall be abolished by the end of 2019, with procurement prices applied to all medical supplies (including high-value medical consumables) in public medical institutions; and (iv) the National Healthcare Security Bureau, the MOF and the National Health Commission shall prepare and implement policies on the medical insurance payment. Meanwhile, efforts shall be made to prepare the standards for medical insurance payment regarding high-value medical consumables and establish a dynamic adjustment mechanism. Medical insurance funds and patients shall bear their respective expenses for high-value medical consumables under medical insurance payment standards. Medical institutions shall be guided to further reduce procurement prices according to the guidelines in the High-Value Medical Consumables Notice.

Centralized Volume-Based Procurement

On March 5, 2018, the National Health Commission, the Ministry of Finance, the National Development and Reform Commission, the Ministry of Human Resources and Social Security, the National Administration of Traditional Chinese Medicine, and the General Office of the State Council’s Medical Reform Office jointly issued the Notice on Consolidating the Achievements of Eliminating Drug Price Mark-ups and Further Deepening Comprehensive Reform of Public Hospitals (《關於鞏固破除以藥補醫成果持續深化公立醫院綜合改革的通知》), which called for the deepening of comprehensive reforms in public hospitals, including the implementation of centralized procurement for high-value medical consumables by category.

With the approval of the State Council, on April 30, 2021, the National Healthcare Security Administration, together with the National Development and Reform Commission, the Ministry of Industry and Information Technology, the Ministry of Finance, the National Health Commission, the State Administration for Market Regulation, the National Medical Products Administration and the Logistics Support Department of the Central Military Commission, jointly issued and implemented the Guiding Opinions on Carrying Out Centralized Volume-Based Procurement and Use of High-Value Medical Consumables Organized by the State (《關於開展國家組織高值醫用耗材集中帶量採購和使用的指導意見》). Under this framework, the state organizes volume-based procurement for high-value medical consumables that are widely used in clinical settings, involve high procurement amounts, are mature in clinical application, subject to sufficient market competition, and are relatively homogenous in quality. Medical device marketing authorization holders whose products fall within the scope of such procurement and meet the relevant eligibility requirements may participate. All public medical institutions are required to participate in the volume-based procurement of high-value medical consumables. Local provinces form procurement alliances and establish joint procurement offices to undertake the specific work and promote the orderly implementation of centralized volume-based procurement.

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On May 14, 2024, the National Healthcare Security Administration issued the Notice by the General Office of the National Healthcare Security Administration on Strengthening Regional Collaboration and Advancing the Expansion and Quality Enhancement of Centralized Procurement in 2024 (《國家醫療保障局辦公室關於加強區域協同做好2024年醫藥集中採購提質擴面的通知》). Under this framework, the centralized volume-based procurement of drugs and high-value medical consumables continues to be organized by the national joint procurement offices for drugs and consumables, respectively, with all provinces required to participate and implement the arrangements. Regional procurement alliances at the provincial level are encouraged to further align with national arrangements and, where conditions permit, be upgraded to nationwide procurement alliances. Leading provinces are expected to strengthen coordination with the National Healthcare Security Administration and invite all provinces to participate, thereby forming a national centralized procurement alliance (“全國聯採”). The National Healthcare Security Administration will provide overall guidance and coordinate expert technical support to promote standardization and best practices. Leading provinces are required to draw on experience from both national and local procurement initiatives, conduct thorough research, gather stakeholder input, and formulate procurement rules tailored to specific product categories, thereby promoting a more standardized and structured procurement process. In principle, all provinces are expected to participate in the national centralized procurement alliance.

“Two Invoice System” (兩票制) for Medical Devices

Pursuant to the Notice on Opinions on the Implementation of the “Two Invoice System” in Pharmaceutical Procurement by Public Medical Institutions (for Trial Implementation) (《印發關於在公立醫療機構藥品採購中推行兩票制的實施意見(試行)》) issued on December 26, 2016, the “Two Invoice System” refers to one invoice from the pharmaceutical manufacturer to the distribution enterprise and one invoice from the distribution enterprise to the medical institution. Wholly-owned or holding commercial company (limited to one commercial company nationwide) and domestic general agent of foreign pharmaceutical products (limited to one domestic general agent nationwide) set up by a drug manufacturer or an integrated science, industry and trade group-type enterprise that only sells the pharmaceutical products of the enterprise (group) can be treated as a production enterprise. The transfer of pharmaceutical products between a pharmaceutical distribution group-type enterprise and its wholly-owned (holding) subsidiaries or between its wholly-owned (holding) subsidiaries can be considered not as one invoice, but is allowed to be issued one invoice at most.

Pursuant to the Notice on Consolidating the Achievements of Canceling Pharmaceutical Markups and Deepening Comprehensive Reforms in Public Hospitals (《關於鞏固破除以藥補醫成果持續深化公立醫院綜合改革的通知》) issued on March 5, 2018, the classified centralized procurement of high-value medical consumables shall be implemented, and the “Two Invoice System” for the purchase and sale of high-value medical consumables shall be gradually implemented.

Pursuant to the High-Value Medical Consumables Notice, local authorities are encouraged to reduce the processes for the circulation of high-value medical consumables and promote open and transparent purchase and sale through means such as the “Two Invoice System” after considering the actual situation.

At present, some provinces in the PRC have issued relevant regulations on the “Two-Invoice System” for medical supplies. Nevertheless, there is no clear regulation and exact implementation timeline for the “Two-Invoice System” for medical devices, with the reform still in progress. Going forward, the implementation of the “Two-Invoice System” for medical devices in the PRC will bring uncertainties to the Company’s business development and operations.

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Advertising Supervision of Medical Devices

The State Administration for Market Regulation (SAMR) promulgated the Interim Administrative Review Measures for the Advertisements of Pharmaceutical Products, Medical Devices, Dietary Supplements and Formulated Foods for Special Medical Purposes (《藥品、醫療器械、保健食品、特殊醫學用途配方食品廣告審查管理暫行辦法》) (the “Interim Review Measures”) on December 24, 2019, which became effective on March 1, 2020. The Interim Review Measures and Regulations on Supervision and Administration of Medical Devices stipulate that medical device advertising shall not be released without review, with the content of medical device advertising subject to the registration certificate or filing proof or the product description of registered or filed products approved by pharmaceutical supervision and administrative authorities. Medical device advertising involving medical device name, scope of application, mechanism of action or structure and composition, etc., shall not exceed the scope of the registration certificate or filing proof or the product description of registered or filed products. The validity period of advertising approval number of medical devices shall be consistent with the shortest validity period prescribed in product registration documents, filing proofs or production license documents. If the product registration documents, filing proofs or production license documents do not specify the validity period, the advertising approval number shall be valid for two years.

Medical Device Recall, Monitoring and Re-evaluation of Adverse Events

Pursuant to the Administrative Regulations for Medical Device Recall (《醫療器械召回管理辦法》) promulgated by the former SFDA on January 25, 2017, and effective on May 1, 2017, medical device recalls shall be classified, according to the severity of medical device defects, as: (i) Class I recall: where the use of the medical device is likely to cause or has caused serious health hazards; (ii) Class II recall: where the use of the medical device may or has caused temporary or reversible health hazards; or (iii) Class III recall: where the use of the medical device is less likely to cause harm but still need to be recalled. Medical device manufacturers should determine the class of recall according to the circumstances, and design and implement the recall plan scientifically according to the sales and use of medical devices. If Class I recall is implemented, a medical device recall announcement shall be published on the website of the State Drug Administration and the main media. If Class II or Class III recall is implemented, a medical device recall announcement shall be published on the website of the pharmaceutical supervision and administrative authorities of the province, autonomous region or municipality.

Pursuant to the Administrative Measures for the Monitoring and Re-evaluation of the Adverse Events on Medical Devices (《醫療器械不良事件監測和再評價管理辦法》) issued by the SAMR and the National Health Commission on August 13, 2018 and effective on January 1, 2019, a medical device marketing licensee (the “Licensee”) shall be capable of quality management and assuming corresponding responsibilities to ensure the safety and effectiveness of medical devices, establish a monitoring system of medical device adverse events, and report such events directly to the monitoring technical institution for such events (the “Monitoring Institution”).

The enterprises in operation authorized by the Licensee to sell and the units that use medical devices should report the adverse events of medical devices to the Licensee and monitoring agencies. The Licensee shall evaluate the adverse events identified, improve product quality according to the evaluation results and report such results and quality improvement measures to the monitoring body; if approval from the original registration authority is required, an application shall be submitted in accordance with regulations.

NMPA has established a national monitoring information system for medical device adverse events, to strengthen the monitoring information network and database construction on medical device adverse events. A monitoring agency designated by NMPA is responsible for the unified management of information collected on medical device adverse events and providing feedback information on the monitoring of such events to relevant monitoring agencies, the Licensee, enterprises in operation or the units that use such devices.

REGULATORY OVERVIEW

Export of Medical Device Products

Pursuant to the Regulations on Supervision and Administration of Medical Devices, manufacturers of medical devices for export shall ensure that such medical devices meet the requirements of the importing country (region).

According to the Regulations on the Application and Issuance of Medical Device Exporting Certificates (《醫療器械產品出口證明申辦規定》) promulgated on January 6, 1996, the former SFDA examines the safety and legality of medical device products manufactured by enterprises in the PRC, and issues export certificates in accordance with international practices to certify that the products have been legally manufactured in the PRC.

Pursuant to the Regulations on the Administration of Export Sales Certificates of Medical Devices (《醫療器械產品出口銷售證明管理規定》) promulgated on June 1, 2015 and effective on September 1, 2015, if the registration certificate and production permit for a medical device have been obtained in the PRC, or the medical device registration and production filing have been completed, the drug supervision and administration authorities may issue an Export Sales Certificate for Medical Device Product (醫療器械產品出口銷售證明) to the relevant manufacturing enterprise. The validity term of the Export Sales Certificate for Medical Device Product shall not exceed the earliest deadline for the various documents submitted by the enterprise in the application materials, with the maximum validity term not to exceed two years.

Registration and Recordation of Imported Medical Devices

In accordance with the Regulations on Supervision and Administration of Medical Devices, a registration and recordation system is applied for imported medical devices. To file imported Class I medical devices for record, an overseas medical device manufacturer shall, through its representative office established in the PRC or the corporate enterprise designated as its agent in the PRC, submit record filing documents and documents supporting the market launch of such medical devices approved by the competent department of the country (region) where the overseas medical device manufacturer is located to the State Drug Administration for record filing.

To export Class II and/or Class III medical devices to the PRC, an overseas medical device manufacturer shall, through its representative office established in the PRC or the corporate enterprise designated as its agent in the PRC, submit to the State Drug Administration the registration documents and the documents supporting market launch of such medical devices approved by the competent department of the country (region) where the overseas medical device manufacturer is located. The imported medical devices of Class II and Class III that meet the safety and effectiveness requirements shall receive approval for issuance of registration certificates, and a medical device registration certificate shall be valid for five years. If the medical device registration certificate needs to be renewed upon the expiration of its validity period, an application for registration renewal shall be filed with the original registration authority six months before the validity period expires.

OTHER LAWS AND REGULATIONS

Laws and Regulations on Corporation and Foreign Investment

Pursuant to the Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "Company Law") promulgated by the Standing Committee of the National People's Congress (the "NPC") last amended on December 29, 2023 and came into effect on July 1, 2024, a company established in the PRC may be in the form of a limited company with liability and joint stock limited companies. Both shall have the status of legal persons. The liability of shareholders of a limited company with liability and a joint stock limited company is limited to the amount of

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registered capital they have contributed or shares they have subscribed for. The Company Law shall also apply to foreign-invested companies. Where laws and implementation regulations on foreign investment have other stipulations, such stipulations shall apply.

On March 15, 2019, the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》) (the “Foreign Investment Law”) was promulgated by the NPC and came into effect on January 1, 2020. According to the Foreign Investment Law, foreign investments are entitled to pre-entry national treatment and are subject to the negative list management system. The pre-entry national treatment means that the treatment given to foreign investors and their investments at the stage of investment access is not lower than that of domestic investors and their investments. The negative list management system means that the PRC implements special management measures for the access of foreign investment in specific fields. Foreign investors shall not invest in any prohibited areas stipulated in the negative list and shall meet the conditions stipulated in the negative list before investing in any restricted areas.

The Special Management Measures (Negative List) for the Access of Foreign Investment 2024 (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the “2024 Negative List”) was promulgated by NDRC and MOFCOM on September 6, 2024, and came into effect on November 1, 2024. The 2024 Negative List set out the entry restrictions for foreign investment in different industries in the PRC.

Laws and Regulations on Overseas Investment

The Measures for the Administration of Overseas Investment (《境外投資管理辦法》) was promulgated by the MOFCOM, last amended on September 6, 2014, and came into effect on October 6, 2014. As defined under the Measures for the Administration of Overseas Investment, overseas investment means that the enterprises legally incorporated in the PRC own the non-financial enterprises or obtain the ownership, control, operation and management rights and other rights of the existing non-financial enterprises in foreign countries through incorporation, merger, and acquisition and other means. The MOFCOM and competent authorities of its provincial branches implement filing and approval management respectively, according to the different overseas investments by enterprises.

The Measures for the Administration of Overseas Investment of Enterprises (《企業境外投資管理辦法》) was promulgated by the NDRC on December 26, 2017, and came into effect on March 1, 2018. Pursuant to this, overseas investment refers to the investment activities of an enterprise in the PRC to acquire the ownership, control, operation and management rights, and other relevant interests outside the PRC, either directly or through a foreign enterprise under its control, by means of investing in assets, equity, or providing financing and/or guarantees. Overseas investment shall be carried out in accordance with certain procedures, including approval, filing, reporting, and supervision and inspection of overseas investment projects.

Laws and Regulations on Customs

According to the Customs Law of the People's Republic of China (《中華人民共和國海關法》) promulgated by the Standing Committee of the NPC on January 22, 1987, last amended and came into effect on April 29, 2021, the Customs of the People's Republic of China is the PRC's entry and exit customs supervision and administration authority and is responsible for the supervision of the transport vehicles, goods, freight items, postal items and other items entering into and departing from the PRC, and collecting tariff and other duties and charges. When a consignee or consignor of import or export goods or a customs clearing enterprise handles customs declaration procedures, they shall register with the customs in accordance with law.

REGULATORY OVERVIEW

Laws and Regulations on Environmental Protection

Pursuant to the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) promulgated by the Standing Committee of the NPC on December 26, 1989, and last amended on April 24, 2014, and came into effect on January 1, 2015, the waste discharge licensing system has been implemented in the PRC and entities that discharge medical sewage to water directly or indirectly shall obtain a waste discharge license. Furthermore, installations for the prevention and control of pollution at a construction project must be designed, built and commissioned simultaneously with the principal part of the project.

Laws and Regulations on Production Safety

Pursuant to the Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》) last amended by the Standing Committee of the NPC on June 10, 2021 and came into effect on September 1, 2021, the production and business operation entities shall (i) comply with this law and other laws and regulations on safety production, strengthen the management of safety production, establish a sound responsibility system for safety production for all employees and a system of rules and regulations on safety production; (ii) increase the investment and guarantee of safety production funds, materials, technologies, and personnel, improve safety production conditions, and boost safety production standardization and informatization; (iii) establish a dual prevention mechanism for safety risk classification and control, and for the investigation and treatment of hidden dangers, and improve the risk prevention and resolution mechanism to improve production safety standards and ensure production safety. Any entity that fails to provide required production safety conditions is prohibited from engaging in production activities.

Laws and Regulations on Intellectual Property Rights

Trademarks

Pursuant to the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) promulgated by the Standing Committee of the NPC on August 23, 1982, last amended on April 23, 2019, and came into effect on November 1, 2019, and the Implementation Rules of the Trademark Law of the People's Republic of China (《中華人民共和國商標法實施條例》) passed by the State Council on August 3, 2002, last amended on April 29, 2014 and came into effect on May 1, 2014, registered trademarks in the PRC include goods marks, service marks, collective marks and certification marks. Registration of a trademark shall be made by the Trademark Office of the China National Intellectual Property Office and shall be valid for 10 years. Upon expiry, a trademark registration shall be valid for ten years for each renewal after completion of renewal procedures if it is necessary to be used continuously.

Patents

Pursuant to the Patent Law of the People's Republic of China (《中華人民共和國專利法》) (the "Patent Law") promulgated by the Standing Committee of the NPC on March 12, 1984, and last amended on October 17, 2020, and came into effect on June 1, 2021 and the Implementation Rules of The Patent Law of the People's Republic of China (《中華人民共和國專利法實施細則》) last amended by the State Council on December 11, 2023 and came into effect on January 20, 2024, patents in China are divided into invention patent, utility model patent or design patent. The invention patent shall be valid for 20 years, the utility model patent shall be valid for 10 years, and the design patent shall be valid for 15 years, all commencing from the date of application. The patent right entitled to its owner shall be protected by the laws. Any person shall be licensed or properly authorized by the patent owner before he/she/it can use such patent. Otherwise, it shall constitute an infringement of the patent right.

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Copyright

According to the Copyright Law of the PRC (《中華人民共和國著作權法》) promulgated by the SCNPC, which was latest amended in November 2020, and its related Implementing Regulations, Chinese citizens, legal persons, or other organizations shall, whether published or not, own copyright in their works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software. Pursuant to the Regulation on Computers Software Protection (《計算機軟件保護條例》) promulgated by the State Council on June 4, 1991 and latest amended on January 30, 2013, and the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated on February 20, 2002 and latest amended on June 18, 2004, the National Copyright Administration is mainly responsible for the registration and management of software copyright in China and recognizes the China Copyright Protection Center as the software registration organization. The China Copyright Protection Center shall grant certificates of registration to computer software copyright applicants in compliance with the regulations.

Laws and Regulations on Anti-Unfair Competition

According to the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》) (the "Anti-Unfair Competition Law") amended by the Standing Committee of the NPC and came into effect on April 23, 2019, unfair competition refers to the conduct of an operator who, in the course of production and operation activities, violates the Anti-Unfair Competition Law, disrupts the order of market competition and harms the lawful rights and interests of other operators or consumers. According to the Anti-Unfair Competition Law, operators shall follow the principles of voluntariness, equality, fairness, and honesty in market transactions, and abide by laws and business ethics. Operators who violate the Anti-Unfair Competition Law shall bear civil, administrative, or criminal liabilities based on specific situations.

According to the Interim Provisions of the State Administration for Industry and Commerce on Banning Commercial Bribery (《國家工商行政管理局關於禁止商業賄賂行為的暫行規定》) (the "Provisions on Banning Commercial Bribery") promulgated by the State Administration for Industry and Commerce on November 15, 1996, commercial bribery refers to the use of money or other means by a business operator to bribe an entity or individual for the sale or purchase of goods. The term "other means" refers to the provision of any kind of domestic and overseas trips, study tours, and other means of benefit other than the payment of money. According to the Anti-Unfair Competition Law and the Provisions on Banning Commercial Bribery, the supervisory and inspection department may impose a fine according to the severity of the case and confiscate any illegal proceeds.

Laws and Regulations on Employment and Social Security

The Labor Law of People's Republic of China (《中華人民共和國勞動法》) promulgated by the Standing Committee of the NPC on July 5, 1994, and last amended on December 29, 2018, provides that an employer shall develop and improve its rules and regulations to safeguard the rights of its workers. Labor safety and health facilities must comply with relevant national standards. Workers engaging in special industries shall receive specialized training and obtain the specific qualification for that industry.

The Labor Contract Law of People's Republic of China (《中華人民共和國勞動合同法》) promulgated by the Standing Committee of the NPC on June 29, 2007, last amended on December 28, 2012, and came into effect on July 1, 2013, and the Implementation Regulations on Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法實施條例》) promulgated by the State Council and came into effect on September 18, 2008, regulates the relationship between an employer and its employees, and contains specific provisions involving the terms of the labor contract.

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According to the Provisional Regulations on the Collection and Payment of Social Insurance Premium (《社會保險費徵繳暫行條例》), the Regulations on Work Injury Insurance (《工傷保險條例》), the Regulations on Unemployment Insurance (《失業保險條例》) and the Trial Measures on Employee Maternity Insurance of Enterprises (《企業職工生育保險試行辦法》), an enterprise in the PRC must provide a benefit plan for their employees, which include basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and medical insurance. An enterprise must provide social insurance by processing social insurance registration with local social insurance agencies, and must pay or withhold relevant social insurance premiums for or on behalf of its employees.

The Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》) promulgated by the Standing Committee of the NPC on October 28, 2010, last amended and came into effect on December 29, 2018, regulates basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and medical insurance, and has elaborated in detail the legal obligations and liabilities of an employer who does not comply with relevant laws and regulations on social insurance.

On July 31, 2025, the Supreme People's Court issued the Interpretation II of the Supreme People's Court on the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), which came into effect on September 1, 2025. The interpretation provides, among others, that any agreement or undertaking between an employer and an employee under which the employee agrees or undertakes that the employer need not pay social insurance premiums shall be deemed invalid by the people's courts. Where an employer fails to pay mandatory social insurance premiums in accordance with the law, and the employee terminates the employment contract on such grounds pursuant to Article 38(3) of the PRC Labor Contract Law, and claims severance payment, the people's courts shall uphold the employee's claims. If the employer subsequently makes supplementary payments of social insurance premiums as required by law, and requests the employee to return the previously paid severance compensation, the people's courts shall uphold such a claim.

The Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, and last amended and came into effect on March 24, 2019, stipulates that an employer shall register with the Housing Provident Fund Management Center for housing provident fund contributions and set up a housing provident fund account for its employees. The housing provident fund contributions paid by an individual employee and housing provident fund contributions paid by his/her employer shall vest to the individual employee.

Laws and Regulations on Information Security and Data Privacy

According to the Civil Code of the PRC, natural persons' personal information is legally protected. Organizations and individuals must obtain, use and protect personal information in accordance with the law, and are prohibited from illegal collection, use, processing, transmission, sale or disclosure of such information. The Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》), promulgated by the Standing Committee of the NPC on August 20, 2021 (effective November 1, 2021), further clarifies the obligations and responsibilities of personal information processors, imposing higher protective requirements for sensitive personal information processing. The Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》), revised by the Standing Committee of the NPC on October 28, 2025 (effective January 1, 2026), emphasizes that network operators must process personal information in compliance with the Civil Code and the Personal Information Protection Law. It mandates adherence to the principles of legality, legitimacy and necessity, requires explicit disclosure of collection rules and obtaining data subject consent, and prohibits collection of irrelevant personal information. Network operators shall not leak, tamper with or damage collected personal information, or provide it to third parties without consent (except for anonymized data). The Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》),

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promulgated by the Standing Committee of the NPC on June 10, 2021 (effective September 1, 2021), establishes a classified and hierarchical data protection system. Entities engaged in data processing shall establish sound full-process data security management systems, conduct security education and training, and adopt corresponding technical and necessary measures to ensure data security in compliance with legal requirements.

The Measures for Cybersecurity Review (《網絡安全審查辦法》) (the “Measures (2021)”) was promulgated by the Cyberspace Administration of China (the “CAC”) on December 28, 2021, which provided that: (1) network platform operators holding personal information of more than one million users shall be subject to cybersecurity review by the Cybersecurity Review Office prior to listing abroad; (2) critical information infrastructure operators (the “CIIO”) procuring network products and services that affect or may affect national security shall be subject to cybersecurity review; and (3) network platform operators carrying out data processing activities that affect or may affect national security shall be subject to cybersecurity review.

On September 24, 2024, the Regulations on Network Data Security Management (《網絡數據安全管理條例》) (the “Network Data Security Management Regulations”) was promulgated by the State Council and will become effective as of January 1, 2025. The Network Data Security Management Regulations apply to the network data handling activities conducted within the territory of the PRC and stipulates that if the network data handling activities affect or may affect national security, a national security review must be conducted in accordance with relevant regulations. The Network Data Security Management Regulations restate and further specify the legal requirements for personal information, cross-border transfer of important data and personal information, data handling activities in network platform services and also provides intensified requirements for important data handlers and large-scale Internet platform service providers. Any failure to comply with such requirements may subject the data processor to, among others, suspension of services, fines, revocation of relevant business permits or licenses, and other penalties.

The Measures for Security Evaluation for the Transfer of Data to Foreign Countries (《數據出境安全評估辦法》), promulgated by the CAC on July 7, 2022 (effective September 1, 2022), establishes the regulatory framework for cross-border data transfer, specifying the requirements and procedures for security evaluation of cross-border transfer of important data or personal information collected/generated in China. The Measures for Standard Contracts for the Transfer of Personal Information to Foreign Countries (《個人信息出境標準合同辦法》), issued by the CAC on February 22, 2023 (effective June 1, 2023), mandates that personal information processors conducting cross-border transfer via standard contracts must meet specified conditions and file the signed contracts with local provincial-level cyberspace authorities. The Provisions on Promoting and Regulating Cross-border Flow of Data (《促進和規範數據跨境流動規定》, the “Promoting Provisions”), promulgated by the CAC on March 22, 2024, adjusts the scope, exemption conditions and procedures for cross-border data transfer security evaluation and personal information transfer standard contract filing.

Pursuant to the aforesaid measures and regulations, if a data processor provides data to foreign countries and meets one of the following conditions, he/she shall declare the security evaluation of data transfer to foreign countries to the CAC through the local provincial-level Internet information department: (1) the critical information infrastructure operator provides personal information or important data to foreign countries; and (2) a data processor other than the critical information infrastructure operator provides important data to foreign countries, or provides more than 1 million people’s personal information (excluding sensitive personal information) or more than 10,000 people’s sensitive personal information to foreign countries cumulatively from January 1 of the current year, provided that exemptions under Articles 3 to 6 of the Promoting Provisions are met. A data processor other than the critical information infrastructure operator shall conclude and file a standard contract with overseas recipients for provision of personal information abroad or go through the authentication on protection of personal information under the following circumstances: (1) provides more than 100,000 but less than 1 million people’s personal information (excluding

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sensitive personal information) to foreign countries cumulatively from January 1 of the current year; (2) provides less than 10,000 people's personal information (excluding sensitive personal information) to foreign countries cumulatively from January 1 of the current year, provided that exemptions under Articles 3 to 6 of the Promoting Provisions are met.

Laws and Regulations on Leasing

According to the Civil Code, an owner of immovable or movable property is entitled to possession, use, earnings, and disposal of such property in accordance with the law. Subject to the consent of the lessor, the lessee may sublease the leased premises to a third party. Where a lessee subleases the premises, the lease contract between the lessee and the lessor remains valid. The lessor is entitled to terminate the lease if the lessee subleases the premises without the consent of the lessor. Moreover, pursuant to the Civil Code, if the mortgaged property has been leased and transferred for occupation prior to the establishment of the mortgage right, the original tenancy shall not be affected by such mortgage right. On December 1, 2010, the Ministry of Housing and Urban-Rural Development promulgated the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》), which became effective on February 1, 2011. According to such measures, the lessor and the lessee are required to complete property leasing registration and filing formalities within 30 days from execution of the property lease contract with the development authorities or real estate authorities of the municipality or county where the leased property is located. If a company fails to do as aforesaid, it may be ordered to rectify within a stipulated period, and if such company fails to rectify, a fine ranging from RMB1,000 to RMB10,000 may be imposed on each lease agreement.

Laws and Regulations on Foreign Exchange and Taxation

Foreign Exchange

On January 29, 1996, the State Council promulgated the Administrative Regulations on Foreign Exchange of the PRC (《中華人民共和國外匯管理條例》) which became effective on April 1, 1996, and was amended on January 14, 1997, and August 5, 2008. Foreign exchange payments under current account items shall, pursuant to the administrative provisions of the foreign exchange control department of the State Council on payments of foreign currencies and purchase of foreign currencies, be made using self-owned foreign currency or foreign currency purchased from financial institutions engaging in conversion and sale of foreign currencies by presenting the valid document. Domestic entities and domestic individuals making overseas direct investments or engaging in the issuance and trading of overseas securities and derivatives shall process registration formalities pursuant to the provisions of the foreign exchange control department of the State Council.

According to the Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) issued by the SAFE on December 26, 2014, a domestic company shall, within 15 business days from the date of the end of its overseas listing issuance, register the overseas listing with the local branch office of state administration of foreign exchange at the place of its establishment; the proceeds from an overseas listing of a domestic company may be remitted to the domestic account or deposited in an overseas account, but the use of the proceeds shall be consistent with the content of the document and other disclosure documents.

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Taxation

Enterprise Income Tax

The Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (“the EIT Law”), promulgated by the NPC on March 16, 2007, came into effect on January 1, 2008, and amended on February 24, 2017, and December 29, 2018, as well as the Implementation Rules of the EIT Law (《中華人民共和國企業所得稅法實施條例》) (the “Implementation Rules”), promulgated by the State Council on December 6, 2007, came into force on January 1, 2008 and amended on December 6, 2024, are the principal law and regulation governing enterprise income tax in the PRC. According to the EIT Law and its Implementation Rules, a uniform 25% enterprise income tax rate is imposed to both foreign invested enterprises and domestic enterprises, except where tax incentives are granted to special industries and projects. The enterprise income tax rate is reduced to 20% for qualifying small low-profit enterprises. The high-tech enterprises that need full support from the PRC’s government will enjoy a reduced tax rate of 15% for Enterprise Income Tax.

Value-Added Tax (the “VAT”)

Pursuant to the Value-added Tax Law of the PRC, which took effect on January 1, 2026, entities and individuals engaged in sale of goods, services, intangible assets and immovables and importation of goods within the territory of the PRC are VAT payers of VAT and shall pay the VAT in accordance with the law and regulation. The rate of VAT for the sale of goods is 17% unless otherwise specified, such as the rate of VAT for the sale of transportation is 11%. With the VAT reforms in the PRC, the rate of VAT has been changed several times. The MOF and the STA issued the Notice of on Adjusting VAT Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》) on April 4, 2018, to adjust the tax rates of 17% and 11% applicable to any taxpayer’s VAT taxable sale or import of goods to 16% and 10%, respectively, this adjustment became effective on May 1, 2018. Subsequently, the MOF, the STA and the General Administration of Customs jointly issued the Announcement on Relevant Policies for Deepening the VAT Reform (《財政部、國家稅務總局關於深化增值稅改革有關政策的公告》) on March 20, 2019, to make a further adjustment, which came into effect on April 1, 2019. The tax rate of 16% applicable to the VAT taxable sale or import of goods shall be adjusted to 13%, and the tax rate of 10% applicable thereto shall be adjusted to 9%.

Laws and Regulations on Overseas Securities Offering and Listing by Domestic Companies

On February 17, 2023, the CSRC promulgated the Overseas Listing Trial Measures and relevant supporting guidelines, which came into effect on March 31, 2023. The Overseas Listing Trial Measures comprehensively improve and reform the existing regulatory regime for overseas offering and listing of PRC domestic companies’ securities and regulate both direct and indirect overseas offering and listing of PRC domestic companies’ securities. Any domestic company that is deemed to conduct overseas offering and listing activities shall file with the CSRC in accordance with the Overseas Listing Trial Measures.

The Overseas Listing Trial Measures provide that the overseas securities offering and listing will be considered a direct overseas offering by a PRC domestic company if the issuer is a company limited by shares registered and established in Chinese Mainland.

Pursuant to the Overseas Listing Trial Measures, an issuer shall file with the CSRC within three business days after its application for initial public offering is submitted to competent overseas securities regulators.

On February 24, 2023, the CSRC and three other relevant government authorities jointly promulgated the Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the “Provision on Confidentiality”),

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which came into effect on March 31, 2023. Pursuant to the Provision on Confidentiality, where a domestic enterprise provides or publicly discloses any document or material that involving state secrets and working secrets of state agencies to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, it shall report to the competent department with the examination and approval authority for approval in accordance with the law, and submit to the secrecy administration department of the same level for filing. The working papers formed within the territory of the PRC by the securities companies and securities service agencies that provide corresponding services for the overseas issuance and listing of domestic enterprises shall be kept within the territory of the PRC, and cross-border transfer shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

H-share Full Circulation

“Full circulation” means listing and circulating on the stock exchange of the domestic unlisted shares of an H-share listed company, including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares additionally issued after overseas listing, and unlisted shares held by foreign shareholders. On November 14, 2019, the CSRC issued the Guidelines for the “Full Circulation” Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請“全流通”業務指引》) (the “Guidelines for the Full Circulation”), which was partly revised on August 10, 2023 by CSRC.

According to the Guidelines for the Full Circulation, shareholders of domestic unlisted shares may determine by themselves through consultation the amount and proportion of shares, for which an application will be filed for circulation, provided that the requirements laid down in the relevant laws and regulations and set out in the policies for state-owned asset administration, foreign investment and industry regulation are met, and the corresponding H-share listed company may be entrusted to file the said application for full circulation. To apply for full circulation, an H-share listed company shall file the application with the CSRC according to the administrative filing procedures necessary for the Overseas Listing Trial Measures.

REGULATORY OVERVIEW IN THE UK

Regulations on Medical Devices in the UK

The Medicines and Healthcare Products Regulatory Agency (“MHRA”) performs market surveillance of medical devices on the UK market and is able to take decisions over the marketing and supply of devices in the UK. The MHRA is responsible for the designation and monitoring of UK conformity assessment bodies.

Summary of Key Requirements for Placing a Device on the Great Britain Market

- (1) a new route to market and product marking (the UKCA marking) is available for manufacturers wishing to place medical devices on the Great Britain market
- (2) all medical devices, including IVD medical devices (“IVDs”), custom-made devices and systems or procedure packs, need to be registered with the MHRA before they are placed on the Great Britain market
- (3) if you are a medical device manufacturer based outside the UK and wish to place a device on the Great Britain market, you need to appoint a single UK Responsible Person for all of your devices, who will act on your behalf to carry out specified tasks, such as registration.

A valid CE mark is a CE marking that enables the medical device to be placed on the EU market.

REGULATORY OVERVIEW

Legislation that Applies in Great Britain

Devices are regulated under the Medical Devices Regulations 2002 (SI 2002 No 618, as amended) (“**UK MDR 2002**”) which, prior to the end of the transition period (following the UK’s departure from the EU), gave effect in UK law to the directives listed below:

- Directive 90/385/EEC on active implantable medical devices
- Directive 93/42/EEC on medical devices
- Directive 98/79/EC on in vitro diagnostic medical devices

This means that the current Great Britain route to market and UKCA marking requirements are based on the requirements derived from the above EU legislation.

Requirements for Manufacturing and Supplying Services in Great Britain

Manufacturers wishing to place a device on the Great Britain market need to register with the MHRA. Where a manufacturer is not established in the UK, they must appoint a UK Responsible Person to register and act on their behalf. Manufacturers must comply with relevant product marking and conformity assessment requirements for medical devices.

Registrations in Great Britain

The government has put in place legislation to extend acceptance of CE-marked devices in Great Britain beyond 30 June 2023 as outlined in the summary above.

All medical devices, including IVDs, custom-made devices and systems or procedure packs must be registered with the MHRA before being placed on the Great Britain market. In Great Britain, devices will be required to conform to the UK MDR 2002, with transitional arrangements for acceptance of CE-marked medical devices as set out above, in order to be registered with the MHRA.

The MHRA will only accept registration of devices from manufacturers where the manufacturer is based in the UK. If the manufacturer is based outside the UK, they must appoint a UK Responsible Person. This UK Responsible Person will then assume certain responsibilities on behalf of the manufacturer as described below in the guidance for UK Responsible Persons, including registering the device with the MHRA.

Failure to register the devices will mean that manufacturers are unable to lawfully place the device on the Great Britain market.

If the manufacturer is a Northern Ireland-based manufacturer and has already registered the device with the MHRA for the purposes of the Northern Ireland market, it can then be placed on the Great Britain market and will not need to undergo any further registration in Great Britain.

UKCA Mark and Conformity Assessment Bodies

UKCA Marking

The UK Conformity Assessed (“**UKCA**”) marking is a UK product marking used for certain goods, including medical devices, being placed on the Great Britain market. The UKCA marking is not recognized in the EU, EEA or Northern Ireland markets, so relevant products require a CE marking for sale in these markets.

REGULATORY OVERVIEW

Manufacturers of medical devices can use either the UKCA marking or the CE marking on devices they place on the Great Britain market until 30 June 2023. The government has introduced measures to extend acceptance of CE-marked devices in Great Britain beyond 30 June 2023 as outlined in the summary above.

Where third party conformity assessment is required for UKCA marking, a UK Approved Body is needed. However, manufacturers of non-sterile and non-measuring Class I devices and general IVDs can self-certify against the UKCA marking.

UKCA marking requirements are currently based on the requirements of the relevant Annexes to the Directives listed below, which have been modified by Schedule 2A to the UK MDR 2002:

- Directive 90/385/EEC on active implantable medical devices
- Directive 93/42/EEC on medical devices
- Directive 98/79/EC on in vitro diagnostic medical devices

Class I Medical Device and General IVD Manufacturers

Manufacturers of Class I medical devices and general IVDs can self-declare the conformity of their devices against the UK MDR 2002, before affixing a UKCA marking and placing the device on the Great Britain market.

Manufacturers of Class I medical devices that are sterile or have a measuring function must use a UK Approved Body to undertake third party conformity assessment in order to affix the UKCA marking and place their devices on the Great Britain market.

CE marking and Notified Bodies

Recognition of CE Certificates for the Great Britain Market

In addition to the UKCA marking regime, the UK government currently recognizes certain CE-marked devices under transitional arrangements.

Currently, under the UK MDR 2002, a CE-marked device with a valid certificate is viewed as meeting the UKCA marking requirements whilst the CE marking continues to be recognized in Great Britain — depending on the type of device and legislation it complies with this is until 30 June 2030 at the latest. This includes devices placed on the market that:

- were CE-marked in accordance with the EU MDD or EU AIMDD (prior to 26 May 2021), or in accordance with the EU IVDD (prior to 26 May 2022);
- are CE-marked in accordance with the EU MDR or EU IVDR

As set out above in more detail, the government has introduced measures to extend acceptance of CE-marked medical devices in Great Britain beyond 30 June 2023.

Therefore, any enforcement or market surveillance powers available in respect of the UKCA marking also apply to CE-marked devices placed on the Great Britain market.

Labeling Requirements

Medical devices placed on the Great Britain market must have a UKCA marking or a CE marking, depending on which legislation the device has been certified under.

REGULATORY OVERVIEW

Where relevant, the number of the Approved Body or Notified Body must also appear on the label.

Devices can have both the CE and UKCA markings present on the labeling. However, the name and address of the UK Responsible Person, where applicable, needs to be included on product labeling or the outer packaging, or the instructions for use in cases where the UKCA marking has been affixed (including when devices have been dual marked).

Post-market surveillance and vigilance

Once a medical device has been placed on the UK market, the manufacturer is required to submit vigilance reports to the MHRA when certain incidents occur in the UK that involve their device. They must also take appropriate safety action when required. The manufacturer must ensure their device meets appropriate standards of safety and performance for as long as it is in use.

The notification and evaluation of adverse incidents and field safety corrective actions involving medical devices is known as the medical device vigilance system.

Reporting Obligations

The requirement to report falls to the manufacturer, the UK Responsible Person, and the Authorized Representative based in Northern Ireland.

The manufacturer, UK Responsible Person or Authorized Representative shall notify the MHRA about incidents and FSCAs which meet the reporting criteria; this includes Periodic Summary Reports and Trend Reports.

The manufacturer has the responsibility for investigating incidents and for taking any corrective action necessary.

Where an incident occurs from the combined use of two or more separate devices (and/or accessories) that different manufacturers make, each manufacturer (or their UK Responsible Person or Authorized Representative) should submit a report to the MHRA.

The manufacturer should notify the MHRA immediately upon becoming aware that one of its devices may have caused or contributed to an event meeting the above criteria.

If after becoming aware of a potentially reportable incident it is unclear whether the event meets the reporting criteria above, the manufacturer must submit a report within the relevant timeframe.

Waste Electrical and Electronic Equipment

Electrical and electronic equipment (“EEE”) is regulated to reduce the amount of waste electrical and electronic equipment (“WEEE”) incinerated or sent to landfill sites.

Reduction is achieved through various measures which encourage the recovery, reuse and recycling of products and components.

The Waste Electrical and Electronic Equipment Regulations 2013 (as amended) is the underpinning UK legislation.

Medical device manufacturing generally falls under the WEEE regime, with some specific exceptions. Penlon manufactures display equipment, which can be categorized as a producer.

REGULATORY OVERVIEW

Producer obligations

Register as a producer annually. How producers do this depends on how much EEE they have placed on the UK market in the previous calendar year (also known as a compliance year):

- if they place less than 5 tonnes of EEE on the UK market in a compliance year, they can register directly with their environmental regulator as a small producer
- if they place more than 5 tonnes of EEE on the market, they must join a producer compliance scheme (“**PCS**”)

The PCS takes on their obligations to finance the collection, treatment, recovery and environmentally sound disposal of household WEEE collected in the UK.

Patents, Trademarks and Designs

Patents

In the UK, patents are subject to the Patents Act 1977 (PA 1977). The Act came into force on 1 July 1978 and, as patents last for 20 years, it now governs all UK patents still in force.

Patents in the UK, as in the European Economic Area (“**EEA**”), have a duration of 20 years from their filing date, subject to payment of renewal fees and not being invalidated.

Patent law in the UK conforms to the standards imposed by the Paris Convention, TRIPS and the EPC. A patent may only be granted for an invention if that invention fulfills all the following criteria: (i) it is new; (ii) it involves an inventive step; (iii) it is capable of industrial application; and (iv) it is not specifically excluded from protection as a patent. (Section 1, PA 1977.)

Trademark

The law relating to UK registered trade marks is contained primarily in the Trade Marks Act 1994 (“**TMA**”), which implemented the 2008 Trade Marks Directive (2008/95/EC) and its successor, the 2015 Trade Marks Directive (2015/2436). The UK trade marks register is administered by the registrar of trademarks from within the UK Intellectual Property Office.

Design

The principal statute governing registered designs in the UK is the Registered Designs Act 1949 (“**RDA 1949**”). Following the end of the Brexit UK-EU transition period, further amendments were made to the RDA 1949 to accommodate the revised designs landscape. The principal change was the introduction of the re-registered design to compensate holders of rights in the unitary EU registered Community designs (“**RCDs**”) for the loss of the rights in the UK. Essentially, re-registered designs are treated like UK registered designs.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

Established in April 2011 in the PRC, our Company has over the years evolved into an integrated medical device provider under the leadership of Mr. Liu and Mr. Zhong. Since 2016, our Company has received various rounds of financing from different institutional and sophisticated investors to support its continuous innovation and business expansion. We have also made various strategic acquisitions since 2017 to broaden our portfolio of products. We have become a global medical device provider, with our products reaching more than 140 countries and regions.

KEY DEVELOPMENT MILESTONES

The following table summarizes the key milestones in our business development:

Year	Key development milestone event
2011 . .	Our Company was established in April 2011 in the PRC.
2016 . .	We completed our Series A Financing in August.
2017 . .	We completed our Series B Financing in May. We completed the acquisition of 65% equity interest of Runpu Biotech, a Shanghai-based medical device company primarily engaged in the manufacture and sales of gel cards and related blood grouping consumables, in December.
2019 . .	We completed our Series C Financing in May.
2020 . .	We completed the acquisition of 51% equity interest of Mabsky, a Shenzhen-based medical device company that focuses on the research and development, manufacture and sales of molecular diagnostic reagent products, in May. In November, our Company was converted into a joint stock limited company and changed its name into Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司).
2021 . .	We completed the acquisitions of the remaining equity interests in Runpu Biotech and Mabsky in March. We completed another round of pre-IPO financing in May. We launched Haema TX, the world's first fully-automated TEG analyzer.
2022 . .	We completed the acquisition of Penlon, a British medical device company specializing in anesthesia and respiratory solutions, in January. We completed the acquisition of Vedkang Medical, a Jiangsu-based medical device company specializing in the production and sale of endoscope consumables, in April.
2023 . .	We completed two rounds of pre-IPO financing in June and September.
2025 . .	We acquired the entire equity interests of Vedefar, a Belgium-based distributor of a range of medical devices in Europe. We acquired Caring Medical in September which further strengthens our presence in the endoscopic market.

OUR MAJOR SUBSIDIARIES AND OPERATING ENTITIES

The following table summarizes our principal subsidiaries which are of strategic importance to us or made material contributions to our results of operations during the Track Record Period:

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Name of subsidiary	Principal business activities	Date and jurisdiction of establishment
Shenzhen Medcaptain Life Science Co., Ltd. (深圳麥科田生命科學有限公司)	Research and development, production and sale of medical consumables for infusion, anesthetic and invasive products and solutions	May 2, 2018, the PRC
Medcaptain Medical Technology (Hong Kong) Limited (麥科田醫療技術有限公司)	Overseas sale of life support medical devices and solutions and IVD products	June 4, 2015, Hong Kong
Jiangsu Vedkang Medical Science and Technology Co., Ltd. (江蘇唯德康醫療科技有限公司)	Research and development, production and sale of minimally invasive interventional products	October 15, 2012, the PRC
Penlon Limited	Research and development, production and sale of life support medical devices and solutions, including anesthesia and respiratory solutions	July 23, 1996, England and Wales
Shanghai Runpu Biotechnology Co., Ltd. (上海潤普生物技術有限公司)	Research and development, production and sale of IVD products	November 16, 2010, the PRC
Mabsky Biotech Co., Ltd. (深圳生科原生物有限公司)	Research and development, production and sale of IVD products, including molecular diagnostic reagent products	September 13, 2004, the PRC

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Incorporation and Early History

Our Company was established on April 26, 2011 in the PRC by LI Dongcen (李冬岑) and QIAN Yunzhou (錢雲周) under its former name, Shenzhen Yusheng Medical Technology Co., Ltd. (深圳玉升醫療科技有限公司). Both LI Dongcen and QIAN Yunzhou are Independent Third Parties.

Mr. Zhong and Mr. Liu, directly or indirectly, entered into a series of equity transfers with our early Shareholders, LI Dongcen (李冬岑), ZHONG Tianran (鍾天然) and QIAN Yunzhou (錢雲周). In April 2014, ZHONG Tianran, the brother of Mr. Zhong, transferred RMB4 million of our registered capital (representing 40.00% of the equity interests in our Company) to Mr. Zhong at par value. In May 2014, Ms. Li (the spouse of Mr. Liu), through Mr. Zhong as a nominee shareholder, injected RMB7.5 million registered capital into our Company and became interested in 42.86% equity interests of our Company. Given Ms. Li is the spouse of Mr. Liu, such equity interests has been the “marital assets” and under the joint ownership of Mr. Liu and Ms. Li, consistent with the relevant PRC laws on marriage and family. The nominee shareholding relationship between Mr. Zhong (as nominee shareholder) and Mr. Liu and Ms. Li (as beneficial owners) ceased on December 7, 2015, when Mr. Zhong transferred the RMB7.5 million of our registered capital (representing 42.86% equity interests of our Company) to Ms. Li at par value. On even date, QIAN Yunzhou transferred all of his equity interests in our Company, being RMB1.352 million of our registered share capital (representing 7.73% equity interests of our Company), to Ms. Li for a consideration of approximately RMB2.97 million. Subsequently in the same month, Mr. Zhong, Ms. Li, LI Dongcen and Juxian Kangzhong LP successively completed subscriptions of additional registered share capital of our Company, respectively.

Before undergoing the first round of pre-IPO financing in 2016, our Company was held as to 40.77% by Juxian Kangzhong LP (one of our Employees Incentive Platforms controlled by Ms. Li as its sole general partner), 29.58% by Ms. Li, 15.94% by LI Dongcen and 13.71% by Mr. Zhong.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Series A Financing and Transfer of Equity Interests to our Employees Incentive Platform

On February 19, 2016, our Company, Mr. Liu, Mr. Zhong, Ms. Li and LI Dongcen entered into a capital increase agreement with Shenzhen Guozhong SME Development Private Equity Investment Fund Partnership (limited partnership) (深圳國中中小企業發展私募股權投資基金合夥企業(有限合夥)) (previously known as SME Development Fund (Shenzhen Limited Partnership) (中小企業發展基金(深圳有限合夥))) (“**SME Fund**”), and Shenzhen Capital Group Co., Ltd. (深圳市創新投資集團有限公司) (“**Shenzhen Capital Group**”) and its affiliated companies, namely Guangdong Hongtu Entrepreneurship Investment Limited Company (廣東紅土創業投資有限公司) (“**Guangdong Hongtu**”), Shenzhen Hongtu Peacock Entrepreneurship Investment Limited Company (深圳市紅土孔雀創業投資有限公司) (“**Hongtu Peacock**”) and Shenzhen Pingshan New Area Hongtu Entrepreneurship Investment Limited Company (深圳市坪山新區紅土創新發展創業投資有限公司) (currently known as Shenzhen Pingshan Area Hongtu Entrepreneurship Investment Limited Company (深圳市坪山區紅土創新發展創業投資有限公司)) (“**Shenzhen Pingshan Hongtu**”) (together, the “**Series A Investors**”), pursuant to which each Series A Investor agreed to subscribe an increased registered capital of RMB1 million for a consideration of RMB8 million, which, in aggregate, represents a subscription of increased registered capital of RMB5 million for a total consideration of RMB40 million (the “**Series A Financing**”). The Series A Financing was completed on August 25, 2016. The consideration was determined based on arm’s length negotiations between our Company and the Series A Investors after taking into consideration the timing of the investments and our business scale, development and future prospects.

After the Series A Financing, in October 2016, LI Dongcen entered into an equity transfer agreement with Ruisen Kangzhong LP, one of our Employees Incentive Platforms, pursuant to which LI Dongcen transferred RMB4 million of our Company’s registered capital to Ruisen Kangzhong LP, for a consideration of RMB22 million. The consideration was determined based on arm’s length negotiations between the aforesaid Shareholders, taking into account the fact that Ruisen Kangzhong LP is one of our Employees Incentive Platforms.

Series B Financing and Subscription of Equity Interests by our Employees Incentive Platform

On March 20, 2017, our Company, Mr. Liu, Mr. Zhong, Ms. Li, LI Dongcen, Juxian Kangzhong LP, Ruisen Kangzhong LP and the Series A Investors entered into a capital increase agreement with Zhuhai Gao Ling Tiancheng Equity Investment Fund (Limited Partnership) (珠海高瓴天成股權投資基金(有限合夥)) (“**Zhuhai Gao Ling**” or the “**Series B Investor**”), pursuant to which the Series B Investor agreed to subscribe for an increased registered capital of RMB8.5 million for a total consideration of RMB102 million (the “**Series B Financing**”). The Series B Financing was completed on May 3, 2017. The consideration was determined based on arm’s length negotiations between our Company and the Series B Investor after taking into consideration the timing of the investments and our business scale, development and future prospects.

After the Series B Financing, on May 29, 2018, Ruisen Kangzhong LP entered into a capital increase agreement with the then Shareholders of our Company, pursuant to which Ruisen Kangzhong LP agreed to subscribe for an increased registered capital of RMB4.85 million for a total consideration of RMB26.675 million. The consideration was determined based on arm’s length negotiations between the aforesaid Shareholders, taking into account the fact that Ruisen Kangzhong LP is one of our Employees Incentive Platforms.

Series C Financing and Transfer of Equity Interests by our Pre-IPO Investors

On March 28, 2019, our Company, Mr. Liu, Mr. Zhong, Ms. Li, LI Dongcen, Juxian Kangzhong LP, Ruisen Kangzhong LP, the Series A Investors and the Series B Investor entered into a capital increase and share transfer agreement with Tianjin Zhenying Enterprise Management Consultancy Limited Partnership (Limited Partnership) (天津振盈企業管理諮詢合夥企業(有限合夥)) (“**Tianjin Zhenying**”) (formerly known as Tianjin Gao Ling Zhenying Equity Investment Fund (Limited Partnership) (天津高瓴振盈投資合夥企業(有限合夥))), Shenzhen Capital Group and

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Suzhou Lirui Equity Investment Center (Limited Partnership) (蘇州禮瑞股權投資中心(有限合夥)) (“**Suzhou Lirui**”) (together with Hongtu Healthcare (as defined below), the “**Series C Investors**”), pursuant to which (i) Tianjin Zhenying, Shenzhen Capital Group and Suzhou Lirui agreed to subscribe for the increased registered capital of RMB6.6 million, RMB3.0 million and RMB2.5 million, respectively, for a consideration of RMB118.8 million, RMB54.0 million and RMB45.0 million, respectively; and (ii) Juxian Kangzhong LP agreed to transfer RMB1.8 million of registered capital to Tianjin Zhenying for a total consideration of RMB32.4 million ((i) and (ii) together, the “**Series C Financing**”).

Furthermore, on July 10, 2019, our Company, Mr. Liu, Mr. Zhong, Ms. Li, the Series A Investors, the Series B Investor and the Series C Investors entered into an equity transfer agreement, pursuant to which Shenzhen Capital Group agreed to transfer RMB2.5 million of registered capital of our Company to Shenzhen Hongtu Healthcare Industry Equity Investment Partnership (Limited Partnership) (深圳紅土醫療健康產業股權投資基金合夥企業(有限合夥)) (“**Hongtu Healthcare**” (an entity under common control as Shenzhen Capital Group) for a total consideration of RMB45 million, and Hongtu Healthcare shall be entitled to the rights and shall bear the obligations of the Series C Investors. The Series C Financing was completed on May 30, 2019 and the share capital transfer from Shenzhen Capital Group to Hongtu Healthcare was completed on September 12, 2019.

The consideration was determined based on arm’s length negotiations between our Company, the Series C Investors and/or the relevant Shareholders (as the case may be) after taking into consideration the timing of the investments and our business scale, development and future prospects.

2020 Equity Interests Transfers

In April and August 2020, a series of equity interests transfers (the “**2020 Equity Interests Transfers**”) were conducted. Pursuant to an agreement dated April 28, 2020, Ruisen Kangzhong LP transferred to Shenzhen Linkway Cornerstone Equity Investment Fund Partnership (Limited Partnership) (深圳市領匯基石股權投資基金合夥企業(有限合夥)) (“**Linkway Cornerstone**”) and Shenzhen Cowin Asset Management Co., Ltd. (深圳同創偉業資產管理股份有限公司) (“**Cowin Asset Management**”) RMB250,000 and RMB400,000, respectively, in our registered capital for a consideration of RMB6.25 million and RMB10 million, respectively. Further transfers among our Employees Incentive Platforms and Mr. Liu, Mr. Zhong and/or Ms. Li (as our individual Controlling Shareholders) were conducted for shareholding optimization. The consideration for the equity interests transfers was determined based on arm’s length negotiations between the relevant Shareholders after taking into consideration the timing of the investments and our business scale, development and future prospects. The 2020 Equity Interests Transfers were completed on November 13, 2020.

Joint Stock Company Reform and Establishment of the WVR Structure

Pursuant to the Shareholders’ resolutions and the promoters’ agreement (which stipulated the rights and obligations of each Shareholder during the process of establishment of our Company as a joint stock limited liability company) dated November 2, 2020, the then Shareholders of our Company agreed to convert our Company into a joint stock limited liability company with a registered capital of RMB359,975,000. According to the audit report of our Company prepared by an Independent Third Party auditing firm, as at August 31, 2020, the audited net asset value of our Company amounted to RMB606,338,639.05, of which (i) RMB359,975,000 was converted into 359,975,000 Shares of RMB1.00 par value each issued to the then Shareholders of our Company in proportion to their capital contribution to our Company and (ii) the remaining RMB246,363,639.05 was converted into capital reserve. Upon the completion of registration with Shenzhen Administration for Market Regulation (深圳市市場監督管理局) on November 19, 2020, our Company was converted into a joint stock company with limited liability, and was renamed as Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司).

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

On November 17, 2020, a Shareholders' resolution was passed to approve the establishment of the WVR structure and the relevant amendments to our Articles in accordance with the PRC Company Law and the Regulations of Shenzhen Special Economic Zone on Science, Technology and Innovation, pursuant to which (i) the Shares held by Mr. Liu, Mr. Zhong and Ms. Li were reclassified and re-designated as Class A Shares and (ii) the Shares held by all other Shareholders were reclassified and re-designated as Class B Shares. Under the WVR structure, our Company's share capital comprised of two classes of Shares, Class A Shares and Class B Shares, with each Class A Share entitling its holder to ten votes and each Class B Share entitling its holder to one vote, except for a resolution in respect of (i) amendments to the Articles, (ii) amendments to the votes entitled to the Class A shares, (iii) appointment or removal of independent non-executive Directors, (iv) appointment or removal of auditors for our Company's periodic reports and (v) merger, division, dissolution or change in the form of our Company, in respect of which one Share still carried one vote.

2021 Share Subscription and 2021 Share Transfers

On March 1, 2021, our Company entered into a capital increase agreement with certain investors (together, the **"2021 Financing Investors"**), pursuant to which (i) Zhuhai Aiheng Equity Investment Partnership (Limited Partnership) (珠海艾恆股權投資合夥企業(有限合夥)) (**"Zhuhai Aiheng"**), Linkway Cornerstone, Xinyu Cowin Guosheng Science and Technology Innovation Industry Investment Partnership (Limited Partnership) (新餘市同創國盛科創產業投資合夥企業(有限合夥)) (**"Xinyu Cowin"**), Shenzhen Capital Group, Hongtu Healthcare, Shenzhen Boxin Shengke Venture Capital Partnership (Limited Partnership) (深圳博信生科創業投資合夥企業(有限合夥)) (**"Boxin Shengke"**), Shenzhen Share Zeshan Precision Medical Venture Capital Partnership (Limited Partnership) (深圳市分享擇善精準醫療創業投資合夥企業(有限合夥)) (**"Share Zeshan"**), Shenzhen Nanshan SBCVC Equity Investment Fund Partnership (Limited Partnership) (深圳市南山軟銀股權投資基金合夥企業(有限合夥)) (**"Nanshan SBCVC"**), Shenzhen Grandway Capital Management Co., Ltd. (深圳市嘉遠資本管理有限公司) (**"Grandway Capital"**), Shenzhen Gaotejia Ruixin Investment Partnership (Limited Partnership) (深圳市高特佳睿信投資合夥企業(有限合夥)) (**"Gaotejia Ruixin"**), Ningbo Jiazhu Enterprise Management Partnership (Limited Partnership) (寧波嘉竹企業管理合夥企業(有限合夥)) (**"Ningbo Jiazhu"**), Dongguan Xintai No. 18 Equity Investment Partnership (Limited Partnership) (東莞鑫泰十八號股權投資合夥企業(有限合夥)) (**"Dongguan Xintai No. 18"**), Gongqingcheng Jiayin Ruihe Investment Management Partnership (Limited Partnership) (共青城佳銀瑞禾投資管理合夥企業(有限合夥)) (**"Gongqingcheng Jiayin"**), Shenzhen High-Tech Venture Capital Co., Ltd. (深圳市高新投創業投資有限公司) (**"High-Tech VC"**), Ningbo Zhixun Venture Capital Partnership (Limited Partnership) (寧波市智尋創業投資合夥企業(有限合夥)) (**"Zhixun VC"**), Gongqingcheng Daohe Venture Capital Partnership (Limited Partnership) (共青城道合創業投資合夥企業(有限合夥)) (**"Gongqingcheng Daohe VC"**), Shenzhen Talent Innovation and Entrepreneurship No. 2 Equity Investment Fund Partnership (Limited Partnership) (深圳市人才創新創業二號股權投資基金合夥企業(有限合夥)) (**"Talent Innovation No. 2 Fund"**), and Shenzhen Xiaohe Venture Capital Partnership (Limited Partnership) (深圳市小禾創業投資合夥企業(有限合夥)) (**"Xiaohe VC"**) (formerly known as Shenzhen Xiaohe Investment Partnership (Limited Partnership) (深圳市小禾投資合夥企業(有限合夥))) subscribed, in aggregate, 29,750,000 Class B Shares at a cash consideration of RMB476.0 million in aggregate; and (ii) in connection with our Company's acquisition of the remaining minority stake in Runpu Biotech, Xinghaohui Biotech and Mabsky (collectively, the **"Acquired Subsidiaries"**), a share swap was

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

conducted pursuant to which the following 2021 Financing Investors subscribed a total of 8,787,300 Class B Shares as consideration for selling their respective minority stakes in the relevant Acquired Subsidiaries to our Company ((i) and (ii) together, the “**2021 Share Subscription**”):

2021 Financing Investors	Number of Class B Shares subscribed in the share swap	Percentage of equity interests in Acquired Subsidiaries as consideration
<i>Sellers of minority stake of Runpu Biotech</i>		
MAO Peihua (茅培華)	701,639 ⁽²⁾	19.94% ⁽¹⁾
LI Ying (李穎)	526,405 ⁽²⁾	14.96% ⁽¹⁾
<i>Sellers of minority stake of Xinghaohui Biotech</i>		
LV Caishu (呂才樹)	2,943,475	47.0956% ⁽³⁾
<i>Sellers of minority stake of Mabsky</i>		
Shenzhen Junji Management Consulting Partnership (Limited Partnership) (深圳市君濟管理諮詢合夥企業 (有限合夥)) (“ Junji Consulting LP ”)	2,588,625	27.612% ⁽⁴⁾
Ruixin Kangzhong LP	1,928,812	20.574% ⁽⁴⁾
DOU Wenxiang (竇文祥)	98,344	1.049% ⁽⁴⁾
	8,787,300	

Notes:

- (1) On November 23, 2017, our Company entered into a share transfer agreement with MAO Peihua, LI Ying, SHI Chunmei (史春梅), WANG Chaoqian (王朝乾) and YUAN Qingmei (袁青梅), who were all Independent Third Parties at the relevant time, to acquire 56.41% of the share capital in Runpu Biotech at a cash consideration of RMB35.50 million. In parallel, our Company also entered into a capital increase agreement with Runpu Biotech and the remaining minority shareholders of Runpu Biotech, MAO Peihua and LI Ying, pursuant to which our Company agreed to subscribe for an increased registered capital of RMB5.6 million for a total consideration of RMB15.7 million. Following the aforesaid transactions, our Company held 65.10% of the share capital in Runpu Biotech.

On March 1, 2021, our Company further acquired the remaining share capital in Runpu Biotech from MAO Peihua and LI Ying. The valuation of Runpu Biotech at the time of such share swap was determined by the parties to be RMB56.3 million, with reference to the equity valuation of Runpu Biotech as of December 31, 2020 conducted by an Independent Third Party valuer adopting the income approach. Accordingly, MAO Peihua’s 19.94% stake and LI Ying’s 14.96% stake in Runpu Biotech was equivalent to RMB11,226,220 and RMB8,422,480 respectively, pursuant to which 701,639 and 526,405 Class B Shares shall be subscribed for by them respectively at a price of RMB16 per Share.

- (2) Prior to the subscription of 701,639 Class B Shares and 526,405 Class B Shares by MAO Peihua and LI Ying, respectively, in the share swap in respect of our Company’s acquisition of minority stake of Runpu Biotech, 700,000 Class B Shares and 500,000 Class B Shares were issued to MAO Peihua and LI Ying, respectively, at RMB1 per Share as share awards on December 23, 2020 as approved by our Shareholders, in recognition of their respective contributions to Runpu Biotech since the latter became a non-wholly owned subsidiary of our Company in 2017.
- (3) Xinghaohui Biotech focused on the research and development of molecular diagnostic devices, and subsequent to its acquisition, we have integrated the business operations of Xinghaohui Biotech to establish our research and development platform of dPCR to better manage our Group’s resources and operation costs through a streamlined corporate structure. Xinghaohui Biotech was de-registered in September 2023. The valuation of Xinghaohui Biotech at the time of such share swap was determined by the parties to be RMB100 million with reference to the equity valuation of Xinghaohui Biotech as of December 31, 2020 conducted by an Independent Third Party valuer adopting the market approach. Accordingly, LV Caishu’s 47.0956% stake in Xinghaohui Biotech was equivalent to RMB47,095,600, pursuant to which 2,943,475 Class B Shares shall be subscribed by him at a price of RMB16 per Share.

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- (4) On April 27, 2020, our Company entered into a share transfer agreement with each of the selling shareholders of Mabsky, who were all Independent Third Parties at the relevant time, to acquire RMB13.55 million of the registered capital in Mabsky at a cash consideration of RMB51.72 million. In parallel, our Company and Ruixin Kangzhong LP also entered into a capital increase agreement with (among others) the remaining minority shareholders of Mabsky, DOU Wenxiang and Junji Consulting LP, pursuant to which our Company agreed to subscribe for an increased registered capital of RMB5.49 million for a total consideration of RMB21.50 million. Afterwards, our Company held 50.77% of the share capital in Mabsky.

On March 1, 2021, our Company further acquired the remaining share capital in Mabsky from DOU Wenxiang and Junji Consulting LP. The valuation of Mabsky at the time of such share swap was determined to be RMB150 million with reference to the equity valuation of Mabsky as of December 31, 2020 conducted by an Independent Third Party valuer adopting the income approach. Accordingly, Junji Consulting LP's 27.612% stake, Ruixin Kangzhong LP's 20.574% stake and DOU Wenxiang's 1.049% stake in Mabsky was equivalent to RMB41,418,000, RMB30,861,000 and RMB1,573,500 respectively, pursuant to which 2,588,625, 1,928,812 and 98,344 Class B Shares shall be subscribed for by them at a price of RMB16 per Share.

The 2021 Share Subscription was completed on May 24, 2021. Concurrently, Shenzhen Kanghong Consulting Management Enterprise (Limited Partnership) (深圳市康泓諮詢管理企業(有限合伙)) (“**Kanghong Consulting**”), an employee shareholding platform of our Company, agreed to subscribe for 1,500,000 Class B Shares at RMB16 per Share for a total cash consideration of RMB24 million. The consideration paid by each of the 2021 Financing Investors and Kanghong Consulting was determined based on arm's length negotiations between our Company and the aforesaid Shareholders after taking into consideration the timing of the investments and our business scale, development and future prospects.

Following the 2021 Share Subscription, (i) on December 20, 2021, Hualong Kangzhong LP, one of our Employees Incentive Platforms, agreed to subscribe for 40,000,000 Class B Shares for a consideration of RMB160 million; and (ii) on December 29, 2021, Cowin Asset Management and Xinyu Cowin transferred the 2,200,000 and 3,750,000 Class B Shares they respectively held to Zhuhai Aiheng and Suzhou Gao Ling Qirui Medical Health Industry Investment Partnership Enterprise (Limited Partnership) (蘇州高瓴祈睿醫療健康產業投資合夥企業(有限合伙)) (“**Suzhou Gao Ling**”) at a total consideration of RMB75,058,700 (the “**2021 Share Transfers**”). The consideration of each of the aforesaid subscription and share transfers was determined based on arm's length negotiations between the relevant Shareholders after taking into consideration the overall cost and rate of return of investments from Cowin Asset Management and Xinyu Cowin, and our business scale, development and future prospects.

Share Swap in connection with our Acquisition of Vedkang Medical

In connection with our Company's acquisition of the entire equity interests of Vedkang Medical, pursuant to an equity transfer agreement dated April 12, 2022, the then shareholders of Vedkang Medical, namely ZHUANG Xiaojin (莊小金), MIAO Donglin (繆東林), Changzhou Zixi Venture Capital Partnership (Limited Partnership) (常州梓熙創業投資合夥企業(有限合伙)) (“**Changzhou Zixi**”) and Changzhou Zijing Venture Capital Partnership (Limited Partnership) (常州梓瀾創業投資合夥企業(有限合伙)) (“**Changzhou Zijing**”), agreed to subscribe for 53,124,999 Class B Shares at RMB16 per Share, in exchange for the sale of 50% of the share capital in Vedkang Medical they collectively owned to our Company (“**Vedkang Medical Share Swap**”). The subscriptions involved in the Vedkang Medical Share Swap were completed on May 10, 2022. Changzhou Zixi and Changzhou Zijing are employee share incentive platforms of Vedkang Medical. The remaining 50% consideration for our acquisition of Vedkang Medical was satisfied in cash. See “Material Acquisitions — Acquisition of Vedkang Medical” in this section for further details.

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The details of the Vedkang Medical Share Swap are set out as follows:

Shareholder	Number of Class B Shares	% of share capital in Vedkang Medical as consideration ^(Note)
ZHUANG Xiaojin	34,664,062	32.62
MIAO Donglin	11,554,687	10.87
Changzhou Zixi	3,453,125	3.25
Changzhou Zijing	3,453,125	3.25
	53,124,999	50.00

Note: The consideration paid by the Company for acquisition of Vedkang Medical was determined by the parties with reference to the equity valuation of Vedkang Medical conducted by Sinovalue Assets Appraisal Co., Ltd. (中水致遠資產評估有限公司), an independent Third Party and qualified valuer in the PRC having obtained the Securities and Futures Related Business Assessment Qualification Certificate (證券期貨相關業務評估資格證書), which was approximately RMB1.7 billion as of December 31, 2021. With respect to the Vedkang Medical Share Swap, the Class B Shares were issued at RMB16 per Share in exchange for the relevant sellers' equity interests in Vedkang Medical, which was on par with the subscription price for the 2021 Share Subscription.

2023 Share Transfers and 2023 Share Subscriptions

On June 26, 2023, our Company entered into a capital increase agreement with Shenzhen Xinshi Xinxing Industry M&A Equity Investment Fund Partnership (Limited Partnership) (深圳信石信興產業併購股權投資基金合夥企業(有限合夥)) (“**Xinshi Xinxing**”), pursuant to which Xinshi Xinxing agreed to subscribe for 4,303,030 Class B Shares for a total consideration of RMB70,999,995. Subsequently, on September 20, 2023, our Company entered into a capital increase agreement with Wuhu Xinshi Xinyao Equity Investment Partnership (Limited Partnership) (蕪湖信石信耀股權投資合夥企業(有限合夥)) (“**Xinshi Xinyao**”) (together with Xinshi Xinxing, the “**2023 Financing Investors**”), pursuant to which Xinshi Xinyao subscribed for 1,075,757 Class B Shares for a total consideration of RMB17,749,990.5 (together with Xinshi Xinxing's subscription in June 2023, the “**2023 Share Subscriptions**”).

In parallel with the 2023 Share Subscriptions, (i) pursuant to an agreement dated June 26, 2023, Xinshi Xinxing also agreed to acquire 7,596,552, 500,000, 400,000 and 400,000 Class B Shares from Hualong Kangzhong LP, Juxian Kangzhong LP, Ruisen Kangzhong LP and Ruikun Kangzhong LP, respectively, at an aggregate consideration of RMB129,000,004; and (ii) pursuant to an agreement dated September 20, 2023, Xinshi Xinyao also agreed to acquire 2,224,137 Class B Shares from Hualong Kangzhong LP for of RMB32,249,986.50 (the “**2023 Share Transfers**”).

The consideration of the 2023 Share Subscriptions and the 2023 Share Transfers was determined based on arm's length negotiations between our Company, the relevant selling Shareholders and the 2023 Financing Investors (as the case may be) after taking into consideration the timing of the investments and our business scale, development and future prospects and the previous investment made by Xinshi Xinxing earlier in the year. The 2023 Share Subscriptions and the 2023 Share Transfers were completed on October 13, 2023.

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2024 Share Transfers

Certain shareholders of the Company entered into a series of share transfers in 2024, namely:

- On June 28, 2024, Shenzhen Capital Group, Guangdong Hongtu, Hongtu Peacock, Shenzhen Pingshan Hongtu and Hongtu Healthcare (together, the “**Shenzhen Capital Group Entities**”) entered into an equity transfer agreement with Shenzhen Futian Taiping Medical and Health Private Equity Investment Fund Partnership (Limited Partnership) (深圳福田太平醫療健康私募股權投資基金合夥企業(有限合夥)) (“**Taiping Hetao Medical Fund**”), pursuant to which the Shenzhen Capital Group Entities agreed to transfer a total of 830,000 Class B Shares to Taiping Hetao Medical Fund for a total cash consideration of RMB9.96 million; and
- On September 9, 2024, the Company, Hualong Kangzhong LP and the Concert Parties entered into an equity transfer agreement with Ningbo Kangjun Zhongyuan Equity Investment Partnership (Limited Partnership) (寧波康君仲元股權投資合夥企業(有限合夥)) (“**Kangjun Zhongyuan Fund**”), pursuant to which the Hualong Kangzhong LP agreed to transfer a total of 6,666,666 Class B Shares to Kangjun Zhongyuan Fund for a total cash consideration of RMB79,999,992,

together, the “**2024 Share Transfers**”.

The consideration of the 2024 Share Transfers was determined based on arm’s length negotiations between the aforementioned transferors and the aforementioned transferees after taking into consideration the initial acquisition price of the transferors’ respective investments in our Company and our business scale, development and future prospects at the time of the share transfers.

Our voting rights structure upon completion of the Global Offering

Pursuant to our existing Articles, as of the date of this Prospectus, the Company has adopted a WVR voting structure, as described in the section headed “— Joint Stock Company Reform and Establishment of the WVR Structure” above. According to the Articles which will take effect from the Listing Date, our Company will unwind the WVR structure and each issued Class A Share and Class B Share will be re-designated to one H Share or Unlisted Share, as the case may be, and the WVR structure will not be preserved. After the re-designation, all the issued Shares of our Company will entitle their holders to one vote per Share at a general meeting of our Company. See “Share Capital” and “— Capitalization of our Company” in this section below for further details.

PRE-IPO INVESTMENTS

Details and Principal Terms of the Pre-IPO Investments and Pre-IPO Investors' Rights

Our Company has conducted several rounds of Pre-IPO Investments from 2016 to 2024. The principal terms of each round of Pre-IPO Investments, including the total amount of investments made by the Pre-IPO Investors (comprising the amount of investment received by our Company through subscription of new Shares in our Company and the amount of consideration for transfer of Shares by the then-existing shareholders of our Company to such relevant Pre-IPO Investors) received by our Company, and the post-money valuation after each round of financing, are summarized below:

	Series A Financing	Series B Financing	Series C Financing	2020 Equity Interests Transfers	2021 Share Subscription	2021 Share Transfers	Vekang Medical Share Swap	2023 Share Subscriptions	2023 Share Transfers	2024 Share Transfers
Date of agreement(s)	February 19, 2016	March 20, 2017	March 28, 2019 and July 10, 2019	April 28, 2020	March 1, 2021	December 29, 2021	April 12, 2022	June 26, 2023 and September 20, 2023	June 26, 2023 and September 20, 2023	June 28, 2024 and September 9, 2024
Date on which the investments were fully settled	July 4, 2016	December 13, 2017	August 16, 2019	August 11, 2020	March 9, 2021	December 31, 2021	May 10, 2022 ⁽⁸⁾	September 27, 2023	September 27, 2023	September 9, 2024
Equivalent subscription/acquisition price of each RMB1 of registered share capital (approximately) ⁽¹⁾	RMB1.45	RMB2.18	RMB3.27	RMB4.55 ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A	N/A
Subscription/acquisition price of each Class B Share (approximately) ⁽¹⁾	N/A	N/A	N/A	N/A	RMB16.00	RMB12.61 ⁽⁷⁾	RMB16.00	RMB16.50	RMB14.50 ⁽⁹⁾	RMB12.00 ⁽¹¹⁾
Discount/Premium to the Offer Price (approximately) ⁽¹⁰⁾	89.12%	83.65%	75.47%	65.87%	Premium of 20.00%	5.42%	Premium of 20.00%	Premium of 23.75%	Premium of 8.75%	10.00%
Total cash consideration received by our Company from subscription of new shares by the Pre-IPO Investors	RMB40.00 million	RMB102.00 million	RMB217.80 million ⁽⁴⁾	N/A	RMB476.00 million	N/A	N/A	RMB88.75 million	N/A	N/A
Total amount of investments from the Pre-IPO Investors ⁽²⁾	RMB40.00 million	RMB102.00 million	RMB250.20 million ⁽⁴⁾	RMB16.25 million	RMB585.74 million ⁽⁶⁾	RMB75.06 million	RMB850.00 million ⁽⁸⁾	RMB88.75 million	RMB161.25 million	RMB89.96 million
Post-money valuation of our Company (approximately) ⁽³⁾	RMB320.00 million	RMB582.00 million	RMB1,178.10 million	N/A	RMB6,419.40 million	N/A	RMB7,909.40 million	RMB8,245.32 million	N/A	N/A
Lock-up period	As required under the applicable PRC law, all existing Shareholders (including all Pre-IPO Investors) shall not dispose of any of the Shares held by them at the time of the proposed Listing within the 12 months following the date of the proposed Listing.									

Use of Proceeds from the Pre-IPO Investments

We utilized the proceeds we received from the Pre-IPO Investments involving capital increase or share issuance to the Pre-IPO Investors for the operations of our Company and in accordance with the business plan or budget as approved by the Board. As of December 31, 2025, the funds raised from the Pre-IPO Investments had been fully utilized.

Strategic benefits of the Pre-IPO Investments

At the time of the Pre-IPO Investments, our Directors were of the view that our Company could benefit from the additional capital that would be provided by the Pre-IPO Investors' investments in our Company and their knowledge and experience. In particular, we believe that the investments from reputable and seasoned financial investors demonstrated their commitment and confidence in our Company's innovation and management methodology.

Further, certain of our non-executive Directors represent our Pre-IPO Investors and they complement our executive Directors to support good corporate governance, financing reporting and internal control.

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Notes:

- (1) Our Company was converted into a joint stock company with limited liability in November 2020, pursuant to which every RMB1 of its original registered share capital was converted into 5.5 Class B Shares. Accordingly, the equivalent subscription price per RMB1 of registered share capital of Series A Financing, Series B Financing and Series C Financing was calculated based on the original subscription price of RMB8.00, RMB12.00 and RMB18.00, respectively, as adjusted after the aforesaid conversion.
- (2) Apart from subscribing for new Shares from our Company, certain of our Company's Pre-IPO Investors also acquired Shares from other existing Shareholders or our Employees Incentive Platforms. The considerations for both share subscriptions and acquisitions by the Pre-IPO Investors have been taken into account for the purpose of calculating the total amount of investments by the Pre-IPO Investors, and the consideration for all subscriptions and acquisitions by our Controlling Shareholders and Employees Incentive Platforms have been excluded.
- (3) Calculated by multiplying the post-money registered share capital or number of Shares of our Company (as the case may be), by the subscription price of each round of financing (before adjustments). The valuation accepted by financial investors for pre-IPO investments generally has a high correlation to the then-existing stock market conditions and sentiment. In early 2021 during which the 2021 Share Subscription was completed, amid various successful listings of medical device companies with stronger stock market momentum, the investor's appetite was relatively stronger which led to a higher valuation of subscription price for our Shares. Subsequently, the stock market experienced a downturn from mid-2021 until 2024, which affected the subscription price for our Shares. In addition, the valuation adopted for transfer of existing shares of a company is generally lower than that for the subscription of new shares in the same company, and the transfer price is subject to the commercial negotiation between the selling and purchasing Shareholders.
- (4) Excluding the consideration of the intra-group transfer of RMB2.5 million of registered capital of our Company between Shenzhen Capital Group and Hongtu Healthcare on July 10, 2019. In parallel with Tianjin Zhenying's subscription of RMB6.6 million of our Company's registered share capital in the Series C Financing, it also agreed to acquire RMB1.8 million of our Company's registered share capital from one of our Employees Incentive Platforms. The aforesaid subscription and acquisition were both conducted at a price of RMB18.00 per RMB1 of registered share capital, being the same subscription price paid by all other investors in the Series C Financing.
- (5) Represents the equivalent acquisition price per RMB1 of registered share capital paid by Linkway Cornerstone and Cowin Asset Management. For details of their acquisitions, see "— Major Shareholding Changes of Our Company — 2020 Equity Interests Transfers" in this section.
- (6) Including (i) share subscription of 29,750,000 Class B Shares at RMB16 per Share amounting to RMB476 million from the 2021 Financing Investors and (ii) 6,858,488 Class B Shares issued at RMB16 per Share pursuant to the share swap in respect of our Company's acquisitions of the minority stakes in Runpu Biotech, Mabsky and Xinghaohui Biotech which were worth approximately RMB109.74 million in total, but excluding 1,928,812 Class B Shares issued to Ruixin Kangzhong LP, one of our Employees Incentive Platforms, involved in our Company's acquisition of Mabsky. For details, see "—Major Shareholding Changes of Our Company — 2021 Share Subscription and 2021 Share Transfers" in this section.
- (7) Represents the average transfer price per Class B Share at which each of Zhuhai Aiheng and Suzhou Gao Ling acquired Class B Shares from Xinyu Cowin and Cowin Asset Management in December 2021. For details of their acquisitions, see "— Major Shareholding Changes of Our Company — 2021 Share Subscription and 2021 Share Transfers" in this section. This per Class B Share acquisition price reflects the consideration for the transfer of existing Class B Shares, instead of new Class B Shares, upon arms' length negotiation between the parties.
- (8) Represents the value of our acquisition of 50% equity interest in Vedkang Medical, in exchange of which 53,124,999 Class B Shares were issued to the sellers of Vedkang Medical at RMB16 per Share. The Vedkang Medical Share Swap was completed and registered with the relevant authority in the PRC on May 10, 2022. For details, see "— Major Shareholding Changes of Our Company — Share Swap in connection with our Acquisition of Vedkang Medical" and "— Material Acquisitions — Acquisition of Vedkang Medical" in this section.
- (9) Represents the average transfer price per Class B Share at which each of Xinshi Xinxing and Xinshi Xinyao acquired Class B Shares from the relevant Employees Incentive Platforms in June and September 2023. For details of their acquisitions, see "— Major Shareholding Changes of Our Company — 2023 Share Transfers and 2023 Share Subscriptions" in this section. This per Class B Share acquisition price reflects the consideration for the transfer of existing Class B Shares, instead of new Class B Shares, upon arms' length negotiation between the parties.
- (10) Calculated on the basis of the Offer Price of HK\$15.42 per H Share and the exchange rate in this prospectus.
- (11) Represents the average transfer price per Class B Share at which Taiping Hetao Medical Fund acquired Class B Shares from the Shenzhen Capital Group Entities, and Kangjun Zhongyuan Fund acquired Class B Shares from Hualong Kangzhong LP, in June and September 2024, respectively. For details of their acquisitions, see "— Major Shareholding Changes of Our Company — 2024 Share Transfers" in this section. This per Class B Share acquisition price reflects the consideration for the transfer of existing Class B Shares, instead of new Class B Shares, upon arms' length negotiation between the parties.

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Special Rights of the Pre-IPO Investors

All of our Pre-IPO Investors are currently bound by the terms of (i) the respective Pre-IPO investment agreement(s) they have entered into with our Company and (ii) the currently effective articles of association of our Company, which will be replaced by our Articles effective upon the completion of the Global Offering.

Pursuant to the relevant pre-IPO investment agreements, the Series A Investors, Series B Investors, Series C Investors and the 2023 Financing Investors were granted special rights in relation to our Company. During the Track Record Period, none of our Pre-IPO Investors exercised any redemption rights granted to them.

In anticipation of the Listing, on June 26, 2025, the Pre-IPO Investors have entered into a supplemental agreement (the “**Supplemental Agreement**”) to the pre-IPO investment agreements to which such Pre-IPO Investor, as applicable, is a party, pursuant to which:

- (a) the redemption rights granted to the Series A Investors, Series B Investors and Series C Investors by our Company and certain deemed liquidation events beyond our control (the “**Company Redemption Rights**”) shall be irrevocably terminated and be void *ab initio*;
- (b) the redemption rights granted to the Series A Investors, Series B Investors and Series C Investors by Ms. Li and Mr. Zhong (the “**Controlling Shareholders Redemption Right 1**”) shall be terminated, provided that such redemption rights shall resume automatically if the listing application (i) has been withdrawn or (ii) has been terminated (including being rejected by the relevant authorities); and
- (c) save for certain private arrangements between the Shareholders (namely, disposal and negative pledge restrictions on certain of our Controlling Shareholders and LI Dongcen, liability cap of Ms. Li and Mr. Zhong towards the Pre-IPO Investors, supervisor nomination rights, right of first refusal and tag-along right) which may survive the Listing pursuant Chapter 4.2 of the Guide, all other special rights under the Pre-IPO Investments, namely, (i) anti-dilution rights; (ii) information and inspection rights; (iii) pre-emptive rights; (iv) share transfer restrictions; (v) protective provisions granted to certain shareholders; (vi) liquidation preference rights; (vii) most favorable treatment right; (viii) prior consent or veto rights for certain corporate actions (including amendment of articles and acquisitions and appointment of auditors); and (ix) certain corporate governance rights (including board nomination, quorum requirements at board meetings and shareholders’ meetings, veto rights at board meetings and shareholders’ meetings and veto rights to the remuneration of our senior management), shall cease to be effective and be terminated upon the Listing in accordance with the Guide.

Under the terms of the pre-IPO investment agreements entered into by the 2023 Financing Investors, the redemption rights granted to the 2023 financing Investors by Mr. Liu (the “**Controlling Shareholder Redemption Right 2**”, together with the Controlling Shareholders Redemption Right 1, the “**Controlling Shareholders Redemption Rights**”) have been automatically terminated prior to the first submission of listing application by the Company.

Article 143 of the Civil Code of the People’s Republic of China (中華人民共和國民法典) stipulates that a civil legal act is valid if it is conducted by parties with the requisite capacity for civil conduct, is based on genuine intent, and does not contravene mandatory provisions of laws, administrative regulations, or public order and morals. Adhering to the principle of autonomy of will, our Company and the Pre-IPO Investors explicitly agreed that the Company Redemption Right was irrevocably terminated and void *ab initio*. Through the execution of the Supplemental Agreement, while the Company Redemption Rights have never been exercised, both parties agreed to terminate such rights and to treat them as having no legal effect from the time of their execution, thereby restoring the rights and obligations of both parties to the *status quo ante* as if such clause

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had never been agreed upon. This arrangement does not violate any mandatory provisions of laws, administrative regulations, or public order and morals, and is thus legally valid. Based on the above, the PRC Legal Advisers are of the view that the Company Redemption Rights agreed upon by our Company and the Pre-IPO Investors have been irrevocably terminated and shall be deemed void *ab initio*. Furthermore, pursuant to the Supplemental Agreement, the PRC Legal Advisor is also of view that there is no warranty regarding the enforceability of the redemption rights. For details, please refer to Note 34 of the Appendix I to this prospectus.

In respect of the Controlling Shareholders Redemption Rights, (i) there are no other side arrangements between our Company and the Pre-IPO Investors or between our Company and Mr. Liu, Mr. Zhong or Ms. Li regarding the Controlling Shareholders Redemption Rights; and (ii) the Company did not provide any form of guarantee on the Controlling Shareholders Redemption Rights in case of default or failure by Mr. Liu, Mr. Zhong and/or Ms. Li (as applicable) to fulfill their obligations relating to the Controlling Shareholders Redemption Rights. As confirmed by Mr. Liu, Mr. Zhong and Ms. Li, there are no other side agreements between them and the Pre-IPO Investors regarding the Controlling Shareholders Redemption Rights. Considering the foregoing and that the Company has no obligation to repurchase the Shares held by the Pre-IPO Investors even though the Company is a party to the relevant agreements for the Controlling Shareholders Redemption Rights, no financial liability regarding the Controlling Shareholders Redemption Rights and no redemption liability was recorded during the Track Record Period. No Pre-IPO Investors had exercised the Controlling Shareholders Redemption Rights during the Track Record Period. For details, please refer to Note 41 to Appendix I to this prospectus.

Compliance with the Guide for New Listing Applicants

On the basis that (i) the consideration for Pre-IPO Investments was settled more than 28 clear days before the date of first submission of the Listing application to the Stock Exchange or no less than 120 clear days before the Listing Date; and (ii) the termination of the special rights granted to the Pre-IPO Investors (save for the private arrangement between the Shareholders as described above) as disclosed in “— Special Rights of the Pre-IPO Investors” above, the Joint Sponsors confirm that the Pre-IPO Investments are in compliance with Chapter 4.2 of the Guide.

Information about the Pre-IPO Investors

The following sets forth background information of our Pre-IPO Investors:

Gao Ling

Each of Zhuhai Gao Ling and Suzhou Gao Ling are private equity funds managed by Zhuhai Gao Ling Private Fund Management Co., Ltd. (珠海高瓴私募基金管理有限公司) (“**Zhuhai Gao Ling Fund Management**”). Tianjin Zhenying and Zhuhai Aiheng are limited partnerships established in the PRC and are ultimately controlled by Independent Third Parties. The limited partner investors of Tianjin Zhenying and Zhuhai Aiheng are all private equity funds managed by Zhuhai Gao Ling Fund Management, none of which holds 30% or more limited partnership interest.

Shenzhen Capital Group

Shenzhen Capital Group, through itself and its affiliated entities, namely Guangdong Hongtu, Hongtu Peacock, Shenzhen Pingshan Hongtu and Hongtu Healthcare, participated in multiple rounds of Pre-IPO financing of our Company. Established in 1999, Shenzhen Capital Group has developed into a leading investment group with assets under management in excess of RMB450 billion and primarily focuses on venture capital investments to nurture and cultivate entrepreneurship and innovation, and mainly invests in companies in information technology, biotech and healthcare, intelligent manufacturing, new energy, new materials, etc. during their emerging phases. It is ultimately controlled by the State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People’s Government (深圳市人民政府國有資

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產監督管理委員會) as to approximately 51.66%. Its investment portfolio includes Shenzhen Mindray Bio-Medical Electronics Co., Ltd. (a company listed on the Shenzhen Stock Exchange (stock code: 300760)), BGI Genomics Co., Ltd (a company listed on the Shenzhen Stock Exchange (stock code: 300676), RemeGen Co., Ltd (a company listed on the Stock Exchange (stock code: 9995)) and Akeso, Inc (a company listed on the Stock Exchange (stock code: 9926)).

Sino-Rock

Xinshi Xinxing is an investment fund managed by Cinda Kunpeng (Shenzhen) Equity Investment Management Company Limited (信達鯤鵬(深圳)股權投資管理有限公司), which is ultimately controlled by Sino-Rock Investment Management Company Limited (漢石投資管理有限公司) (“**Sino-Rock**”). Sino-Rock is incorporated in Hong Kong and is primarily engaged in investment. Apart from China Cinda Asset Management Co., Ltd. (“**China Cinda**”), a company listed on the Main Board of the Stock Exchange (stock code: 1359), which owns 48% of the limited partnership interest in Xinshi Xinxing, no other entities or individuals own 30% or more of the limited partnership interest in Xinshi Xinxing. China Cinda is ultimately controlled by the Ministry of Finance of the PRC. Xinshi Xinyao is an investment fund managed by Sino-Rock (Ningbo) Investment Management Company Limited (寧波信達漢石投資管理有限公司), which is ultimately controlled by Sino-Rock. Approximately 99.90% of the limited partnership interest in Xinshi Xinyao are held by Well Kent International Estate (Shenzhen) Company Limited (華建國際實業(深圳)有限公司), a company indirectly wholly-owned by China Cinda.

Suzhou Lirui

Suzhou Lirui is a limited partnership established in the PRC. Its general partner is Shanghai Liyi Investment Management Partnership (Limited Partnership) (上海禮貽投資管理合夥企業(有限合夥)) (“**Shanghai Liyi**”). The general partner of Shanghai Liyi is Shanghai Liyao Investment Management Co., Ltd. (上海禮曜投資管理有限公司), which is in turn wholly owned by Dr. CHEN Fei. None of the limited partners of Suzhou Lirui holds 30% or more of its partnership interest.

SME Fund

SME Fund is a limited partnership established in the PRC and is managed by its general partner, Shenzhen Guozhong Venture Capital Management Co., Ltd. (深圳國中創業投資管理有限公司), which is in turn controlled by SHI Anping (施安平). As of the Latest Practicable Date, all eight limited partners of SME Fund were Independent Third Parties, of which National SME Development Fund Co., Ltd. (國家中小企業發展基金有限公司) and Shenzhen City Guidance Fund Investment Co., Ltd. (深圳市引導基金投資有限公司) (“**Shenzhen City Guidance Fund**”), being the two largest limited partners, each held 25.0% and 24.98% partnership interest in SME Fund, respectively. None of the national, provincial or municipal governmental bodies in the PRC ultimately owns 30% or more of the partnership interest in SME Fund.

Linkway Cornerstone

Linkway Cornerstone is a limited partnership established under the laws of the PRC. Shenzhen City Lingxin Cornerstone Equity Investment Fund Management Partnership (Limited Partnership) (深圳市領信基石股權投資基金管理合夥企業(有限合夥)) (“**Lingxin Cornerstone**”) is a limited partnership established under the laws of the PRC and is the general partner of Linkway Cornerstone. The general partner of Lingxin Cornerstone is Urumqi Kunlun Cornerstone Venture Capital Co., Ltd. (烏魯木齊昆侖基石創業投資有限公司), which is ultimately controlled by Zhang Wei (張維). As of the Latest Practicable Date, Linkway Cornerstone had 21 limited partners amongst which, Shenzhen City Guidance Fund, Ma’anshan Link Cornerstone Equity Investment Partnership (Limited Partnership) (馬鞍山領澤基石股權投資合夥企業(有限合夥)), Shenzhen Huitong Jinkong Fund Investment Co., Ltd. (深圳市匯通金控基金投資有限公司), Shanghai Jiangong Group Investment Co., Ltd. (上海建工集團投資有限公司), Shenzhen City Kunpeng Equity Investment Co., Ltd. (深圳市鯤鵬股權投資有限公司) and Guangdong Yuecai Industry

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Investment Fund Partnership (Limited Partnership) (廣東粵財產業投資基金合夥企業(有限合夥)) each held 25%, 12.5%, 9%, 5%, 5% and 5% of the interests in Linkway Cornerstone. The remaining 37.5% of interests in Linkway Cornerstone were held by 15 limited partners, each holding less than 5% interests in Linkway Cornerstone. To the best knowledge, information and belief of our Directors, all the limited partners of Linkway Cornerstone are qualified investors and independent from each other. None of the national, provincial or municipal governmental bodies in the PRC ultimately owns 30% or more of the partnership interest in Linkway Cornerstone.

Boxin Shengke

Boxin Shengke is a limited partnership registered under the laws of the PRC. Its general partner is Shenzhen Bozhong Xinhe Private Equity Management Partnership (Limited Partnership) (深圳市博眾信合私募股權投資基金管理合夥企業(有限合夥)). The largest limited partner of Boxin Shengke is Mr. Yan Xiong (顏雄), holding approximately 51.55% in Boxin Shengke. None of the other limited partners of Boxin Shengke holds 30% or more of its partnership interest.

Share Zeshan

Share Zeshan is a limited partnership registered under the laws of the PRC. Its general partner is Shenzhen Share Growth Investment Management Co., Ltd. (深圳市分享成長投資管理有限公司), which is in turn owned as to 62.08% by Bai Wentao (白文濤). Bai Wentao is the founding partner of Share Capital (分享投資). The two largest limited partners of Share Zeshan are Ningbo Meishan Bonded Port Area Share Zeshan Precision Medical Investment Partnership (Limited Partnership) (寧波梅山保稅港區分享擇善精準醫療投資合夥企業(有限合夥)) (“**Ningbo Share Zeshan**”) and Shenzhen City Guidance Fund, holding approximately 45.67% and 30% partnership interest in Share Zeshan, respectively. Shenzhen City Guidance Fund is ultimately owned by the Bureau of Finance of Shenzhen Municipal (深圳市財政局). All limited partners of Ningbo Share Zeshan and other limited partners of Share Zeshan hold less than 30% partnership interest. Founded in 2007, Share Capital focuses on venture capitals in the PRC and its assets under management amount to approximately RMB10 billion. It specializes in financial investments in early-to-mid stage start-ups, and has an extensive investment portfolio in the healthcare and technology sectors.

Nanshan SBCVC

Nanshan SBCVC is a limited partnership registered under the laws of the PRC. The general partner of Nanshan SBCVC is Shenzhen SB Xinchuang Venture Capital Management Enterprise (Limited Partnership) (深圳市軟銀欣創創業投資管理企業(有限合夥)), which is controlled by Zhang Xu and is affiliated with SB China Venture Capital. Nanshan SBCVC’s partnership interest is controlled by Ningbo Meishan Bonded Port Area Zhaoxiang Equity Investment Partnership (Limited Partnership) (寧波梅山保稅港區招祥股權投資合夥企業(有限合夥)) as to 36%, which is in turn owned by China Merchants Bank Co., Ltd. and China Merchants Securities Co., Ltd.. Founded in 2000, SB China Venture Capital is a leading venture capital and private equity firm that manages both USD and RMB funds, with a focus on companies in technology, media, and telecom (TMT), clean technology, healthcare, consumer/retail and other high growth sectors. None of the other limited partners of Nanshan SBCVC holds 30% or more of its partnership interest.

Grandway Capital

Grandway Capital was a limited liability company established in the PRC in 2015 and is headquartered in Shenzhen. Grandway Capital’s main business includes equity investment funds, equity investment fund management, investment management and entrusted asset management, focusing on investment in technological innovation and biopharmaceutical fields. As of the Latest Practicable Date, Grandway Capital was ultimately controlled by Mr. Rao Yuan (饒遠) as to 51%.

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Gaotejia Ruixin

Gaotejia Ruixin is a limited partnership established in the PRC and is managed by Shenzhen Gaotejia Capital Investment Group Co., Ltd. (深圳市高特佳創業投資集團有限公司) (“**Gaotejia Group**”). Gaotejia Ruixin has 8 limited partners, with HONG Jinzhong (洪金宗) being the only limited partner holding 30% or more partnership interest. Gaotejia Group is a company established in Shenzhen with assets under management of over RMB23 billion and more than 30 funds devoted to the healthcare industry. Gaotejia Group is a sophisticated investor and has invested in more than 140 companies, among which, more than 100 companies are principally engaged in the healthcare industry. BIAN Zhuang (卞莊) is the ultimate beneficial owner of Gaotejia Group.

Ningbo Jiazhu

Ningbo Jiazhu is a limited partnership registered under the laws of the PRC. The general partner and 62.5% limited partner of Ningbo Jiazhu is HE Guoqiang (何國強). HOU Lingfang (侯靈芳) holds the remaining 37.5% partnership interest.

Dongguan Xintai No. 18

Dongguan Xintai No. 18 is a limited partnership established under the laws of the PRC on December 17, 2020 and is principally engaged in equity investment. As of the Latest Practicable Date, Dongguan Xintai No. 18 was owned as to 99.94% by its 13 limited partners and 0.06% by its general partner, Shenzhen Xintai Private Equity Investment Fund Management Company Limited (深圳鑫泰私募股權投資基金管理有限公司) (“**Shenzhen Xintai**”), which was ultimately controlled by Cao Yi (曹懿). Based on the information provided by Dongguan Xintai No. 18, none of its limited partners held 30% or more of partnership interest therein.

Gongqingcheng Jiayin

Gongqingcheng Jiayin is a limited partnership registered under the laws of the PRC. The general partner of Gongqingcheng Jiayin is Shenzhen Jiayin Private Equity Fund Management Co., Ltd. (深圳市佳銀私募股權基金管理有限公司) (“**Shenzhen Jiayin**”), an investment company focusing on investment in innovative enterprises in new energy, new materials, biomedicine, high-end manufacturing, semiconductors and other fields with high technology, high value-added and high growth. Shenzhen Jiayin is ultimately controlled by WANG Siqu (汪斯奇). QIAN Hai (錢海) and Gongqingcheng Jiarui Investment Co., Ltd. (共青城佳睿投資有限公司), which is ultimately owned by WANG Siqu, owns 56.39% and 43.60% of the partnership interest in Gongqingcheng Jiayin.

High-Tech Group

High-Tech VC is a limited liability company established in the PRC, which is principally engaged in venture capital investment. It is a wholly-owned subsidiary of Shenzhen High-tech Investment Group Co., Ltd. (深圳市高新投集團有限公司) (“**High-Tech Group**”) which is ultimately controlled by State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People’s Government. Talent Innovation No. 2 Fund is a limited partnership established in the PRC, whose general partner is Shenzhen High-Tech Talent Equity Investment Management Co., Ltd. (深圳市高新投人才股權投資基金管理有限公司), a company incorporated in the PRC controlled by High-Tech Group. Apart from Shenzhen Huabo Chuangfu Investment Enterprise (Limited Partnership) (深圳華柏創富投資企業 (有限合夥)) (“**Huabo Chuangfu Investment**”) and Shenzhen City Guidance Fund which owns 40% and 30% of the partnership interest, none of the other limited partners owns 30% or more of the partnership interest in Talent Innovation No. 2 Fund. Huabo Chuangfu Investment and Shenzhen Guiding Fund are ultimately controlled by Chen Xingpeng (陳醒鵬) and the Bureau of Finance of Shenzhen Municipality,

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respectively. Since its establishment in December 1994, High-Tech Group has been focusing on providing diverse financial services including financing guarantee, venture capital and commercial factoring to small and medium size technology companies.

Bridgeone Capital

Zhixun VC and Gongqingcheng Daohe VC are limited partnerships registered under the laws of the PRC. The general partner of both Zhixun VC and Gongqingcheng Daohe VC is Shenzhen Bridgeone Capital Management Co., Ltd. (深圳市道合科技投資管理有限公司) (“**Bridgeone Capital**”), which is ultimately controlled by Wang Chunyan (王春燕). Founded in 2016, Bridgeone Capital focuses on investment in artificial intelligence, new and renewable energy, healthcare and hardware sectors. XIA Guoxin (夏國新) controls 40% of Gongqingcheng Daohe VC’s partnership interest, whereas 30.6% of Zhixun VC’s partnership interest is ultimately controlled by XIA Guoxin and HU Yongmei, and no other limited partners of Gongqingcheng Daohe VC and Zhixun VC have control more than 30% of the partnership interest in the aforesaid entities.

Xiaohe VC

Xiaohe VC is a limited partnership registered under the laws of the PRC. The general partner of Xiaohe VC is LIU Lili (劉麗麗), who holds 70% of the partnership interest. Ji Jiajun (紀佳君) holds the remaining 30% of the partnership interest.

Taiping Hetao Medical Fund

Taiping Hetao Medical Fund is a limited partnership registered under the laws of the PRC, whose general partner is Taiping Private Equity Fund Management Co., Ltd. (太平私募股權基金管理有限公司), which is in turn an entity controlled by China Taiping Insurance Holdings Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0966). Founded in 2023, Taiping Hetao Medical Fund focuses on investment in healthcare, medical technology and medical device sectors in the Greater Bay Area of the PRC. Over 99% of the limited partnership interest in Taiping Hetao Medical Fund is held by Taiping (Shenzhen) Healthcare Industry Private Equity Investment Fund Partnership (Limited Partnership) (太平(深圳)醫療健康產業私募股權投資基金合夥企業(有限合夥)), which is in turn controlled by Taiping Life Insurance Company Limited.

Kangjun Zhongyuan Fund

Kangjun Zhongyuan Fund is a limited partnership registered under the laws of the PRC, whose general partner is Bayland Capital (Beijing) Co., Ltd. (康君投資管理(北京)有限公司) (“**Kangjun Investment**”). Kangjun Investment is owned by Ningbo Kangwan Enterprise Management Consulting Partnership (Limited Partnership) (寧波康灣企業管理諮詢合夥企業(有限合夥)), Pharmaron Beijing Co., Ltd. (康龍化成(北京)新藥技術股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 300759) and the Stock Exchange (stock code: 3759), “**Pharmaron**”), Xiamen Kangwan Enterprise Management Consulting Partnership (Limited Partnership) (廈門康灣企業管理諮詢合夥企業(有限合夥)) and Beijing Kangwan Enterprise Management Consulting Partnership (Limited Partnership) (北京康灣企業管理諮詢合夥企業(有限合夥)) as to 40%, 30%, 20% and 10%, respectively. Kangjun Investment is ultimately owned by Mr. Lou Xiaoliang (樓小強), one of the substantial shareholders, an executive director and the chief operating officer of Pharmaron. None of the limited partners of Kangjun Zhongyuan Fund holds 30% or more of its partnership interest. Founded in 2019, Kangjun Investment engages in equity investment for the purposes of equity investment in companies with innovative technologies or innovative service platforms in the biomedical industry.

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Junji Consulting LP

Junji Consulting LP is a limited partnership registered under the laws of the PRC. LIU Yu (劉裕), its general partner and the largest limited partner holding approximately 84.54% of the partnership interests, and Yan Jianhua (閻建華), a limited partner, are former directors of Mabsky. Two other limited partners of Junji Consulting LP are Independent Third Parties. Junji Consulting LP was a shareholder of Mabsky and became our Shareholder after we acquired Mabsky in 2021.

DOU Wenxiang (竇文祥)

DOU Wenxiang is currently the general manager of Mabsky. He became our Shareholder after our acquisition of Mabsky in March 2021 through a share swap involving his shares at Mabsky which he originally acquired during his employment at Mabsky.

MAO Peihua (茅培華) and LI Ying (李穎)

MAO Peihua and LI Ying are currently the general manager and the supervisor of Runpu Biotech, respectively. They became our Shareholders after our acquisition of Runpu Biotech in March 2021 through a share swap involving their shares at Runpu Biotech which they originally acquired during their employment at Rinpu Biotech.

LV Caishu (呂才樹)

LV Caishu last served as the general manager of Xinghaohui Biotech and became our Shareholder after our acquisition of Xinghaohui Biotech in March 2021.

ZHUANG Xiaojin (莊小金) and MIAO Donglin (繆東林)

ZHUANG Xiaojin was the general manager and the executive director of Vedkang Medical prior to our acquisition. MIAO Donglin was a supervisor of Vedkang Medical. They both currently remain as employees of Changzhou Jiuhong, a wholly-owned subsidiary of Vedkang Medical. Both of them became our Shareholders after our acquisition of Vedkang Medical in April 2022 through a share swap involving their shares at Vedkang Medical which they originally acquired during their employment at Vedkang Medical.

To the best knowledge of our Directors having made due and careful enquiries, save for any past or present employment with our Company disclosed above, our Pre-IPO Investors, including their respective general partners and/or limited partners (if applicable), and their ultimate beneficial owners are Independent Third Parties.

OUR EMPLOYEES INCENTIVE PLATFORMS AND PRE-IPO SHARE OPTION SCHEME

As at the Latest Practicable Date, there were more than 300 employees participating in our Employees Incentive Platforms. As the Limited Partnership Law in the PRC stipulates that maximum number of limited partners in a limited partnership in the PRC shall be 50, and taking into account that the participating employees are from different subsidiaries within the Group, we have established various employee share incentive platforms (the “**Employees Incentive Platforms**”). Apart from Changzhou Zixi and Changzhou Zijing which acquired our Class B Shares in the course

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of our acquisition of Vedkang Medical, other entities have subscribed our Class B Shares from time to time. Set out below are details of the general partners and limited partners of our Employees Incentive Platforms:

Name	General partner and partnership interests held	Limited partners owning 30% or more of the partnership interests
Juxian Kangzhong LP ⁽¹⁾	Ms. Li (25.56%)	N/A
Ruisen Kangzhong LP ⁽¹⁾	Ms. Li (34.54%)	N/A
Ruikun Kangzhong LP ⁽¹⁾	Ms. Li (27.65%)	N/A
Jucui Kangzhong LP ⁽¹⁾	Ms. Li (55.32%)	N/A
Ruiqian Kangzhong LP ⁽¹⁾	Ms. Li (37.78%)	N/A
Ruiyu Kangzhong LP ⁽¹⁾	Ms. Li (25.33%)	N/A
Ruixin Kangzhong LP ⁽¹⁾	Mr. Zhong (5.51%)	DOU Wenxiang (42.62%)
Hualong Kangzhong LP ⁽¹⁾	AN Qing (安青), an employee of our Group (0.04%)	Mr. Zhong (42.53%) Mr. Liu (51.42%) ⁽³⁾
Changzhou Zixi ⁽²⁾	ZHUANG Xiaojin (22.20%)	N/A
Changzhou Zijing ⁽²⁾	ZHUANG Xiaojin (46.60%)	N/A

Notes:

1. The limited partners holding less than 30% of the partnership interests in Juxian Kangzhong LP, Ruisen Kangzhong LP, Ruikun Kangzhong LP, Jucui Kangzhong LP, Ruiqian Kangzhong LP, Ruiyu Kangzhong LP, Ruixin Kangzhong LP, Hualong Kangzhong LP are current and former employees of our Group.
2. The limited partners holding less than 30% of the partnership interests in Changzhou Zixi and Changzhou Zijing are current and former employees of Vedkang Medical and/or its subsidiaries.
3. Mr. Liu directly held 9.70% and was indirectly interested in (through his limited partnership interests in Zhuhai Huachang LP, Zhuhai Huamao LP, Zhuhai Huahong LP, Zhuhai Huaxing LP and Zhuhai Huasheng LP) approximately 41.72% limited partnership interests of Hualong Kangzhong LP.

Our Company has adopted the Pre-IPO Share Option Scheme by a resolution of our Shareholders on December 16, 2024 to attract and retain our talents and to provide incentives that align the interests of our Shareholders, our Company and personnel having a direct impact on our business and operations for the benefit of our long-term development. For details, see section headed “Appendix IV — Statutory and General Information — 5. Pre-IPO Share Option Scheme.”

MATERIAL ACQUISITIONS

Acquisition of Intermed & Penlon

On November 5, 2021, Medcaptain UK, an indirect wholly-owned subsidiary of our Company, entered into a share purchase agreement with BPL Medical Technologies Private Limited, an Independent Third Party, pursuant to which Medcaptain UK acquired the entire share capital of Intermed and its subsidiaries (including Penlon) for a consideration consisting of (1) cash of GBP17.00 million, which was paid in 2022; (2) cash contingent consideration of GBP4.02 million, which was fully paid in 2022 and 2024; and (3) non-monetary contingent consideration of GBP0.50 million, which are expected to be utilized from 2022 to 2026. The consideration for the acquisition was determined after arm’s length negotiation among the parties, taking into account the business operations and assets of Intermed and Penlon. The acquisition was completed on January 19, 2022.

Penlon is a British medical device company specializing in anesthesia and respiratory solutions. It offers a wide range of anesthesia machines and core components, including vaporizers. The Directors were of the view that the acquisition of Intermed and Penlon has enabled our

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Company to achieve synergies by (i) capturing market opportunities and branching into new life support markets with a view to complementing our existing business lines; (ii) deepening our global presence and providing closer proximity to European markets with deeper understanding of the market needs; and (iii) provides a solid foundation for efficiently performing iterative upgrades on the anesthesia machines.

Our Directors have confirmed that as of the Latest Practicable Date, we have obtained all necessary approvals from relevant authorities for our acquisition of Intermed and Penlon and such acquisition has been properly and legally completed and settled.

Acquisition of Vedkang Medical

On April 12, 2022, our Company entered into a share transfer agreement with Vedkang Medical and its selling shareholders, namely ZHUANG Xiaojin, MIAO Donglin, SONG Yinping (宋銀萍), Changzhou Beiruishi Corporate Management Co., Ltd. (常州倍瑞詩企業管理有限公司) (“**Changzhou Beiruishi**”), Changzhou Yisiyuan Corporate Management Co., Ltd. (常州伊斯源企業管理有限公司) (“**Changzhou Yisiyuan**”), Changzhou Zixi and Changzhou Zijing, pursuant to which our Company agreed to acquire the entire share capital in Vedkang Medical for RMB1.7 billion. Half of the consideration was settled by issuing a total of 53,124,999 Class B Shares to ZHUANG Xiaojin, MIAO Donglin, Changzhou Zixi and Changzhou Zijing, while the other half was settled in cash to the selling shareholders. Such consideration was determined based on arms-length negotiation with reference to the business scale, development and future prospects of Vedkang Medical. Upon completion of the acquisition on April 12, 2022, Vedkang Medical became a wholly-owned subsidiary of our Company.

Vedkang Medical is a Jiangsu-based medical device company specializing in the production and sale of endoscope consumables. The Directors were of the view that the acquisition of Vedkang Medical has enabled our Company to achieve synergies by diversifying our product offerings and furthering our product portfolio and pipeline products in the realm of minimally invasive intervention products.

Prior to our acquisition, ZHUANG Xiaojin was the general manager and the executive director of Vedkang Medical, whereas MIAO Donglin was a supervisor of Vedkang Medical. They both currently remain as employees of Changzhou Jiahong, a wholly-owned subsidiary of Vedkang Medical, and are regarded as our Pre-IPO Investors in light of the above share swap. Changzhou Beiruishi is jointly owned by ZHUANG Xiaojin and his spouse. Changzhou Yisiyuan is jointly owned by MIAO Donglin and his spouse. Changzhou Zixi and Changzhou Zijing are Employees Incentive Platforms of Vedkang Medical.

Our PRC Legal Advisor has confirmed that as of the Latest Practicable Date, we have obtained all necessary approvals from relevant authorities for our acquisition of Vedkang Medical and such acquisition has been properly and legally completed and settled.

During the Track Record Period and until the Latest Practicable Date, we did not conduct any acquisitions, disposals or mergers that we consider to be material to us.

CONCERT PARTY ARRANGEMENT

Mr. Liu and Mr. Zhong are our executive Directors. Mr. Liu and Ms. Li are spouses. Mr. Liu, Mr. Zhong and Ms. Li have directly or indirectly held interests in our Company. Ms. Li is the general partner of certain of our Employees Incentive Platforms, namely Juxian Kangzhong LP, Ruisen Kangzhong LP, Jucai Kangzhong LP, Ruiyu Kangzhong LP, Ruiqian Kangzhong LP and Ruikun Kangzhong LP, on behalf of which Ms. Li will exercise their voting powers at Shareholders' meetings. Mr. Zhong is the general partner of Ruixin Kangzhong LP, on behalf of which Mr. Zhong will exercise its voting rights at Shareholders' meetings. Mr. Liu, Mr. Zhong and Ms. Li have entered into the currently effective Concert Party Agreement on November 18, 2020, which

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superseded the previous agreement entered into on March 1, 2019 when Mr. Liu, Mr. Zhong and Ms. Li first agreed to act in concert with one another. Pursuant to the Concert Party Agreement, they agreed that (i) they will act in concert when casting votes at the board meetings, Shareholders' meetings and for all other major decisions of our Company, (ii) such arrangement is not terminable until 36 months after the Listing; and (iii) they will act in accordance with Mr. Liu's instructions if a consensus cannot be reached.

PUBLIC FLOAT AND FREE FLOAT

Following the unwinding of the WVR structure, the Conversion of the Unlisted Shares into H Shares and upon completion of the Global Offering (assuming that the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding):

- (i) a total of 59,405,000 Unlisted Shares held by our existing Shareholders that will not be converted into H Shares, representing approximately 11.03% of our total issued Shares upon the completion of the Global Offering, will not be considered as part of the public float;
- (ii) a total of 249,599,812 H Shares held by our core connected persons will not be counted towards the public float, representing approximately 46.34% of our total issued Shares upon the completion of the Global Offering, including (i) 197,649,812 H Shares in aggregate held by our Controlling Shareholders and (ii) 51,950,000 H Shares in aggregate held by entities held by Gao Ling, our substantial Shareholder, namely Tianjin Zhenying, Zhuhai Gao Ling, Zhuhai Aiheng and Suzhou Gao Ling;
- (iii) a total of 190,711,274 H Shares held by the other existing Shareholders as a result of the Conversion of Unlisted Shares into H Shares will be counted as part of the public float, representing approximately 35.41% of our total issued Shares upon the completion of the Global Offering. None of such remaining existing Shareholders is accustomed to take instructions from our Company (or any of its subsidiaries) or any of our core connected persons in relation to the acquisition, disposal, voting or other disposition of their Shares and none of their acquisition of the Shares were financed directly or indirectly by our Company (or any of its subsidiaries) or our core connected person; and
- (iv) a total of 38,910,600 H Shares to be issued pursuant to the Global Offering will be counted as part of the public float, representing 7.22% of our total issued Shares upon the completion of the Global Offering.

Based on the above, it is expected a total of 229,621,874 H Shares, representing approximately 42.63% of our total issued Shares, will be counted as part of the public float, which is higher than the prescribed percentage of H Shares required to be held in public hands of 15% under Rule 19A.13A(1) of the Listing Rules (on the basis of the Offer Price of HK\$15.42 per H Share). Assuming the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding and based on the Offer Price of HK\$15.42 per H Share, the Company is expected to satisfy the free float requirement under Rule 19A.13C(1)(b) of the Listing Rules.

A SHARE LISTING PREPARATION

In November 2020, we entered into a tutoring agreement (the “**Tutoring Agreement**”) with Huatai United Securities Co., Ltd. (華泰聯合證券有限責任公司) (“**Huatai United Securities**”), pursuant to which Huatai United Securities agreed to provide guidance for us during the tutoring process (輔導期) for a potential A share listing (the “**A Share Listing Preparation**”). As part of the A Share Listing Preparation, we filed a notice of A share pre-listing tutoring application with the CSRC on November 30, 2020. For the purpose of the A Share Listing Preparation, we also engaged Jia Yuan Law Offices as our PRC legal advisor and RSM China CPA LLP as our auditors. Our

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Company confirms that we do not have disagreement with the professional parties involved in the A Share Listing Preparation in any material respect. Considering that the Stock Exchange would provide us with an international platform to access foreign capital, attract diverse overseas investors, raise our profile and market awareness, we decided to pursue the Listing on the Stock Exchange. We therefore entered into a termination agreement in respect of the Tutoring Agreement with Huatai United Securities on October 9, 2025, and the tutoring filing with the CSRC was accordingly withdrawn. The professional parties for the Listing were appointed after a separate selection process considering holistic factors including the professional parties' past experience in Hong Kong IPO transactions of companies of a similar nature to our Company. As of the Latest Practicable Date, we did not submit any A share listing application to the CSRC or any stock exchange for review, nor did we receive any comments or issues raised by the CSRC (including its local offices) or any stock exchange in relation to the A Share Listing Preparation. The Company will not pursue a listing on any stock exchanges in the PRC before the completion of, or within six months after, the Listing.

The Directors are not aware of any matters or findings from the A Share Listing Preparation which have been brought to their attention and would have a material adverse implication on the Listing, or any matters that might materially and adversely affect the Company's suitability for the Listing. The Directors further confirm that there is no other matter in relation to the A Share Listing Preparation that needs to be brought to the attention of the Stock Exchange or potential investors.

Based on the due diligence work conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would reasonably cause the Joint Sponsors to disagree with the Directors' statements above that they are not aware of any matters or findings from the A Share Listing Preparation which have been brought to their attention and would have a material adverse implication on the Listing, and there are no other matters in relation to the A Share Listing Preparation that need to be brought to the attention of the Stock Exchange or potential investors.

Furthermore, based on the due diligence conducted by the Joint Sponsors, including but not limited to conducting interviews with the professional parties involved in the A Share Listing Preparation, nothing has come to the Joint Sponsors' attention that would reasonably cause the Joint Sponsors to disagree with the Directors' view that there were no disagreements between the Group and the professional parties involved in the A Share Listing Preparation.

CAPITALIZATION OF OUR COMPANY

The table below is a summary of the capitalization of our Company as of the Latest Practicable Date and following the unwinding of the WVR structure, the Conversion of the Unlisted Shares into H Shares and upon completion of the Global Offering (assuming the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding):

Shareholder	As of the Latest Practicable Date				Immediately upon completion of the Global Offering		
	Number of Class A Shares	Number of Class B Shares	Ownership Percentage	Voting Rights	Number of Unlisted Shares	Number of H Shares	Ownership Percentage
			(%)	(%)			(%)
<i>Our Controlling Shareholders</i>							
Mr. Liu	54,450,000	–	10.90	37.61	–	54,450,000	10.11
Mr. Zhong	28,600,000	–	5.72	19.75	–	28,600,000	5.31
Ms. Li	22,286,000	–	4.46	15.39	–	22,286,000	4.14
Juxian Kangzhong LP	–	63,685,000	12.74	4.40	–	63,685,000	11.82
Ruisen Kangzhong LP	–	8,950,000	1.79	0.62	–	8,950,000	1.66
Ruikun Kangzhong LP	–	5,650,000	1.13	0.39	–	5,650,000	1.05
Jucai Kangzhong LP	–	4,400,000	0.88	0.30	–	4,400,000	0.82

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shareholder	As of the Latest Practicable Date				Immediately upon completion of the Global Offering		
	Number of Class A Shares	Number of Class B Shares	Ownership Percentage	Voting Rights	Number of Unlisted Shares	Number of H Shares	Ownership Percentage
			(%)	(%)			(%)
Ruiqian Kangzhong LP	–	4,400,000	0.88	0.30	–	4,400,000	0.82
Ruiyu Kangzhong LP	–	3,300,000	0.66	0.23	–	3,300,000	0.61
Ruixin Kangzhong LP	–	1,928,812	0.39	0.13	–	1,928,812	0.36
Sub-total	105,336,000	92,313,812	39.55	79.14	–	197,649,812	36.70
<i>Gao Ling</i>							
Zuhai Gao Ling	–	46,750,000	9.36	3.23	23,375,000	23,375,000	8.68
Tianjin Zhenying	–	46,200,000	9.25	3.19	23,100,000	23,100,000	8.58
Zuhai Aiheng	–	7,975,000	1.60	0.55	3,987,500	3,987,500	1.48
Suzhou Gao Ling	–	2,975,000	0.60	0.21	1,487,500	1,487,500	0.55
Sub-total	–	103,900,000	20.79	7.18	51,950,000	51,950,000	19.29
<i>Shenzhen Capital Group</i>							
Hongtu Healthcare	–	15,939,944	3.19	1.10	–	15,939,944	2.96
Shenzhen Capital Group	–	10,544,885	2.11	0.73	–	10,544,885	1.96
Guangdong Hongtu	–	5,395,057	1.08	0.37	–	5,395,057	1.00
Hongtu Peacock	–	5,395,057	1.08	0.37	–	5,395,057	1.00
Shenzhen Pingshan Hongtu	–	5,395,057	1.08	0.37	–	5,395,057	1.00
Sub-total	–	42,670,000	8.54	2.95	–	42,670,000	7.92
<i>Sino-Rock</i>							
Xinshi Xinyao	–	3,299,894	0.66	0.23	–	3,299,894	0.61
Xinshi Xinxing	–	13,199,582	2.64	0.91	–	13,199,582	2.45
Sub-total	–	16,499,476	3.30	1.14	–	16,499,476	3.06
<i>Others</i>							
ZHUANG Xiaojin	–	34,664,062	6.94	2.39	–	34,664,062	6.44
Hualong Kangzhong LP	–	23,512,645	4.71	1.62	–	23,512,645	4.37
Suzhou Lirui	–	13,750,000	2.75	0.95	–	13,750,000	2.55
MIAO Donglin	–	11,554,687	2.31	0.80	–	11,554,687	2.15
LI Dongcen	–	8,679,000	1.74	0.60	–	8,679,000	1.61
Kangjun Zhongyuan Fund	–	6,666,666	1.33	0.46	–	6,666,666	1.24
SME Fund	–	5,500,000	1.10	0.38	–	5,500,000	1.02
Linkway Cornerstone	–	5,125,000	1.03	0.35	5,125,000	–	0.95
Changzhou Zixi	–	3,453,125	0.69	0.24	–	3,453,125	0.64
Changzhou Zijing	–	3,453,125	0.69	0.24	–	3,453,125	0.64
LV Caishu	–	2,943,475	0.59	0.20	1,000,000	1,943,475	0.55
Junji Consulting LP	–	2,588,625	0.52	0.18	–	2,588,625	0.48
Kanghong Consulting	–	1,500,000	0.30	0.10	–	1,500,000	0.28
MAO Peihua	–	1,401,639	0.28	0.10	–	1,401,639	0.26
Boxin Shengke	–	1,250,000	0.25	0.09	–	1,250,000	0.23
Share Zeshan	–	1,250,000	0.25	0.09	–	1,250,000	0.23
Nanshan SBCVC	–	1,250,000	0.25	0.09	–	1,250,000	0.23
Grandway Capital	–	1,250,000	0.25	0.09	–	1,250,000	0.23

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shareholder	As of the Latest Practicable Date				Immediately upon completion of the Global Offering		
	Number of Class A Shares	Number of Class B Shares	Ownership Percentage	Voting Rights	Number of Unlisted Shares	Number of H Shares	Ownership Percentage
			(%)	(%)			(%)
Gaotejia Ruixin	–	1,250,000	0.25	0.09	–	1,250,000	0.23
LI Ying	–	1,026,405	0.21	0.07	–	1,026,405	0.19
Ningbo Jiazhu	–	1,000,000	0.20	0.07	–	1,000,000	0.19
Dongguan Xintai No. 18	–	1,000,000	0.20	0.07	500,000	500,000	0.19
Gongqingcheng Jiayin	–	1,000,000	0.20	0.07	–	1,000,000	0.19
High-Tech VC	–	875,000	0.18	0.06	–	875,000	0.16
Zhixun VC	–	875,000	0.18	0.06	–	875,000	0.16
Taiping Hetao Medical Fund	–	830,000	0.17	0.06	830,000	–	0.15
Gongqingcheng Daohe VC	–	625,000	0.13	0.04	–	625,000	0.12
Talent Innovation No. 2	–	531,250	0.11	0.04	–	531,250	0.10
DOU Wenxiang	–	98,344	0.02	0.01	–	98,344	0.02
Xiaohe VC	–	93,750	0.02	0.01	–	93,750	0.02
<i>Sub-total for all existing</i>							
<i>Shareholders</i>	<i>105,336,000</i>	<i>394,380,086</i>	<i>100.00</i>	<i>100.00</i>	<i>59,405,000</i>	<i>440,311,086</i>	<i>92.78</i>
Investors taking part in the							
Global Offering	–	–	–	–	–	38,910,600	7.22
Total	105,336,000	394,380,086	100.00	100.00	59,405,000	479,221,686	100.00

[illegible]

Notes:

- (1) Mr. Liu, Ms. Li and Mr. Zhong are acting in concert. See “— Concert Party Arrangement” in this section.
- (2) As of the Latest Practicable Date, the general partner of Hualong Kangzhong LP was an Independent Third Party and there were 25 limited partners in Hualong Kangzhong LP, amongst which Mr. Zhong directly held 42.53% limited partnership interests and Mr. Liu directly held and was indirectly interested in (through his limited partnership interests in Zhuhai Huachang LP, Zhuhai Huamao LP, Zhuhai Huahong LP, Zhuhai Huaxing LP and Zhuhai Huaosheng LP) 51.42% limited partnership interests in aggregate. According to the partnership agreement of Hualong Kangzhong LP, all matters of Hualong Kangzhong LP (including exercise of the voting powers at Shareholders’ meetings of the Shares it held) shall be handled by its general partner, and its general partner can only be removed in specified circumstances on a majority vote of the 25 limited partners on a one-vote-per-limited-partner basis, regardless of the percentage partnership interests held. Accordingly, Mr. Zhong and Mr. Liu do not have control over 30% of the voting power of Hualong Kangzhong LP, and Hualong Kangzhong LP is therefore not a close associate nor an associate of Mr. Zhong and/or Mr. Liu under the Listing Rules.
- (3) For details of our existing Shareholders, see “— Pre-IPO Investments — Information about the Pre-IPO Investors” and “— Our Employees Incentive Platforms and Pre-IPO Share Option Scheme” in this section.
- (4) As at the Latest Practicable Date, Jiangsu Tuyun was owned as to 80% by Vedkang Medical and 20% by Changzhou Xinchuang Zhicheng Venture Capital Partnership (Limited Partnership) (常州信創智誠創業投資合夥企業(有限合伙)), a limited partnership established in the PRC. Mr. ZHUANG Xiaojin, one of our Pre-IPO Investors and a substantial shareholder, is the general partner of Xinchuang Zhicheng LP and the largest limited partner holding more than 90% of the limited partnership interest in Xinchuang Zhicheng LP.
- (5) As at the Latest Practicable Date, Medcaptain HK owned 34,999 out of 35,000 shares in Medcaptain Medical (Thailand) Co., Ltd., with the remaining share held by Mr. Liu.
- (6) As at the Latest Practicable Date, PT Medcaptain Medical Indonesia was owned by Medcaptain HK and Medcaptain EU as to 99% and 1%, respectively.

The diagram illustrates the ownership structure of Ory Genomics (HK) and its subsidiaries. It is divided into two main sections: Controlling Shareholders and Subsidiaries.

Controlling Shareholders:

- Ms. LI** (41.4%) is the controlling shareholder of **Ory Genomics (HK)**.
- Mr. LIU⁽¹⁾** (10.11%) and **Mr. ZHONG⁽¹⁾** (7.51%) are general partners of **Jucan Kangzhong LP**, which is a general partner of **Ory Genomics (HK)** (55.32%).
- Ms. LI** (25.56%) is a general partner of **Jucan Kangzhong LP**.
- Ms. LI** (27.65%) is a general partner of **Ruijun Kangzhong LP**, which is a general partner of **Ory Genomics (HK)** (37.78%).
- Ms. LI** (34.54%) is a general partner of **Ruijun Kangzhong LP**.
- Ms. LI** (25.56%) is a general partner of **Ruijun Kangzhong LP**.
- Ms. LI** (11.82%) is a general partner of **Ruijun Kangzhong LP**.
- Ms. LI** (0.36%) is a general partner of **Ruijun Kangzhong LP**.
- Ms. LI** (5.31%) is a general partner of **Ruijun Kangzhong LP**.
- Ms. LI** (1.66%) is a general partner of **Ruijun Kangzhong LP**.
- Ms. LI** (1.05%) is a general partner of **Ruijun Kangzhong LP**.
- Ms. LI** (0.82%) is a general partner of **Ruijun Kangzhong LP**.
- Ms. LI** (0.61%) is a general partner of **Ruijun Kangzhong LP**.

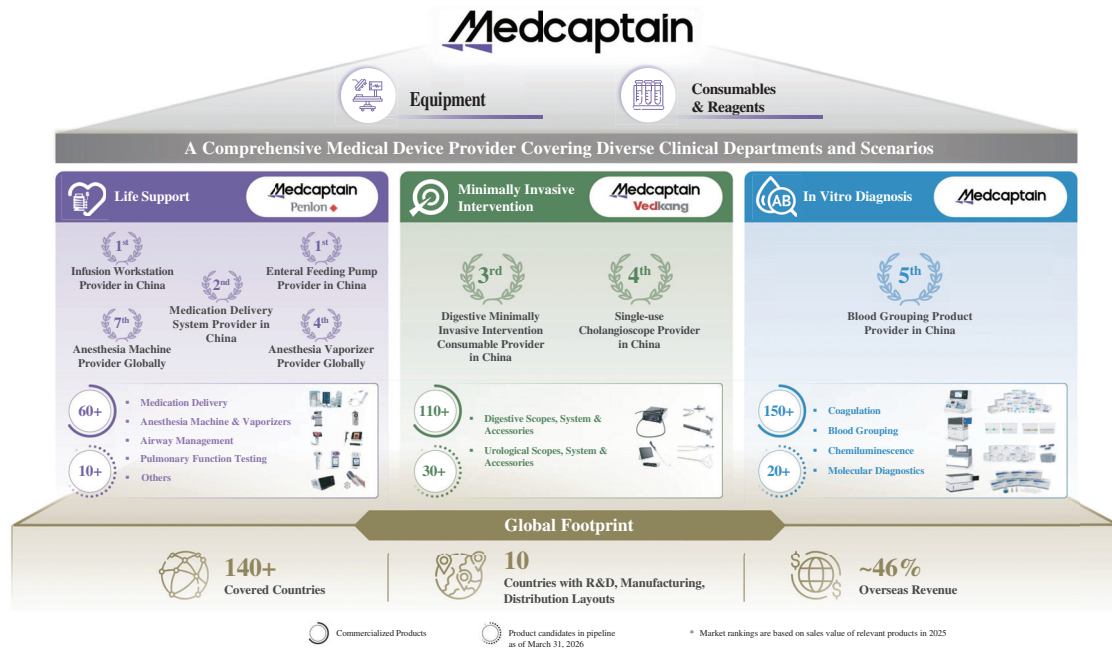
Subsidiaries:

- Ory Genomics (HK)** is the parent company of the following subsidiaries:
 - Caring Medical (PRC)** (100%)
 - Volkang Medical (PRC)** (100%)
 - Medactain Life Science (PRC)** (100%)
 - Rampa Biotech (PRC)** (100%)
 - Medactain HK (Hong Kong)** (100%)
 - Medactain UK (England & Wales)** (100%)
 - Medactain Medical Colombia SAS (Colombia)** (100%)
 - Medactain Medical (Thailand) Co., Ltd. (Thailand)⁽²⁾** (99.99%)
 - Rampa Biomedical (PRC)** (100%)
 - Changsha Rampa (PRC)** (100%)
 - Jiangsu Toyur⁽³⁾ (PRC)** (80%)
 - Hunan Nixiang (PRC)** (100%)
 - Changsha Jifuni (PRC)** (100%)
 - Changsha Bengke (PRC)** (100%)
 - Changsha Jialong (PRC)** (100%)
 - VDJH GmbH (Germany)** (100%)

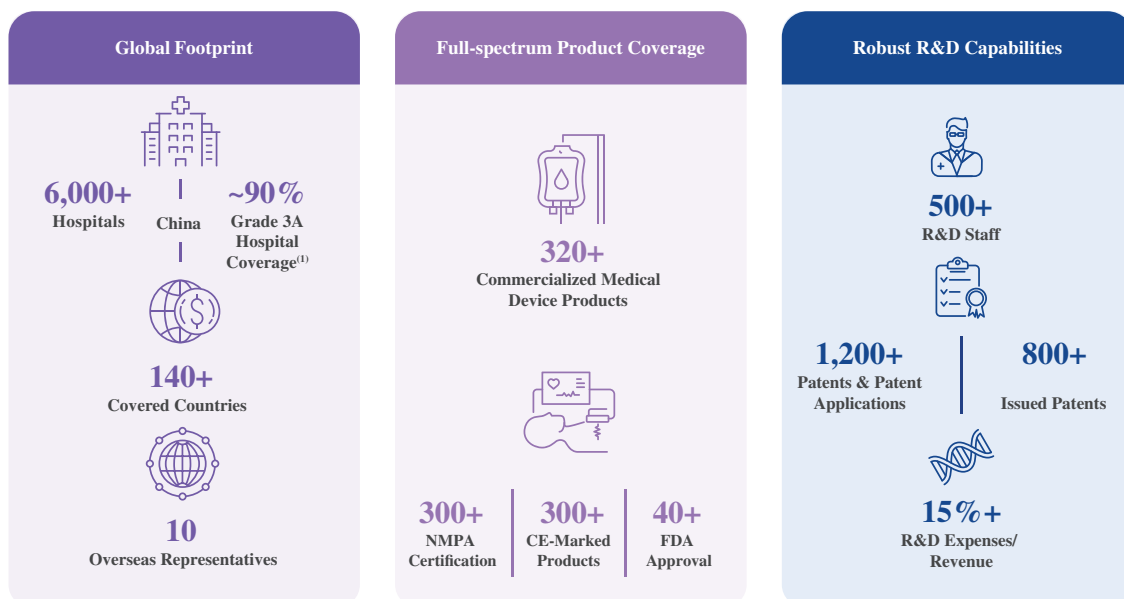
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OVERVIEW

We are a global medical device provider, serving clinical needs across a wide range of clinical departments, wards and offices within medical institutions, as well as community health centers, testing facilities and home care scenarios. As of March 31, 2026, our product portfolio included over (i) 60 life support products, (ii) 110 minimally invasive intervention products, and (iii) 150 in vitro diagnostics products, available in multiple models to accommodate diverse application needs. Our products have cumulatively reached over 140 countries and regions globally. In China, our products have cumulatively reached over 6,000 hospitals, including approximately 90% of Grade 3A (三級甲等) hospitals, covering 31 provinces, municipalities and autonomous regions.



We have established a global footprint, with our medical device products distributed across the APAC, EMEA and AMER regions. We have strategically positioned five R&D centers and six manufacturing centers across China and the UK. To enhance our international service capabilities, we have local representatives in strategic markets, including the UK, the Netherlands, Belgium, Turkey, India, Thailand, Indonesia, Mexico, Brazil and Colombia, enabling us to deliver timely and localized support to our global customer base. Backed by a strong global distribution network and regional service teams, we provide reliable sales and after-sales support across multiple time zones.



Notes:

- (1) The number of Grade 3A hospital covered was 1,791 as of December 31, 2025.
- (2) All data are presented for the Track Record Period, except for the number of hospitals, which is presented as of December 31, 2025.

We have experienced overall growth during the Track Record Period as our revenue increased from RMB1,313.3 million in 2023 to RMB1,619.2 million in 2025, and from RMB354.7 million for the three months ended March 31, 2025 to RMB422.3 million for the three months ended March 31, 2026. Furthermore, our gross profit margin improved throughout the Track Record Period, from 49.6% in 2023 to 53.7% in 2025 and further to 54.3% for the three months ended March 31, 2026. We achieved a turnaround to profitability in 2025, generating a net profit of RMB50.7 million. We recorded a net loss of RMB2.5 million for the three months ended March 31, 2026. Our adjusted EBITDA (non-IFRS measure) increased from RMB150.2 million in 2023 to RMB289.8 million in 2025, representing a CAGR of 38.9% from 2023 to 2025. For the three months ended March 31, 2026, our adjusted EBITDA (non-IFRS measure) increased to RMB75.3 million as compared with RMB52.1 million for the same period in 2025 and our adjusted EBITDA margin (non-IFRS measure) further increased to 17.8% as compared with 14.7% for the same period in 2025. For a reconciliation table of adjusted EBITDA (non-IFRS measure) and other non-IFRS measures that we employed, see “Financial Information — Description of Selected Components of Consolidated Statements of Profit or Loss” in this prospectus.

OUR COMPETITIVE STRENGTHS

An Integrated Medical Device Provider with Established Presence Across Life Support, Minimally Invasive Intervention and In Vitro Diagnostics

We are an integrated medical device provider with an established presence across life support, minimally invasive intervention and in vitro diagnostics, serving a wide range of clinical departments and application scenarios across more than 140 countries and regions. As of March 31, 2026, we offered over 320 products for key departments including ICU, operating room, emergency department, anesthesiology, respiratory department, transfusion, gastroenterology, urology and laboratory. According to CIC, our innovative and high-quality medical products, along with our extensive coverage across clinical departments, position us as one of the most comprehensive medical device companies in China.

Our success is rooted in our innovative R&D platform, based on which we efficiently develop and upgrade products across business units. By translating clinical insights into innovation, we ensure our innovative products are inspired by and effectively address real-world healthcare needs. Building on this foundation, we have established competitive advantages in each of our medical domains. According to CIC, we have achieved the following:

- ***Life Support.*** We have developed a series of innovative life support products that have shaped our leadership in this field. We launched the world's first remotely-controlled infusion system, and were the first domestic brand in China to introduce the in-house developed multi-channel infusion workstation, the infusion workstation compatible with MRI environments, the touchscreen infusion pump and the touchscreen enteral feeding pump. We (i) ranked first in China's infusion workstation market in terms of sales value in each year from 2018 to 2025, and (ii) ranked first in China's enteral feeding pump market in terms of sales value in each year from 2021 to 2025.
- ***Minimally Invasive Intervention.*** We are one of the few domestic brands in China with a proprietary endoscopic product portfolio, encompassing reusable and single-use endoscope systems, as well as related consumables. Among these, we (i) ranked among the top three by sales value in the China market for minimally invasive intervention consumables targeting the digestive system in each year from 2022 to 2025; and (ii) ranked among top five in the single-use cholangioscope market of China in terms of sales value in each year from 2023 to 2025.
- ***In Vitro Diagnostics.*** We launched the world's first fully automated TEG analyzer in 2021. We ranked among top five in China's blood grouping device market in terms of sales value in 2025.

We focus on the evolving needs of medical institutions and aim to serve key clinical departments with advanced, domestically developed technologies. Meanwhile, we continue to expand our product portfolio to deliver comprehensive cross-departmental solutions tailored to diverse clinical scenarios. Our consistent pursuit of excellence and innovation has been widely recognized — we have been honored with the China National Brand Gold Award for Medical Equipment for nine consecutive years from 2017 to 2025 and ranked No. 1 in Industry Customer Satisfaction for eight consecutive years from 2018 to 2025.

Comprehensive Global Value Chain Capabilities to Drive Sustainable Expansion

Our products were distributed to over 140 countries and regions worldwide, with revenue generated from overseas markets accounting for 38.4%, 45.0%, 48.3% and 46.4% of our total revenue in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. According to CIC, we are one of the very few players in China to have achieved this extensive global network at scale, which offers significant advantages such as closer proximity to local customers worldwide and the diversification of regional and political risks. This global network of localized resources enables us to provide professional and culturally tailored services worldwide.

- ***Globally Recognized Brands.*** Our global footprint encompasses three major brands, namely, Medcaptain, Penlon and Vedkang Medical, each of which has gained extensive international recognition. Medcaptain originated from medication delivery products, with its infusion pumps gaining prominence in Europe. Our pumps are comparable to those of leading international brands and represent the only Chinese brand to receive a four-star rating in the product evaluation by the Emergency Care Research Institute ("ECRI"). Penlon is a British anesthesia equipment brand which has won the Queen's Awards for Enterprise four times. The Queen's Awards for Enterprise is a UK's national awards program recognizing to businesses for outstanding achievement in international trade, innovation, sustainable development and promoting opportunity. Furthermore, Vedkang Medical has opened up the Asian, European and American markets for our minimally invasive intervention products.

- **Global Sales and Service Capabilities.** By integrating the channel resources of Medcaptain, Penlon and Vedkang Medical, we have assembled an experienced sales team and developed a global sales network. As of March 31, 2026, we had established (i) a sales team of over 500 employees with core members having an average of over eight years of sales experience; and (ii) a global network of over 2,000 distributors spanning the APAC, EMEA and AMER regions. Moreover, with 31 domestic subsidiaries and branches and 10 overseas representatives, we provide around-the-clock rapid response services to our global clients, including regular equipment inspections, in-house Maintenance, Quality control, and Training (“MQT”) services, endoscopic surgery bedside guidance, and full life-cycle after-sales monitoring for each order through our CRM service platform. In addition, we have established international training centers in the Netherlands, the UK, Colombia and India, to offer tailored professional training for local customers and distributors.
- **Global R&D Strength.** We operate five R&D centers across China and the UK, combining strong engineering expertise with a global perspective. Our R&D teams maintain longstanding collaboration with leading experts and scholars both domestically and internationally, enabling us to stay attuned to local clinical practices, user preferences, and unmet clinical needs across different markets. Drawing on these insights, we are able to rapidly translate clinical needs into product development and continuously upgrade our portfolio with competitive and technologically advanced offerings.
- **Global Regulatory Registration Expertise.** Our global regulatory registration team has extensive experience in regulatory registration and compliance across China and major overseas markets, ensuring timely updates and continued adherence to evolving market access requirements. As of March 31, 2026, we had secured over 300 NMPA medical device registration certificates, over 40 FDA approvals and over 300 CE-marked products.
- **Global Production Centers.** Our six manufacturing centers in China and the UK uphold quality management systems compliant with NMPA, CE and FDA standards. This infrastructure enables us to offer stable, timely and cost-efficient global manufacturing capabilities.

Robust R&D Capabilities Empowered by an Integrated R&D Platform

Our R&D team possesses the capability to develop a diverse range of products, including equipment, consumables and reagents, and software systems across various business units. As of March 31, 2026, our in-house R&D team consisted of 502 members, accounting for 22.7% of our total workforce. Furthermore, we have established a comprehensive “Industry-Academia-Research-Application (產學研醫)” collaboration network, through which we collaborate with medical universities, research institutes and clinical experts on internship programs, research exchanges and technology development initiatives. This allows our R&D team to rapidly translate clinical needs into competitive medical products.

We have established a dynamic and scalable R&D platform that serves as a key driver of our product innovation and business expansion. Led by our Innovation Center, this platform consists of 11 specialized sub-departments, each contributing technical expertise and support across different stages of the R&D process. Meanwhile, our R&D platform is supported by three technical committees — the Hardware, Mechanical, and Software Technical Committees — each providing specialized technical support within their respective domains. This mechanism not only facilitates cross-business unit collaboration and product development, but also lays a solid foundation for the expansion of new business units and the smooth integration of acquired businesses. For details, see “— Research and Development — Our Innovative R&D Platform.”

With a strong commitment to independent innovation, we emphasize original product development over replication, which has allowed us to steadily accumulate technological know-how and build a solid portfolio of intellectual property assets. As of March 31, 2026, we had 1,215 patents and patent applications in China, including 874 issued patents and 341 patent applications. Among our issued patents, there were 171 invention patents, 565 utility model patents and 138 design patents; and we had 60 overseas patents and patent applications, including six patent applications under the Patent Cooperation Treaty (“PCT”).

Proven Commercialization Capabilities Evidenced by Expanding Regional Coverage and Customer Base

We have established a strong sales and marketing team to support both our domestic and international expansion. As of March 31, 2026, our in-house team comprised over 500 professionals and was supported by a network of over 2,000 distributors. Our products have cumulatively reached over 140 countries and regions globally. In China, our products have cumulatively reached over 6,000 hospitals, including approximately 90% of Grade 3A (三級甲等) hospitals, covering 31 provinces, municipalities and autonomous regions. This extensive footprint reflects the strength of our commercial infrastructure and our ability to scale efficiently across markets.

We work closely with frontline medical professionals through regular site visits and academic collaborations, which enables us to stay attuned to evolving clinical needs and tailor our products accordingly. By integrating real-world feedback into product design and development, we are able to deliver practical, high-performance products that align with daily medical workflows. This closed loop between field insights and product innovation enhances both our clinical relevance and customer loyalty. In addition, the widespread adoption of our products by top-tier hospitals — often following rigorous evaluation and admission processes — serves as strong validation of our quality and reliability, further accelerating adoption across primary and secondary healthcare institutions.

Internationally, we adapt our commercial strategies to the characteristics of each market, leveraging a flexible mix of distribution channels and direct sales models. In markets such as the UK, we engage in direct sales to hospitals through Penlon’s local team, while in other regions, we collaborate with leading global medical brands and distributors. This adaptive and integrated approach enables us to effectively serve top-tier healthcare institutions around the world and deepen our presence in key strategic markets.

We also actively participate in major industry exhibitions and academic forums to enhance our brand recognition and build thought leadership. Our innovative products have gained strong visibility at globally recognized events such as International Trade Fair for Medical Technology and Healthcare (“MEDICA”), China International Medical Equipment Fair (“CMEF”) and Arab Health. These platforms not only showcase our technological strengths to global customers but also reinforce our positioning as a trusted brand in the international medical device community.

Proven Track Record of Acquisitions and Integrations to Expand Product Portfolio and Drive Business Growth

According to CIC, strategic acquisitions have emerged as a key growth strategy in the medical device industry, particularly among global players seeking to broaden their capabilities across multiple specialties and geographic markets. In an increasingly competitive and innovation-driven landscape, M&A plays a critical role in accelerating product diversification, enhancing clinical solutions, and unlocking access to new markets. Yet realizing the full value of acquisitions hinges not only on deal execution, but also on the ability to achieve operational integration, generate meaningful synergies, and align with a long-term strategic vision — capabilities that few companies master consistently.

Our acquisition strategy has been instrumental in creating a comprehensive product portfolio across multiple departments and scenarios. Oriented from clinical scenario and our technical capabilities, we strategically select high-quality acquisition targets that synergize with the technical capabilities or clinical scenarios of our existing products, gradually expanding our business boundaries under the premise of effective integration. Prior to the Track Record Period, we expanded our IVD business into the fields of blood grouping and molecular diagnostics through strategic acquisitions, thereby enhancing our capability to meet diversified diagnostic needs. We further broadened our business scope through (i) the acquisition of Penlon in January 2022, extending our life support business into the field of anesthesia devices, and (ii) the acquisition of Vedkang Medical in April 2022, enabling us to enter the minimally invasive intervention field. In September 2025, we acquired Caring Medical to extend our product offerings from flexible endoscopes to rigid endoscopes. Beyond product portfolio expansion, we also view strategic acquisitions as a way to build our operational infrastructure. To that end, we acquired a Belgian distributor in June 2025 to deepen our reach in international markets.

Following acquisitions, we leverage our technological and platform advantages to drive the continuous growth and innovation within the acquired entities. For details, see “— Material Acquisitions” in this section. We manage the acquired businesses by adopting an approach of “progressive integration (漸進式融合).” Following each acquisition, we provide R&D and technical support through our innovation platform, and operational support through our group-level management, manufacturing, sales, and marketing functions. To promote R&D synergy, we retain the R&D centers of acquired businesses, allowing for localized development under centralized coordination. Our Innovation Center offers comprehensive support across business lines, including safety and functional testing, mold management, industrial design, algorithm development, and the sharing of key know-how and technologies. We also emphasize the retention of core management and R&D talent of the acquired entities to preserve institutional knowledge and enhance integration effectiveness. For each acquisition, our management team tailors integration strategies based on the target’s business scale, domain focus, industry characteristics, and R&D capabilities. In addition to technological integration, we actively pursue sales channel integration across Medcaptain, Penlon, and Vedkang Medical, leveraging each brand’s strengths to facilitate cross-category sales and maximize the efficiency of our distributor network.

Visionary, Dedicated and Experienced Management Team and Strong Support from Shareholders

We are guided by a mature, broad-based executive team with comprehensive expertise across key business lines in the medical device industry, including strategy, mergers and acquisitions, R&D, sales, production, and quality control. Executives managing these business lines have experience at renowned medical device companies, and have an average of over 20 years of professional experience, demonstrating both seasoned expertise and well-synchronized teamwork. Additionally, our robust talent development program ensures that we possess extensive technical knowledge, strong execution capabilities, and a sense of ownership, all of which are crucial for achieving synergies and integration during ongoing organic growth and acquisition-driven expansions.

Our sustained success is anchored by our management team, which has extensive industry experience and strategic acumen. Both Mr. LIU, our chairman and general manager, and Mr. ZHONG, our vice chairman and deputy general manager, have decades of leadership experience accumulated from domestic and international public medical device companies. Mr. LIU entered the medical device industry in 1994 and has since worked at multinational healthcare and medical device providers, gaining extensive leadership experience in the healthcare industry, an in-depth global perspective, expertise in mergers and acquisitions, and comprehensive management experience covering R&D, production, sales and business operations. Mr. ZHONG, who embarked on his career in the medical industry in 2000, has developed comprehensive leadership skills including product development, sales management, marketing strategy, cross-functional team leadership, cross-cultural management and business integration.

Moreover, since our inception, we have secured investments from industry-leading investors with deep insights into the biopharmaceutical sector. These esteemed shareholders not only validate our industry-leading position and growth potential, but also provide financial backing and industry resources to support our continuous growth.

OUR STRATEGIES

We aim to strategically allocate our R&D, production, and sales resources worldwide, and to continuously develop our businesses and expand our global presence. Accordingly, we plan to continue to implement the following strategic measures:

Further Developing Innovative Products to Strengthen Our Leadership

We are committed to developing innovative products and enhancing our product portfolio to meet diverse clinical and market demands. By maintaining a versatile platform that serves diverse departments and scenarios, we aim to drive sustainable growth and strengthen our leadership.

- ***Exploring Competitive Business Units.*** We will strategically explore and enter new business units that complement our existing ones, fully utilizing our established technological expertise and platform resources. By doing so, we aim to extend our business reach to more clinical departments and scenarios, ensuring a comprehensive and versatile market presence.
- ***Refining Digitalized Medical Products.*** We stay at the forefront of medical technology and concepts, continuously refining our product portfolio to offer more efficient and user-friendly experiences. So far, we have developed a series of information systems, such as iCMS, iHLive, iSpiro, and ELFSensor, which enable centralized and real-time monitoring and management across various clinical application scenarios such as infusion and nursing care, in vitro diagnostic testing, respiratory chronic disease management and pain management. Building on this foundation, we plan to further enhance our digitalized systems and software by embedding AI-driven technologies, enabling smarter functionalities, real-time adaptability and broader deployment across diverse clinical environments.
- ***Advancing Integration Between Equipment and Consumables.*** We will emphasize the integration between equipment and consumables to enhance our market presence, thereby reinforcing our leading position in both the equipment and consumables sectors. This approach will broaden our product offerings in each segment, deepen relationships with healthcare institutions, and establish new connections within the industry to ensure comprehensive market penetration.

We actively respond to national healthcare trends across our core fields of life support, minimally invasive intervention, and in vitro diagnostics. In the life support segment, recent government efforts to strengthen critical care infrastructure in hospitals, particularly through the expansion of ICU bed capacity, are driving substantial demand for advanced infusion and monitoring equipment. In minimally invasive intervention, we are pursuing an integrated strategy that combines equipment and consumables to deliver comprehensive clinical solutions tailored to evolving surgical needs. In in vitro diagnostics, continued regulatory optimization has accelerated the approval process for diagnostic products, enabling us to respond swiftly to market demands and scale this business with greater efficiency.

Further Enhancing Our Production Capabilities and Efficiency

We are establishing a new R&D and manufacturing center in Changzhou, with a planned gross floor area of 115,742 sq.m. As of March 31, 2026, the key production buildings, with a gross floor area of 93,485 sq.m., had been completed, and the relevant property ownership certificates had been

obtained and all required completion filings and operating permits had been duly completed. In addition, we are actively advancing the development of the new center, such as equipment procurement, intelligent production line planning, and construction of supporting facilities. This new center marks a significant step forward in our overall manufacturing capabilities, supporting higher sales targets and unlocking greater economies of scale. The new center is also expected to further streamline certain of our existing production facilities and resources, improve operational efficiency, and enhance synergies across our production lines. We also plan to continue to upgrade our production lines with a focus on automation and intelligent manufacturing, further improving both efficiency and product quality. In addition, we will seek opportunities to extend our presence upstream in the supply chain, achieving self-sufficiency in key raw materials for more stable product performance and more efficient cost control.

Our overseas production capacity, primarily for anesthesia machines and vaporizers in the UK, will be enhanced through the upgrades to production testing equipment to enhance product consistency and quality, and meet stringent international standards and certification requirements. We will also balance production needs between overseas and satisfy domestic bases, considering production costs and supply chain logistics, embodying the philosophy of leveraging advanced global experience to enhance “Made in China” capabilities for the global market.

Further Enhancing Our Global Brand Image with Localized Operations and International Sales Capabilities

We are committed to establishing a global brand image for Medcaptain, striving to become a go-to partner for healthcare institutions worldwide. To achieve this objective, we will continue to introduce innovative products to the global market and refine our global service system. Furthermore, we plan to progressively integrate our acquired brands with the Medcaptain brand to build an international brand portfolio. For instance, we will actively participate in renowned international exhibitions with our brands, including Medcaptain, Penlon and Vedkang Medical, to expand our customer base and consolidate the influence of each brand, ultimately strengthening Medcaptain’s international brand image across our full product range. In addition, by staying attuned to global healthcare needs and preemptively implementing medical concepts, we aim to enhance our Medcaptain brand’s recognition for innovation. We are building a commanding presence across industry, academia, research, and application fields, thereby strengthening our industry influence.

Our products are distributed to over 140 countries and regions worldwide. Leveraging this established global footprint, we are dedicated to further practicing global collaboration and localized operations, creating a flexible and efficient sales network to support our international sales endeavors. We plan to establish a sales network that swiftly responds to global clinical demands, working in tandem with our R&D and production departments that support rapid product iteration. Through global collaboration in R&D, production, and sales, we are committed to providing meticulous and high-quality services to our global customers. In addition, as we have developed a broad international sales channel network and established a European sales center, our future efforts will focus on expanding sales channels in Southeast Asia, the Middle East, and Latin America, and horizontally setting up regional sales centers to better serve local customers through localized operations. Ultimately, we will build a flexible and efficient matrix-style international sales structure, adeptly navigating the challenges of global operations. Moreover, we will also expand into developed markets with high entry barriers by leveraging our collaborative relationships with top international healthcare and medical stakeholders.

Seeking Strategic Acquisition and Investment Opportunities to Further Expand Our Business Landscape

Leveraging our proven track record in mergers and acquisitions and the unique foresight of our founders and management team, we will continue to identify and engage with innovative, product-focused, and like-minded medical device enterprises globally. Our objective is to select

targets that are synergistic with our existing business operations, possess a strong brand image in niche markets, and have significant growth potential. Through strategic acquisitions, we aim to swiftly enter diverse areas, generate additional revenue streams, effectively integrate complementary resources to enhance profitability, and mitigate risks from market volatility across various business units.

In addition, we plan to empower acquired businesses with our extensive experience in market demand analysis, product development, production management, and sales management, alongside relevant industrial and capital resources. Leveraging our R&D platform, which integrates general-purpose development capabilities and a mature product development workflow, together with our manufacturing base and global sales network, we are well-positioned to facilitate the integration and growth of our acquired businesses. Meanwhile, we will continue to strive to maintain the relative independence and stability of the original management teams and key personnel after acquisitions, ensuring their autonomy and flexibility in the management process, and supporting the sustainable development of the acquired entities.

Further Enhancing Our R&D Capabilities to Rapidly Achieve Product Upgrades and Iteration

We will continue to increase our investment in technological innovation, such as investing in digitalized diagnostic technology. Additionally, we plan to boost our investment in R&D infrastructure, such as upgrading the MCI digital system to improve the workflow of product development, data analysis capabilities, and platform security. These improvements will enhance development efficiency and quality while reducing costs. We will further utilize the complementary strengths across our business units to drive sustainable growth. By aligning the expertise of our professional teams with diverse product lines, we aim to foster synergies that enhance our R&D capabilities, strengthen our market position, and expand our influence in respective fields. This collaborative approach ensures that our solutions remain innovative and well-positioned to address evolving industry demands.

We will continue to advance the development and refinement of our product portfolio across all three business units. Leveraging the combined capabilities of our R&D teams in China and Europe, we are engaged in ongoing efforts to develop new products and enhance existing product series in the areas of life support, minimally invasive intervention, and in vitro diagnostics. These initiatives draw on our accumulated expertise in software, hardware, optics, and algorithms, and are intended to support the continuous evolution of our product lines.

Attracting Talent and Optimizing Our Human Resources System

Upholding a management philosophy that respects talent and creativity, we will strengthen cooperation with top universities globally, offering exceptional graduates with opportunities to excel. We aim to continuously attract R&D talent with expertise in mechanics, optics, electronics, and computing to support our product development. We also plan to attract global commercial talents to facilitate the global expansion of our products.

We will maintain incentive plans for outstanding employees to boost their motivation. We aim to enhance employees' alignment with our values and collective pursuit of industry leadership, thereby attracting, developing, and retaining core talent and attracting new talent. In addition, we will design multi-dimensional training courses focused on industry insights, technical skills, marketing promotion, and overall quality improvement to meet the diverse needs of new employees, existing employees, and management. This approach supports skill adaptation and maximizes individual contributions, aligning personal growth with the company's development objectives. Meanwhile, we will establish an integrated talent and knowledge system that spans all business units and departments across our Group to promote technical exchanges and knowledge sharing across different fields. This will facilitate mutual feedback among R&D, production, and sales, enabling more streamlined and efficient communication and enhancing overall operational efficiency.

BUSINESS

OUR BUSINESS UNITS

We offer medical equipment and consumables across life support, minimally invasive intervention and in vitro diagnostics. The following table sets forth a breakdown of our revenue, gross profits and gross profit margins by business unit for the periods indicated:

	For the Year Ended December 31,									For the Three Months Ended March 31,					
	2023			2024			2025			2025			2026		
	Revenue	Gross profit	Gross Profit margin	Revenue	Gross profit	Gross Profit margin	Revenue	Gross profit	Gross Profit margin	Revenue	Gross profit	Gross Profit margin	Revenue	Gross profit	Gross Profit margin
	Amount	Amount	%	Amount	Amount	%	Amount	Amount	%	Amount	Amount	%	Amount	Amount	%
	(RMB in thousands, except percentages)									(Unaudited)					
Life support	564,146	232,838	41.3	494,057	172,500	34.9	613,406	284,428	46.4	125,950	52,544	41.7	161,550	72,569	44.9
Minimally invasive															
intervention	586,545	324,125	55.3	721,327	416,078	57.7	812,207	482,694	59.4	187,570	110,174	58.7	208,619	128,858	61.8
In vitro diagnostics	162,606	94,473	58.1	183,977	106,494	57.9	193,539	102,538	53.0	41,223	19,077	46.3	52,153	27,777	53.3
Total	<u>1,313,297</u>	<u>651,436</u>	<u>49.6</u>	<u>1,399,361</u>	<u>695,072</u>	<u>49.7</u>	<u>1,619,152</u>	<u>869,660</u>	<u>53.7</u>	<u>354,743</u>	<u>181,795</u>	<u>51.2</u>	<u>422,322</u>	<u>229,204</u>	<u>54.3</u>

Life Support

Life support medical devices are mainly used in ICUs, operating rooms, and emergency rooms to manage and care for critically ill patients. Life support medical devices primarily include medication delivery products, anesthesia products, airway management products, pulmonary function testing products, VTE prevention products and other devices. These instruments are integral to maintaining vital functions and improving the chances of recovery for patients in critical condition, offering comprehensive support ranging from breathing assistance and life sustenance to continuous monitoring of vital signs, with major application scenarios including operating rooms, ICUs and emergency rooms. We have established a comprehensive life support product portfolio, offering over 60 life support products as of March 31, 2026. For details of the life support medical device market, see “Industry Overview — Life Support.”

Medication Delivery

Our medication delivery product portfolio primarily consists of infusion and syringe pumps, infusion workstations, enteral feeding pumps, ambulatory pumps, intelligent centralized monitoring systems, remotely controlled management systems and matching consumables. Our medication delivery products enhance the precision and efficiency of infusion processes, streamline the operational and management workflows for the infusion process, and improve the treatment experience across each stage of perioperative care.

Infusion Workstation, Syringe Pump and Infusion Pump

We offer a comprehensive intelligent infusion product portfolio covering infusion workstations, infusion systems, infusion pumps and syringe pumps which provide a modern alternative to traditional gravity infusion methods. While conventional infusion methods rely on gravity to deliver fluids, our intelligent infusion products utilize electronic controls to regulate infusion rate and flow pressure, enhancing both infusion accuracy and efficiency of medical personnel. To further enhance the convenience and accuracy of medication delivery, we have equipped our products with DoseControl, our proprietary Dose Error Reduction System (“**DERs**”). This system features a drug library capable of storing up to 12,000 drugs, enabling the safe and precise administration of dosages tailored to individual patient conditions. We also offer consumable products that complement our infusion products,

providing healthcare professionals with a comprehensive product offering. As of the Latest Practicable Date, our portfolio included four infusion series: (i) SYS series, the first series we launched, (ii) MP series, which introduced China's first multi-channel infusion workstation, (iii) HP series, which introduced the first infusion workstation in China, and (iv) AP/XP series, which features advanced modular management, information system integration, medication quality control and device interoperability.

By product type, our infusion products primarily include infusion workstations, syringe pumps, and infusion pumps:

- **Infusion Workstations.** In 2014, we obtained the registration certificate for China's first multi-channel infusion workstation, the MP-80 Infusion Workstation. We then obtained the certificate for its updated version, the HP-80 Infusion Workstation in 2017, and the registration certificate for the AP/XP Infusion Workstation in 2024. Our infusion workstations are characterized by their modular design, allowing up to dozens of infusion and syringe pumps to be effortlessly stacked, without the need for any tools during assembly. They are equipped with the Relay Control module, which facilitates three types of relay models: the cascaded relay for sequential connection from top to bottom channels, the circular relay for up to three channels, and the customized relay, which permits operators to specify the sequence of channel operation. Furthermore, their capability for computer-controlled operation and network connectivity enables the centralized management of the infusion process. Our latest AP/XP series further enhances steady-state infusion management and automatic fluid management, upgrades the visual and operational experience, and advances the intelligence of the product.

Furthermore, in 2020 we obtained the registration certificate for the HP-80 MRI Infusion Workstation, the first infusion workstation in China designed specifically for MRI environments. The workstation safeguards the pumps within it from magnetic fields up to 20 mT, ensuring that the infusion processes are shielded from magnetic field disturbances. It also prevents the administration process from interfering with the MRI imaging process, maintaining the quality and reliability of MRI scans. According to CIC, we ranked first in China's infusion workstation market in 2025, with a market share of 26.1% in terms of sales value.

- **Syringe Pumps.** Our SYS series introduced the first touchscreen-equipped syringe pump in China's market, according to CIC. Our MP series syringe pumps have been further upgraded to integrate seamlessly with the infusion workstations of same series. They also support connection to the intelligent centralized monitoring system and other information systems. Our HP series syringe pumps have undergone a comprehensive functional upgrade, including: (i) a double-position detection system that enables the real-time monitoring of the syringe's plunger movement at two distinct points; (ii) a full-range syringe compatibility, accommodating eight different models suitable for requirements ranging from 2 ml to 60 ml; and (iii) an automatic/manual installation system whereby the manual mode reduces the injection time during emergency treatment while the automatic mode ensures steady and accurate injection. The HP series has also developed syringe pumps tailored for various patients and therapies, including (i) the HP-30 Neo Syringe Pump designed for small-dose injections by offering a rate setting starting from 0.01ml/h and ensuring a mechanical precision of $\pm 0.5\%$; (ii) the HP TCI Syringe Pump equipped with multiple pharmacokinetic/pharmacodynamic models allowing for accurate dosing of propofol during total intravenous anesthesia through Target-Controlled Infusion; and (iii) the HP-30 Syringe Pump with the optional patient-controlled analgesia function, allowing patients to manage their pain relief within prescribed limits by self-administering doses of medication. Our AP/XP series syringe pumps further improve the infusion precision and support a broader range of infusion speeds, and this series has been updated with DoseControl with a drug library capable of accommodating up to 12,000 drugs.

- ***Infusion Pumps.*** Our SYS series introduced the first touchscreen-equipped infusion pump in China's market, according to CIC. Our MP series infusion pump is compatible with infusion workstations and supports the connection with the intelligent centralized monitoring system and the remote-controlled infusion system. Our HP-60 Infusion Pump has been further updated with the following features: (i) a one-step IV set installation mechanism that automatically identifies the tube status facilitating a quick and secure tube installation; (ii) an anti-bolus system that limits any bolus after occlusion release to a maximum of 0.2 ml to prevent a sudden surge of medication delivery; and (iii) a self-adapting peristaltic system that allows for automatic adjustments of the pump head's position and pressure suitable for a range of applications including fluid infusion, blood transfusion, total parenteral nutrition feeding and oncology therapy. The AP/XP series infusion pumps further improve the infusion precision and support a broader range of infusion speeds.
- ***Ambulatory Infusion Pumps.*** Our ELFensor P series ambulatory infusion pump is designed for post-operative analgesia, labor analgesia, cancer pain management, chemotherapy and other acute or non-acute care management. It is the world's first portable infusion system supporting EtCO₂ and SpO₂ monitoring. It is suitable for use in hospitals, home healthcare, and for patient transport during ambulatory infusions. By integrating our ambulatory infusion pumps with iCMS and hospital information management systems, we provide patients and healthcare workers with an intelligent pain management system. This system offers closed-loop analgesia management across various settings, including in-hospital, out-of-hospital, and home care during the perioperative period.

Remotely-Controlled Infusion System

We developed and launched the world's first remotely controlled infusion system, the MS-100 Infusion System, according to CIC. This infusion system is capable of monitoring and controlling medication infusion remotely when used in conjunction with infusion workstations and medication delivery pumps, and it is designed to address the special needs in application scenarios such as ICUs, DSA operating rooms, hybrid operating rooms, and negative pressure isolation wards. It allows medical staff to remotely monitor and control the medication infusion status, addressing the critical need for safe operation in areas prone to radiation exposure and infection risk. This innovative feature not only minimizes the risk of cross-infection and radiation exposure for medical personnel but also enhances clinical workflow efficiency by ensuring precise and uninterrupted medication delivery, optimizing patient care.

The MS-100 Infusion System is primarily designed to be paired with our MP and HP series pump products. With the launch of our AP/XP series, we developed a next-generation AP/XP Infusion System specifically designed to complement the syringe pumps and infusion pumps in this series. In September 2024, we obtained the registration certificate for a next-generation infusion information collection system for our AP/XP infusion series.

iCMS: Intelligent Central Monitoring System

The iCMS is an intelligent central monitoring system that provides a comprehensive intelligent platform for hospital information management. It incorporates the following modules and functions: (i) the monitoring module centralizes the management of patient information, drug prescriptions, real-time infusion status and alarm information. It integrates with HIS and CIS to access prescription data, enabling closed-loop management of patient infusion status; (ii) the DoseControl module enables medical staff to edit and upload the appropriate drug library dataset and its related profiles from iCMS into the pumps. It meets the requirements of different clinical care areas and facilitates intelligent medication management across various departments and wards; (iii) the continuous quality improvement module aids in the collection and automatic evaluation of infusion data, identifies dose failures, and in turn, further refines the accuracy of the DoseControl module; and (iv) the connectivity function that supports connectivity and data transmission between iCMS and HIS, CIS and other information systems authorized by hospitals via either WIFI or LAN.

Enteral Feeding System

Our enteral feeding products include the enteral feeding pump, the enteral syringe, the giving set, the nasogastric tubes and the feeding catheter, for patients who suffer from impaired digestion or various GI dysfunctions. We obtained the registration certificate for our first enteral feeding system, EP-60, in 2019, and obtained the registration certificate for an updated EP-90 enteral feeding system in 2024. According to CIC, we ranked first in China's enteral feeding pump market in 2025, with a market share of 26.9% in terms of sales value.

Furthermore, we obtained the registration certificate for our innovative ultrasound-guided nasogastric and nasojejunal tubes in June 2024. This product enables full ultrasound guidance throughout the tube placement process, effectively addressing the limited visibility typically associated with nasoenteric intubation and enhancing the accuracy of tube positioning through ultrasound.

Anesthesia Machine

Anesthesia machine is a primary piece of equipment in hospital operating rooms and a key life support product. Its basic function is to facilitate ventilation for surgical patients and accurately deliver volatile anesthetic medicine to achieve the appropriate state of general anesthesia for patients. To further expand our market presence in life support and enhance the synergistic effect of our product lines, we strategically acquired Penlon in 2022. Penlon, a British medical device company, specializes in anesthesia and respiratory solutions, offering anesthesia machines and core components, such as vaporizers. This strategic move (i) enables us to swiftly capture market opportunities and expand into new life support markets by integrating anesthesia products with our existing infusion products, thereby offering a more comprehensive life support product portfolio for our targeted departments; (ii) deepens our global presence, providing closer proximity to European markets; and (iii) provides a solid foundation for efficiently performing iterative upgrades on the anesthesia machines. This acquisition not only reinforces our commitment to providing a comprehensive life support product portfolio but also aligns with our goals to deliver advanced medical technology globally. Following the acquisition, we are developing the next generation of anesthesia machines and actively advancing the technological upgrade of anesthesia equipment.

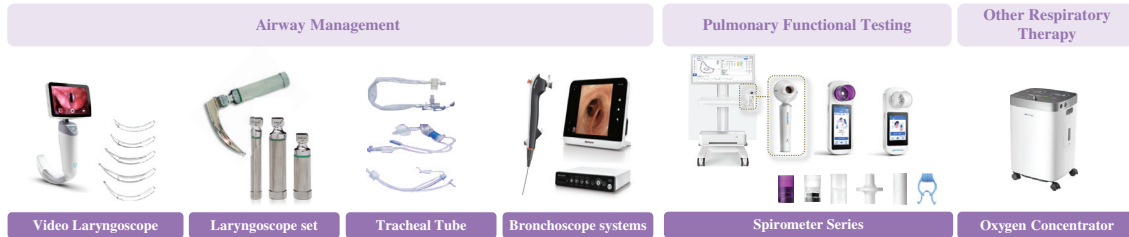


Our anesthesia products primarily include the Prima series anesthesia machines and Sigma series vaporizers. Designed to support a full range of surgical anesthesia needs, these products feature advanced ventilation control, precise and safe delivery modes, and intuitive user interfaces that enhance clinical efficiency and patient safety. In particular, Prima 460 is the only anesthesia machine in China equipped with the exclusive synchronized mandatory minute ventilation mode. This mode is especially beneficial during the recovery phase for patients with weak spontaneous breathing. It supplements insufficient minute ventilation volume in each breathing cycle, ensuring adequate total minute ventilation while improving synchrony and patient comfort.

Prima 451 is a compact MRI-compatible anesthesia machine designed to meet the specific needs of MRI suites. It works in conjunction with our HP-80 MRI Infusion Workstation and the remote-controlled infusion system to provide a comprehensive life support product portfolio for the MRI environment. It was first launched in Europe and further obtained its NMPA registration certificate in September 2025. In addition, we separately provide the key components of anesthesia machines, including vaporizers, further solidifying our position in the medical technology market.

Other Life Support Products

We provide patients with comprehensive airway management and pulmonary function testing products, enabling unobstructed breathing across various clinical applications. The diagram below shows our comprehensive airway management and pulmonary function testing product portfolio:



- **Airway Management:** Airway management devices are essential for providing respiratory support and performing airway examinations in patients undergoing surgical anesthesia, as well as those with respiratory issues. With five sizes of laryngoscope blades suited for different patient types, our video laryngoscope offers healthcare professionals a safe, convenient, and visual solution for endotracheal intubation, enhancing patient care and improving procedural outcomes. We also offer traditional laryngoscope sets and tracheal tubes, catering to a wide range of clinical scenarios and treatment needs.

Our bronchoscope system comprises a single-use video bronchoscope, coupled with an image processor and monitor, offering a visual solution for observation, diagnosis, and treatment of bronchial conditions. Our single-use endoscope features a 120-degree field of view and megapixel-level resolution, offering clear and wide-angle visualization. The image processor captures, processes and transmits real-time images, featuring adaptive brightness adjustment and advanced image enhancement algorithms to improve the visualization of tissues and mucosal vasculature.

- **Pulmonary Function Testing:** Spirometry is essential for the diagnosis and management of asthma, chronic obstructive pulmonary disease and other respiratory conditions. Our spirometry testing products comprise SpiroSuite VC-10, 20, and 30 Series Spirometers, meeting various testing needs from hospitals, clinics and home-use settings. Based on the SpiroSuite Series Spirometers, we have developed the iSpiro Respiratory Chronic Disease Management System. It supports the collection and management of pulmonary function data obtained through our lung function testing products in both in-hospital and out-of-hospital settings.
- **Other Respiratory Therapy.** We also offer other products for respiratory therapy, such as oxygen concentrators. It is a compact oxygen concentrator, providing high-purity oxygen for comfortable and safe treatment. It is especially suitable for patients with respiratory system diseases such as asthma and chronic obstructive pulmonary disease, as well as the elderly, enhancing their quality of life by ensuring a reliable oxygen supply.

In addition, we provide a broader range of life support medical devices and consumables. Below are additional representative life support products we currently offer: (i) **DVT Prevention Products.** We offer DVT prevention products, including sequential compression systems and DVT prevention pumps. (ii) **Vein Illuminators.** We offer vein illuminator that projects images of veins onto the skin during venipuncture, providing real-time, accurate visualization of the patient's vasculature. (iii) **Monitors.** We offer a range of portable patient monitors designed for diverse parameter measurements, such as electrocardiogram, SpO₂, and temperature, suitable for multiple applications from spot checks to continuous monitoring. (iv) **Veterinary Life Support Products.** We have also developed veterinary infusion pumps, anesthesia machines, and oxygen concentrators tailored for veterinary hospitals.

Minimally Invasive Intervention

We are one of the few domestic brands in China with a proprietary endoscopic product portfolio, encompassing reusable and single-use endoscope systems, as well as consumables, used primarily in the GI and urological procedures. As of March 31, 2026, we had over 110 minimally invasive intervention products. For details of the minimally invasive intervention market in China and globally, see “Industry Overview — Minimally Invasive Intervention.”

In 2022, we acquired Vedkang Medical, a Jiangsu-based medical device company primarily engaged in the production of endoscopic consumables. Following the acquisition, we leveraged our engineering and technological capabilities, as well as our extensive experience in equipment development, to accelerate the development of endoscopic equipment and broaden Vedkang Medical’s product portfolio. In addition, to further strengthen our presence in the endoscopic market by expanding our product offerings from flexible endoscopes to include rigid endoscopes, in September 2025, we acquired Caring Medical, which is a medical device company focusing on the development, production and sales of intelligent endoscopic systems.

Products Targeting the Digestive System

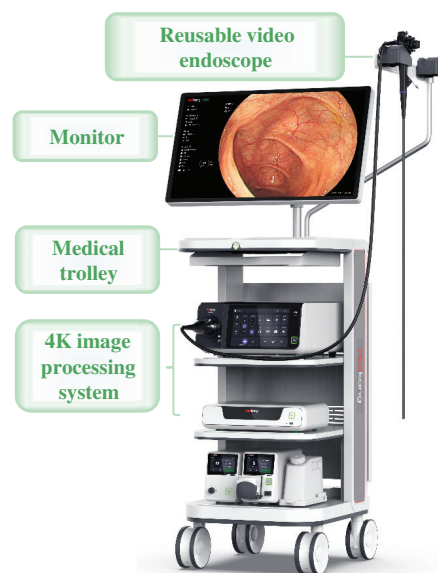
We offer a wide range of products targeting the digestive system, including the reusable and single-use GI endoscopic systems, the cholangioscope direct visualization system, as well as consumables for the diagnosis and treatment of the digestive system conditions.

Reusable GI Endoscopic System

Building on our experience in single-use endoscopes and expanding into the reusable segment to strengthen our position in the minimally invasive intervention market, we developed a reusable GI endoscopic system for which we obtained an NMPA registration certificate in June 2025. The system includes both upper and lower GI video endoscopes, paired with an advanced 4K electronic image processing system, and is designed for visual examination, diagnosis, and therapeutic procedures in the upper and lower GI tracts.

Our reusable GI endoscopes feature a wide field of view of up to 145° for gastroscopes and 170° for colonoscopes, as well as a maximum upward angulation of 210°, enabling enhanced maneuverability and visualization. Available in multiple models with varied working channel configurations and outer diameters, the product line meets a broad range of diagnostic and therapeutic needs. The lower GI endoscope further incorporates advanced features such as synchronous transmission, variable stiffness, and passive bending, significantly improving procedural efficacy and patient comfort.

The accompanying image processor supports 4K ultra-high-definition imaging and is equipped with five independent LED light sources, enabling optimal illumination tailored to diverse clinical settings. The system also integrates a built-in workstation with ample storage capacity, providing an all-in-one solution from endoscopic procedures to file storage, report generation, and printing.



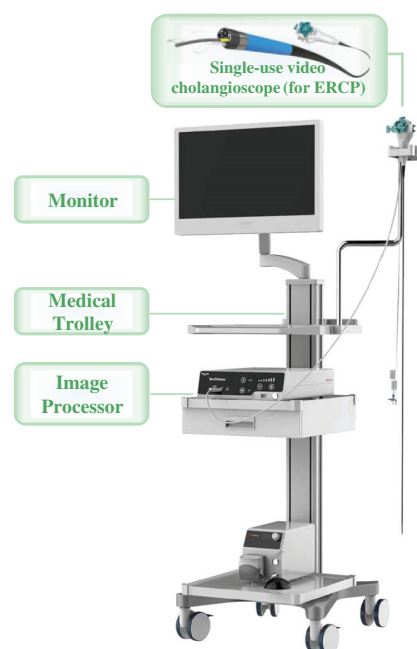
Reusable GI Endoscopic System

Cholangioscope Direct Visualization System

Our cholangioscope direct visualization system paired with our single-use video cholangioscope, image processor and monitor, provides visual support for safe and precise insertion through the mouth and duodenum into the common bile duct and intrahepatic bile ducts.

The direct visualization system employs image software algorithms to provide high-definition, real-time images of the biliary ducts, facilitating the diagnosis and treatment of both biliary and pancreatic duct conditions. The system supports various minimally invasive procedures, including flushing, suction, stone retrieval, and biopsy, providing comprehensive functionality for complex biliary interventions.

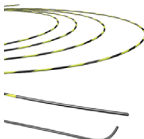
According to CIC, since its launch in 2023, this product has maintained a top-five position in China's single-use cholangioscope market by sales value. In 2025, it accounted for approximately 7.5% of the market share, ranking fourth nationwide.

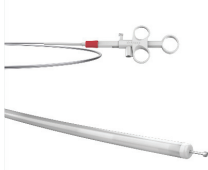
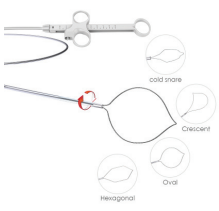


Cholangioscope Direct Visualization System

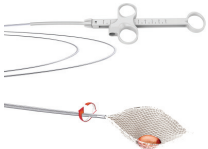
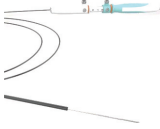
Consumables

We offer a wide range of consumables for various GI endoscopic procedures such as ERCP and ESD. According to CIC, we ranked third by sales value in China's market for minimally invasive interventional consumables targeting the digestive system, with a market share of 21.5% in terms of sales value, in 2025. The table below details our major types of digestive system endoscopic products. Each product category comprises various models, specifications and subtypes, which are designed to address diverse application needs across different clinical settings.

Product	Product name	Application
	Single-use video cholangioscope (for percutaneous use)	Used for diagnostic and therapeutic procedures in the biliary and pancreatic ducts
	Non-vascular guidewire	Used to guide catheters and insertion devices in non-vascular procedures
	Disposable sphincterotome	Used for endoscopic cannulation of the ductal system and sphincterotomy

Product	Product name	Application
	GI and biliary balloon catheter (with various types)	Used for dilation or auxiliary dilation of digestive tract
	Stone extraction balloon	Used for removing stones in biliary duct, including muddy stone, residual stones left in the biliary duct after mechanical lithotripsy
	Stone extraction basket	Used for removal of gallstones in biliary duct, or foreign bodies in upper and lower digestive tract
	Disposable nasal biliary drainage tube	Used for drainage of bile in cases involving inflammation of biliary tract, hepatic tract, pancreas or calculus
	Disposable endoscopic hemoclip	Used for clipping of the soft tissue in GI tract
	Disposable ESD knife (with different types)	Used for performing marking, incision, dissection and hemostasis in GI mucosa and submucosa
	Disposable endoscopic polyp snare	Used for cutting polyps or other redundant tissues with high-frequency current in the digestive tract
	Injection needle	Used for GI polyps or submucosal tumors and in procedures for patients with GI varicose veins
	Disposable non-electric biopsy forceps (with different types)	Used for tissue sampling from alimentary tract or respiratory tract

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Product	Product name	Application
	Disposable hot biopsy forceps	Used with high-frequency instrument to conduct electricity burning, coagulation and hemostasis
	Disposable grasping forceps (with various types)	Used for removing foreign bodies from human body
	Intestinal stent system	Used for the expansion treatment of intestinal stenosis or obstruction caused by malignant lesions
	Disposable ultrasound biopsy needle	Used in conjunction with endoscopic ultrasound, for exploring organizations and sampling under the endoscope during surgery
	Disposable multiple band ligator	Used for endoscopic ligation of esophageal varices and anorectal hemorrhoids

Products Targeting Urological System

We offer ureterscope systems and consumables for the diagnosis and treatment of conditions relating to the urological system.



Single-use Video Ureterscope System

- Ultra-slim 7.5Fr diameter with dedicated laser and instrument channels
- $\geq 275^\circ$ articulation with passive bending design
- $\pm 120^\circ$ rotation of insertion tube with integrated torque-limiting control
- Proprietary imaging algorithm for enhanced clarity and definition

Our ureterscope system consists of a single-use video ureterscope paired with our image processor and monitor, providing a visualization solution for ureteroscopy procedures. This integrated system enhances procedural precision and efficiency by delivering clear, real-time images to surgeons.

In addition, we have a comprehensive portfolio of consumables targeting the urological systems, including: (i) single-use video cholangioscopes (for percutaneous use), designed for endoscopic procedures in conjunction with J-type catheters and minimally invasive dilation drainage kits, providing support and guidance; (ii) disposable urinary catheters, intended for transluminal dilation of ureteral strictures or ureterectasia prior to ureteroscopic examination or stone removal procedures; (iii) disposable stone retrieval baskets, used under endoscopy for urinary diagnosis and treatment, facilitating the grasping, manipulation, and removal of stones and other foreign bodies; (iv) disposable ureteral sheaths, designed to establish a channel for instruments and endoscopes to access the ureter during urinary surgeries; (v) nitinol urological retrieval coils, compatible with endoscopes for grasping and removing urinary stones and other foreign bodies from the urinary system; and (vi) disposable ureteral stents, intended for placement between the ureteropelvic junction and the bladder, serving as a stent and drainage conduit.

In Vitro Diagnostics

We offer a comprehensive portfolio of in vitro diagnostics products, both equipment and consumables, spanning coagulation, blood grouping, chemiluminescence and molecular diagnosis. We design and develop our products to be suitable for both POCT and laboratory testing. As of March 31, 2026, we had over 150 in vitro diagnostics products that support a testing menu of over 800 in vitro diagnostics test items, offering comprehensive diagnostic solutions for a wide range of testing needs. For details of the in vitro diagnostics market in China and globally, see “Industry Overview — In Vitro Diagnostics.”

Coagulation

Coagulation testing evaluates a patient’s coagulation function and identifies the risk of bleeding or thrombosis. TEG is a detection technology that dynamically assesses the coagulation process and evaluates a patient’s overall coagulation status.

We entered the in vitro diagnostics market through the development and launch of TEG analyzers. In the course of supplying clinical departments with infusion and life support products, we identified an unmet need for timely perioperative bedside blood testing, which prompted us to initiate R&D on TEG analyzers. Our presence in coagulation diagnostics began in 2018 with the registration of our semi-automated TEG analyzer, Haema T4. In 2021, we launched Haema TX, the world’s first fully automated TEG analyzer, marking a significant breakthrough in TEG technology. In 2025, we further broadened our product offering with the introduction of Haema N9, a fully automated coagulation analyzer for conventional coagulation testing, strengthening our position across both advanced and routine diagnostic applications. Additionally, our coagulation test kits offer a comprehensive test menu that includes TEG analysis and conventional coagulation tests such as FIB.



- ***Semi-automated Haema T4.*** It is a semi-automated TEG analyzer that features an integrated design with four independent channels and four built-in incubators. Its all-in-one structure, combined with an intuitive touchscreen interface, streamlines the testing process. Additionally, the Haema T4 stands out for its portability and readiness for immediate use without the need for stabilization, effectively meeting mobile POCT demand.
- ***Fully automated Haema TX.*** It is the world's first fully automated TEG analyzer. The Haema TX streamlines the entire testing workflow by automating each step, from drawing the sample and preparing the reaction cup, to shaking and loading samples and reagents, and finally, compiling reports. Haema TX also features high throughput with 12 independent channels capable of conducting over 48 tests per hour and accommodates up to 60 reaction cups and 30 samples simultaneously, enhancing the efficiency of the testing process.
- ***Fully automated Haema N9.*** To further expand our coagulation testing solutions, we introduced Haema N9, a fully automated coagulation analyzer designed for conventional coagulation testing. This analyzer supports seven types of tests, including routine screening, fibrinolysis marker detection, anticoagulant drug monitoring, von Willebrand disease testing, coagulation factor analysis, thrombophilia screening, and antiphospholipid syndrome testing, supporting fast and convenient diagnostics.
- ***Coagulation Reagents and Test Kits.*** Our coagulation test kits offer a versatile range of reagents and assays, such as kaolin activation reagent, rapid kaolin reagent, heparin assay, and thromboelastographic platelet assay. They also include reagents suitable for conventional coagulation tests, such as FIB.

We further developed the iHLive Management System, which primarily facilitates the management of testing information across hospital departments that use TEG, including physicians' offices, transfusion departments, and operating rooms. Key functions of this system include: (i) managing test results with comparison and trend analysis capabilities, allowing for comprehensive monitoring and evaluation of patient conditions over time; and (ii) offering intelligent centralized management of TEG analyzers across various departments, ensuring seamless equipment operation and maintenance, enhancing efficiency and accuracy in clinical diagnostics.

Blood Grouping

Blood grouping tests, which classify blood based on antibodies and antigens, are extensively utilized in scenarios such as blood transfusions, blood collection, the diagnosis of neonatal hemolytic disease, and pre-transplant testing. They are also employed in paternity testing, forensic identification, and investigations related to specific diseases. As of March 31, 2026, we had launched two series of fully automated blood grouping analyzers, together with gel cards.

- ***BT-70.*** It is a fully automated blood grouping analyzer designed to integrate and streamline various functionalities, including test sample management, reagent management, gel card management, indicator light management, the centrifuge system and the pipetting system. It is equipped with six sample racks and can accommodate up to 96 samples, 14 reagent vials, and 240 gel cards. Built-in features include two independent centrifuge systems, each capable of handling 24 gel cards, and two high-quality robotic pipetting arms, which enhance testing accuracy and efficiency.

- **BT-30.** It is a fully automated blood grouping analyzer featuring a compact, portable size. It features 48 sample positions, 120 gel card positions, and 14 reagent positions, with a throughput of 90 ABO forward tests per hour. It is equipped with two independent sampling channels, a sampling range of 10-100 µL, and an independent centrifugation system capable of centrifuging 12 cards at once, with a centrifugation speed of 0-3,000 rpm, thereby further enhancing the testing efficiency.
- **Gel Cards.** Our gel cards adopt microcolumn gel technology to support various blood tests. Our gel cards include forward test cards, forward/reverse test cards, irregular antibody screening cards, blood cross-match test cards and Rh phenotyping cards.

Chemiluminescence

We also offer CLIA testing analyzers and reagent kits, supporting a comprehensive test menu.

- **Immu F6.** It is a fully automated POCT CLIA analyzer that employs acridinium ester direct chemiluminescence technology. It supports testing using serum and plasma, as well as direct whole blood samples, delivering rapid, accurate, and quantitative results and is suitable for acute care settings and laboratory use. It simplifies the testing process to three steps and reduces the time to produce results to just 15 minutes.
- **Immu F200.** It is a multi-sample CLIA analyzer supporting up to 200 tests per hour with the ability to deliver initial results in just 12 minutes, making it suitable for high-volume testing scenarios. The Immu F200 is equipped with an automatic quality control testing system to support the testing process.
- **Reagent kits and packs.** We offer single-use reagent kits for use with the Immu F6 and multi-use reagent packs for use with the Immu F200. Our testing menu supports a broad range of biomarker testing, covering various medical conditions and physiological states such as cardiac health, inflammation, fertility, hormones, metabolism, brain injury, coagulation conditions, thyroid function, tumors and anemia.

Molecular Diagnostics

We offer molecular diagnostics equipment and test kits supporting more than 800 test items across a broad range of testing areas, including, among others, respiratory-transmitted pathogens, infectious diarrhea viruses, vector-borne pathogens, enteroviruses, foodborne pathogens and animal infectious diseases, a comprehensive menu designed for precision diagnostics. We are also conducting limited pilot sales of a new generation droplet digital PCR system for research use, which represents the forefront of our innovation efforts. According to CIC, PCR has been widely used as a standalone molecular diagnostic technique and serves as a crucial amplification step in next-generation sequencing. Since 2018, the PCR market has experienced rapid development and technological evolution, with digital PCR emerging as a field with significant market potential.

Product Pipeline

Building on our existing product lines — life support, minimally invasive intervention and in vitro diagnostics, we are committed to addressing continuously evolving market demands through our in-house R&D efforts and technological advancements. Our strategy encompasses both the innovation and enhancement of current products and the continuous development of new products and digital technology-based systems, while also exploring potential avenues for business expansion. As of March 31, 2026, we had over 60 product candidates in the pipeline, including over 10 life support products, over 30 minimally invasive intervention products, and over 20 in vitro diagnostics products.

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The following table sets forth our product candidates for which we have obtained, or expect to obtain marketing approvals in 2026:

Product candidates	Business unit	Development stage	Actual/Expected marketing approval
An anesthesia machine	Life support	Under R&D	NMPA approval CE marking
A central monitoring system	Life support	Under R&D	NMPA approval
A new series of infusion pumps	Life support	Under R&D	NMPA approval CE marking
A new series of syringe pumps	Life support	Under R&D	NMPA approval CE marking
Rapid-exchange consumables	Minimally invasive intervention	Sample testing	NMPA approval CE marking
Single-use endoscopic cystotome	Minimally invasive intervention	Sample testing	NMPA approval
Upper and lower gastrointestinal endoscopes (dual-focus)	Minimally invasive intervention	Sample testing	CE marking NMPA approval
Upper and lower gastrointestinal endoscopes (magnifying)	Minimally invasive intervention	Sample testing	CE marking NMPA approval
Gastrointestinal diagnostic monitoring software	Minimally invasive intervention	Registration stage	NMPA approval
TEG Platelet function test reagent	In vitro diagnosis	Under R&D	NMPA approval
Laboratory automation system	In vitro diagnosis	Under R&D	NMPA approval

MATERIAL ACQUISITIONS

Strategic acquisitions have been one of our core means to achieve strategic growth of our business through enhancing our product portfolio across multiple departments and scenarios and expanding our market reach in domestic and foreign markets. In identifying suitable acquisition targets, we prioritize targets in market segments where our pre-existing engineering and technological strengths can be leveraged, and those with limitations on their own R&D capabilities, such that there is room for us to apply our R&D and engineering expertise to initiate our R&D initiatives to expand in the relevant sector beyond the scope of the acquired business's original portfolio. We also prefer the existing product portfolio of the target to have clinical applications and departments that has commonalities with its existing business units, which could enable effective use of established sales channels and customer base. In line with this growth strategy, we completed the acquisitions of Penlon and Vedkang Medical in 2022.

- **Acquisition of Penlon.** On November 5, 2021, we entered into a share purchase agreement with BPL Medical Technologies Private Limited (“**BPL**”), an Independent Third Party distributor to our Group, for the acquisition of Intermed and its subsidiaries (including Penlon). To the best knowledge of our Directors, the ultimate beneficial owner (“**UBO**”) of BPL was Goldman Sachs Group, Inc. Our Directors confirm that, to their best knowledge having made reasonable enquiries, except that BPL is an Independent Third Party distributor to our Group, they are not aware of any other past or present relationships (including business, employment, family, trust and financing) between our Group and BPL, its UBO, substantial shareholders, directors, supervisors or senior management, or any of their respective close associates. Pursuant to this share purchase agreement, we acquired the entire share capital of Intermed and its subsidiaries (including Penlon) for a purchase consideration consisting of (i) cash of GBP17.00 million, which was paid in 2022; (ii) cash contingent consideration of GBP4.02 million, which was fully paid in 2022 and 2024 respectively; and (iii) non-monetary contingent consideration of GBP0.50 million, which are expected to be utilized from 2022 to 2026. The consideration for the acquisition was determined after arm’s length negotiation among the parties, taking into account the business operations and assets of Intermed and Penlon. The cash consideration was financed through cash generated from our operations and bank borrowings. The contingent consideration depends on the revenue and gross profit of Penlon during the twelve-month period from April 1, 2021 to March 31, 2022 and from April 1, 2022 to March 31, 2023. The financial liabilities related to the contingent consideration were RMB18.4 million, RMB1.0 million, RMB0.2 million and nil for the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively.

Our Directors are of the view that the acquisition of Intermed and Penlon has enabled us to achieve synergies by (i) capturing market opportunities and branching into new life support markets to complement our existing business lines; (ii) deepening our global presence and bringing us closer to European markets with a deeper understanding of the market needs; and (iii) providing a solid foundation for efficient iterative upgrades to anesthesia machines.

- **Acquisition of Vedkang Medical.** On April 12, 2022, we entered into a share transfer agreement with Vedkang Medical and its selling shareholders, namely ZHUANG Xiaojin, MIAO Donglin, SONG Yinping, Changzhou Beiruishi Corporate Management Co., Ltd. (“Changzhou Beiruishi”), Changzhou Yisiyuan Corporate Management Co., Ltd. (“Changzhou Yisiyuan”), Changzhou Zixi and Changzhou Zijing. To the best knowledge of our Directors, the UBOs of Changzhou Beiruishi, Changzhou Zixi and Changzhou Zijing is ZHUANG Xiaojin and the UBO of Changzhou Yisiyuan is MIAO Donglin. Our Directors confirm that, to their best knowledge having made reasonable enquiries, they are not aware of any past or present relationships (including business, employment, family, trust and financing) between our Group and the sellers, their respective UBOs, substantial shareholders, directors, supervisors or senior management, or any of their respective close associates. Pursuant to this share transfer agreement, we agreed to acquire the entire share capital of Vedkang Medical for RMB1.7 billion. Half of the consideration was settled by issuing a total of 53,124,999 Class B Shares to ZHUANG Xiaojin, MIAO Donglin, Changzhou Zixi and Changzhou Zijing collectively at a price of RMB16 per Share, while the other half was paid in cash to the selling shareholders. The cash consideration was financed through cash generated from our operations and bank borrowings. The acquisition consideration for Vedkang Medical was determined after arm’s length negotiation with reference to the valuation report issued by Zhongshui Zhiyuan Assets Appraisal Co., Ltd. (中水致遠資產評估有限公司), an Independent Third Party valuer, regarding the total equity value of Vedkang Medical, taking into account its business prospects, market position, results of operations and financial position.

Strategic acquisitions have emerged as a key strategy for major players in the medical device market seeking to enter the minimally invasive intervention market, according to CIC. This is because strategic acquisitions provide immediate access to proprietary technologies and established intellectual property that would be time-consuming and expensive to develop internally. Furthermore, this approach allows the buyer to benefit from existing regulatory approvals and established clinical relationships, securing an immediate competitive position in a developing market. Prior to the acquisition, Vedkang Medical had been dedicated to the minimally invasive intervention industry for more than two decades and ranked second within the digestive system minimally invasive interventional consumables sector in terms of revenue in 2021, according to CIC, reflecting its leading market position. Vedkang Medical's market position was underpinned by a team of industry veterans with extensive expertise in the sales, manufacturing and development of minimally invasive intervention products. These industry veterans had been with Vedkang Medical for at least five years by the time of the acquisition in April 2022 and remained with us as the senior management of Vedkang Medical.

Through more than two decades of dedication to the minimally invasive intervention industry, Vedkang Medical had also accumulated extensive product development and other operational capabilities. As of December 31, 2021, Vedkang Medical had obtained 50 Class II/ III and four Class I medical device registration certificates issued by the NMPA, and 43 CE certificates. As of the same date, Vedkang Medical also held the material licenses and permits required to engage in the development, manufacturing and sales of minimally invasive intervention products; certain of these licenses and permits would require years of relevant expertise to apply for or obtain. Vedkang Medical's operational capabilities were further complemented by its established production capacity. As of December 31, 2021, Vedkang Medical had well-established production facilities in Changzhou, Jiangsu, China, with an aggregate gross floor area of approximately 32,870 sq.m.

Vedkang Medical's sales network and customer relationships also served as a cornerstone of its commercial success. Prior to the acquisition, downstream customers of Vedkang Medical primarily included distributors and ODM companies in the minimally invasive intervention industry. For the year ended December 31, 2021, Vedkang Medical served 398 medical device distributors and 41 ODM companies, including various China-based distributors with established market positions in the medical device industry, as well as leading players in overseas markets — such as a Europe-based distributor with a leading market share in Spain, and a Europe-based ODM with a leading market share in France. For the same year, Vedkang Medical had customers across multiple geographies, reaching 31 provinces in China and 62 overseas countries and regions overseas. End customers of Vedkang Medical's products were primarily hospitals.

The valuer placed greater emphasis on the future operations and profit-generating capacity of Vedkang Medical, incorporating the value of intangible resources such as management expertise, talent teams, sales networks, brands, and customer relationships, which provided an objective and comprehensive reflection of the Vedkang Medical's market value. The appraised value was determined based on the income approach using after-tax cash flow projections based on financial forecasts covering a five-year period approved by senior management. The after-tax discount rate applied to the cash flow projections was 11.95%. The growth rate used to extrapolate the cash flows beyond the five-year period was 0%. On a consolidated basis, as of December 31, 2021, being the valuation benchmark date, Vedkang Medical had total assets of RMB348.1 million, total liabilities of RMB116.3 million and net assets of RMB231.8 million. For the year ended December 31, 2021, its consolidated revenue and net profit were RMB462.3 million and RMB31.2 million, respectively. In addition, as of December 31, 2021, the principal

assets of Vedkang Medical on a consolidated basis comprised, among others, inventories, property, plant and equipment, and trade receivables, over 140 patents and patent applications, as well as other intangible assets such as application software. Upon completion of the acquisition on April 12, 2022, Vedkang Medical became a wholly owned subsidiary of our Company.

Our Directors are of the view that the acquisition of Vedkang Medical has enabled us to achieve synergies by diversifying our product offerings and expanding our portfolio and pipeline in the field of minimally invasive intervention. Following the acquisition, we have leveraged our R&D capabilities to drive the development of minimally invasive devices, such as endoscopic systems, while also capitalizing on the combined sales and service networks of both parties. This integration has strengthened our commercial execution capabilities and further solidified our customer base across relevant clinical departments.

Post-Acquisition Brand Management and Business Integration

Following the acquisitions of Penlon and Vedkang Medical, we have adopted a focused integration strategy that preserves their core strengths while promoting synergies across our Group:

- ***Multi-brand positioning.*** We retain the original brands of Penlon and Vedkang Medical to preserve their established market recognition and differentiated positioning. According to CIC, this approach is in line with industry practice among multinational medical device companies, and is intended to preserve the differentiated brand positioning and competitive advantages each brand has developed over time. For example, Penlon has a longstanding reputation and brand equity in anesthesia products, particularly in the U.K. and other European markets, while Vedkang Medical is recognized in the minimally invasive intervention market in China. Operating these entities under their original brand identities allows us to better target distinct customer groups, retain brand loyalty, and maximize synergies across complementary market segments.
- ***R&D integration.*** We have retained the core R&D teams of Penlon and Vedkang Medical to ensure continuity in their respective areas of expertise. At the same time, we have integrated these teams into our Group-level R&D platform, enabling cross-business unit collaboration and facilitating product development through shared technologies, accumulated know-how, and centralized resources. Such integration allows us to simultaneously preserve the acquired entities' innovation strengths while enhancing them with our Group-wide capabilities. For further details, see “— Research and Development.”
- ***Sales coordination.*** Our post-acquisition strategy emphasizes preserving the core commercial and operational advantages of Penlon and Vedkang Medical, while enabling them to contribute to the broader Group. Penlon's sales team continues to focus on its anesthesia product line and maintain its established customer relationships in Europe, which strengthens our Group's position in overseas markets. The integration has also created opportunities for cross-selling and market expansion. Penlon's established presence in Europe has facilitated the introduction of our other product lines into these markets, while our domestic sales network can support the rollout of Penlon's products in China.

Following our acquisition of Vedkang Medical in April 2022, the downstream customer portfolio of Vedkang Medical did not experience any material change, evidencing our preservation of the core commercial and operational advantages of Vedkang Medical. Following the acquisition, we secured a high key customer retention rates, expressed as the percentage of key customers (i.e., customers that in aggregate generated more than

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90.0% of Vedkang Medical's total revenue in the immediately preceding year) that remained as our customers for a given year. In 2023, 2024 and 2025, the key customer retention rates of Vedkang Medical amounted to approximately 91.1%, 89.5% and 91.4%, respectively.

Post-Acquisition Business Performance

Following the acquisitions of Penlon and Vedkang Medical, we have leveraged our engineering capabilities to support the enhancement of their respective product portfolios and the development businesses. With respect to Penlon, we are developing digital anesthesia machines and electronic vaporizers, and supporting the expansion of Penlon's existing product offerings in the PRC market. For instance, we have obtained the NMPA registration certificates for certain anesthesia machines. In particular, we have recently obtained the NMPA registration certificate for Prima 451, an MRI-compatible anesthesia machine, in September 2025, enabling its entry into the Chinese market. After our acquisition of Penlon and up to the Latest Practicable Date, we had also filed over 40 patent applications relating to anesthesia machines. With respect to Vedkang Medical, we have facilitated the development of a range of minimally invasive endoscopic systems, including the cholangioscope direct visualization system, bronchoscope system, ureterscope system and reusable GI endoscope system, for all of which NMPA registration certificates had been obtained as of the Latest Practicable Date. After our acquisition of Vedkang Medical and up to March 31, 2026, Vedkang Medical had obtained 55 NMPA registration certificates, reflecting our continued product development efforts and regulatory progress.

The following table sets forth a breakdown of our revenue, gross profit and gross profit margin for Penlon and Vedkang Medical, respectively, for the periods indicated:

	For the Year Ended December 31,									For the Three Months Ended March 31,					
	2023			2024			2025			2025			2026		
	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin
	Amount	Amount	%	Amount	Amount	%	Amount	Amount	%	Amount	Amount	%	Amount	Amount	%
(RMB in thousands, except percentages)															
(Unaudited)															
Penlon . . .	187,437	50,263	26.8	208,286	50,382	24.2	174,109	50,666	29.1	39,958	10,845	27.1	33,133	6,094	18.4
Vedkang Medical . .	586,545	324,125	55.3	721,327	416,078	57.7	809,480	499,866	61.8	187,570	110,173	58.7	197,377	123,380	62.5

Revenue from Penlon increased from RMB187.4 million in 2023 to RMB208.3 million in 2024. The gross profit of Penlon increased from RMB50.3 million in 2023 to RMB50.4 million in 2024. Its gross profit margin, however, experienced a temporary decline, decreasing from 26.8% in 2023 to 24.2% in 2024, primarily attributable to transitional costs in the post-acquisition integration process, such as the ramp-up of internal quality control, operational and reporting mechanisms, and realignment of supply chain resources across jurisdictions. Penlon's revenue decreased from RMB208.3 million in 2024 to RMB174.1 million in 2025, primarily due to selective pricing adjustments as a measure to counter fluctuations in market demand. However, its gross profit increased from RMB50.4 million in 2024 to RMB50.7 million in 2025 and its gross profit margin improved from 24.2% in 2024 to 29.1% in 2025, as a result of a combination of product mix optimization and reductions in certain raw material costs. During the Track Record Period, the revenue, gross profit and gross profit margin from Vedkang Medical substantially corresponded to those of our minimally invasive intervention business unit. For details, see "Financial Information — Period-to-Period Comparison of Results of Operations."

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We have achieved continuous business growth and reached profitability during the Track Record Period. Our Directors believe that such performance is underpinned by our commitment to product innovation, operational efficiency, and long-term value creation.

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Our revenue increased from RMB1,313.3 million in 2023 to RMB1,619.2 million in 2025, and increased from RMB354.7 million in the three months ended March 31, 2025 to RMB422.3 million in the three months ended March 31, 2026. Correspondingly, our gross profit margin improved throughout the Track Record Period, from 49.6% in 2023 to 53.7% in 2025 and further to 54.3% in the three months ended March 31, 2026, reflecting a better product mix and improved economies of scale.

In terms of profitability, we recorded a net profit of RMB50.7 million in 2025, as compared with the net losses of RMB64.5 million and RMB96.6 million in 2023 and 2024, respectively. For the three months ended March 31, 2026, we recorded a net loss of RMB2.5 million, primarily because we made share-based payments of RMB25.1 million under the Pre-IPO Share Option Scheme and incurred listing expenses of RMB12.5 million. The turnaround from net losses in 2023 and 2024 to net profit in 2025 reflects our continued revenue growth, improved cost efficiency, manufacturing productivity and strategic resource allocation. The net losses in 2023 and 2024 were primarily due to the broader challenging market environment (including a temporary reduction in procurement demand as hospitals worked through excess inventory accumulated during COVID-19), our continued investments in business expansion (such as cross-selling initiatives, leveraging Penlon's established presence to expand our product lines into European markets, and utilizing our domestic network to roll out Penlon's products in China) and product development (including advancing anesthesia machines in life support, and minimally invasive endoscopic systems in minimally invasive intervention), and the fact that our business had not yet reached sufficient scale to fully realize operating leverage, resulting in relatively lower gross profit margins of 49.6% and 49.7% in 2023 and 2024, respectively, and higher expense ratios with selling and marketing expenses accounting for 25.0% and 23.8% of our total revenue in 2023 and 2024, respectively; administrative expenses accounting for 11.1% and 12.6% of our total revenue in 2023 and 2024, respectively; and research and development expenses accounting for 21.4% and 20.8% of our total revenue in 2023 and 2024, respectively. Transitional costs incurred during the post-acquisition integration of Penlon and Vedkang Medical also contributed to such lower gross profit margins, including costs associated with the ramp-up of internal quality controls, operational mechanisms, and the realignment of cross-jurisdictional supply chain resources. Furthermore, our accumulated losses at the beginning of the Track Record Period were primarily driven by (i) the upfront investments made before we reached economies of scale, such as selling and distribution expenses and research and development expenses, (ii) temporary fluctuations in market demand due to COVID-19; and (iii) non-cash items, such as equity-settled share-based payments and the amortization of intangible assets arising from our past acquisitions. However, our financial performance and core profitability improved substantially in 2025, driven by revenue growth, an improved product mix, greater economies of scale, enhanced sales efficiency and disciplined cost optimization, as our prior investments began to generate returns. In addition, our net losses in 2023 and 2024 were significantly affected by non-cash items, amounting to RMB179.9 million and RMB176.1 million in 2023 and 2024, respectively, primarily including the amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets, and equity-settled share-based payments, which did not involve cash outflows and therefore did not adversely affect our liquidity position. Despite such accounting losses, the sustainability and resilience of our business operations are demonstrated by our strong cash-generating capability and improving working capital position, as reflected in our positive and steadily increasing net cash flows from operating activities from 2023 to 2025, as well as the continued improvement in our net current asset position during the same period. We recorded a net loss of RMB2.5 million in the three months ended March 31, 2026, primarily because we made share-based payments of RMB25.1 million under the Pre-IPO Share Option Scheme and incurred listing expenses of RMB12.5 million.

Our business sustainability is further supported by the following factors:

- **Strong and Diversified Product Portfolio:** We provide integrated solutions covering life support, minimally invasive intervention, and in vitro diagnostics. As of March 31, 2026, our portfolio included over 320 products and over 60 pipeline product candidates.
- **Synergistic R&D Platform:** Our cross-business unit R&D platform enables both self-developed and acquired businesses to leverage shared resources and engineering capabilities, driving efficient product development and commercialization.
- **Global Market Presence and Scalable Operations:** We serve over 6,000 hospitals in China and export to over 140 countries and regions. Our international footprint is supported by local representatives in key markets and a growing overseas distribution network.

- **Operational Efficiency:** Our operating expenses, which include research and development expenses, selling and marketing expenses and general and administrative expenses, as a percentage of revenue declined from 57.5% in 2023 to 57.2% in 2024, to 50.3% in 2025 and then increased to 52.8% in the three months ended March 31, 2026. We continue to optimize spending across R&D, sales, and administrative functions, while investing in automation, digitalization and centralized procurement to reduce per-unit costs. Specifically, to control our selling and marketing expenses, we will continue to improve the productivity and operational efficiency of our sales team through continuous training, refined performance evaluation mechanisms, and more targeted sales strategies. To control our research and development expenses, we will focus our R&D resources and capital investments on high-priority and core initiatives that align with our commercialization strategy, dynamically reallocate our R&D personnel to our most critical projects, and strategically reduce the workload, material consumption and capital expenditures associated with non-core R&D initiatives.
- **Human Capital Development:** Our investment in talent has strengthened our core capabilities. While employee benefit expenses historically accounted for a sizable portion of operating expenses, we expect such expenses to grow at a slower pace as we scale.

We believe our strategic initiatives and solid fundamentals have positioned us for long-term profitability and sustainable development.

RESEARCH AND DEVELOPMENT

Our R&D Team

As of March 31, 2026, our in-house R&D teams consisted of 502 members, accounting for 22.7% of our total workforce. Our R&D strength is further enhanced by the leadership of Mr. Liu and Mr. Zhong, who contribute their extensive engineering expertise and substantial industry experience to drive our innovation and development. Mr. Liu obtained his Bachelor of Engineering in Optical Instruments from Zhejiang University, a master of science in optics from the Anhui Institute of Optics and Fine Mechanics, Chinese Academy of Sciences, and an MBA degree from the University of Michigan, and has accumulated around 30 years of experience in the medical device industry. Mr. Zhong obtained a Bachelor of Biomedical Engineering from Southeast University and an EMBA degree from the China Europe International Business School and has accumulated over 20 years of experience in the medical device industry. For details of their background, see “Directors and Senior Management” in this prospectus. The heads of our R&D teams for the three business units, Mr. Yazhou TANG, Mr. Qisong LIU, and Mr. Hai WANG, possess an average of 15 years of industry experience. This extensive expertise significantly contributes to our innovative capabilities and product development. Members of our R&D teams are devoted to in-house development and innovation, while maintaining close communication with KOLs in academia and industry, who provide valuable guidance and insights in the research, development, application and performance of our technologies and products. Our R&D staff were recognized by governmental authorities, with six of our R&D experts awarded Certificates of High-level Professionals in Shenzhen (深圳市高層次專業人才證書) and two awarded Certificates of Overseas High-caliber Personnel (深圳市海外高層次人才證書) issued by the Human Resources and Social Security Administration of Shenzhen Municipality (深圳市人力資源和社會保障局).

Our R&D Centers

As of the Latest Practicable Date, we had established five R&D centers in Shenzhen, Changzhou, Nanjing, Shanghai, and the UK to support our product R&D activities. The Shenzhen R&D center primarily focuses on the development of life support and in vitro diagnostics products. The Changzhou R&D center is dedicated to the development of minimally invasive intervention products. The Nanjing R&D center specializes in the development of medical device systems. The Shanghai R&D center concentrates on the development of blood grouping cards, and the UK R&D center is primarily responsible for the development of anesthesia machines and vaporizers.

Our Innovative R&D Platform

Our R&D platform is distinguished by its integrated structure, under which the Innovation Center provides critical shared support to each of our business units, complemented by extensive cross-business unit collaborations. Besides, we integrate external parties' feedback with our R&D platform, creating an ecosystem that ensures our ability to continuously translate innovations into commercialized products and product candidates.

The structure of our R&D platform comprises several distinctive features, as further elaborated above:

- ***Innovation Center Providing Shared Support.*** The Innovation Center extracts common elements from the R&D processes across various business units and manages them through specialized departments within the division. This arrangement allows existing and, as we expand into other types of medical devices, future business units to more efficiently obtain shared R&D support from a team of personnel who have accumulated experience in managing specific aspects of the entire R&D process. As of March 31, 2026, our Innovation Center comprised 11 specialized sub-departments covering different parts of the R&D process. Our sub-departments encompass a wide range of specialized areas, including PCB design, industrial design, technology reliability testing, algorithm research, whole-machine testing, intellectual property management, product safety testing, clinical trial management, quality control, regulatory compliance, and product informatization.
- ***Cross-business Unit Collaboration.*** Our R&D platform has established mechanisms to foster cross-business unit collaborations, by facilitating the exchange of information, technology, and resources among business units, thereby enhancing R&D outcomes and efficiency. The specific design of such mechanism comprises three major technical committees, the Hardware Technical Committee, the Mechanical Technical Committee, and the Software Technical Committee, which were set up as an overarching structure over the “Innovation Center-plus-separate business units” platform infrastructure. Each of the aforementioned committees comprises management level R&D members from each business unit and from the Innovation Center. Through inter-business unit communication and management by these committees, resources can be efficiently allocated across business units, difficulties in R&D challenges and troubleshooting experience encountered by one business unit can be shared with another business unit, which reduces resource waste and improves product development efficiency across all business units, including both our original and acquired business units.
- ***MCI System as a Resource Hub Supporting the Operation of Our R&D Platform.*** Underlying the structure of our R&D platform, our R&D process is also supported by our software infrastructure. Specifically, the Medcaptain Continued Innovation System (“**MCI System**”) acts as a central hub for management and operation, and is used by our R&D personnel throughout the entire product development lifecycle. This system supports all stages of product development, from concept design, development planning and reviews, through to design development, design output, prototype production and validation, design verification, design transfer reviews, pilot production, commercial production, post-market maintenance, and product iteration. Additionally, the MCI System enables the storage and management of relevant hardware, software, and mechanical data generated by our R&D division. Data storage is linked to the corresponding development stage or component, ensuring that the software, hardware, and mechanical modules produced by our business units during their respective product development processes are organized into dedicated folders within the appropriate categories. As a result, our R&D personnel can easily access the specific resources they need for new product development on this centralized management platform, significantly enhancing the efficiency of our R&D process.

- ***Clinical Need-Driven R&D Path.*** In addition to the development capabilities fostered by internal interactions within our R&D platform, we also integrate external feedback into our R&D process to transform intellectual property and technologies into innovative products that can be commercialized to address unmet clinical needs. This integration supports an R&D ecosystem that enables us to generate a continuous stream of innovation, which can be converted into commercialized products and product candidates. Once user needs have been identified and analyzed, we further leverage our network spanning the “Industry-Academia-Research-Application (產學研醫)” process to transform frontline insights into tangible innovations. This model integrates industrial production, academic research, practical application, and direct clinical feedback, ensuring that our innovations are both technically sound and clinically relevant. Our strategic partnerships with national clinical research centers support clinical research and technological development across various medical fields. Additionally, we have established the Perioperative Innovative Technology Committee with national experts to enhance industry communication and we actively participate in medical device exhibitions and seminars to deepen market understanding and enhance product recognition. To remain at the forefront of the medical industry, we actively participate in domestic and global industry conferences, summits, and exhibitions. These opportunities not only allow us to showcase our innovative achievements but also to gather insights and suggestions to support further innovation.

Our Proprietary Intelligent Information Systems

We place significant emphasis on the development and application of digital product capabilities. Our key information management systems primarily include: (i) iCMS, an intelligent management system for hospital information management, (ii) iHLive, an in vitro diagnostics information management system that focuses on the integration and management of in vitro diagnostics data, facilitating accurate and timely diagnostic results; (iii) iSpiro, a respiratory chronic disease management system that focuses on the continuous monitoring and management of chronic respiratory conditions, and (iv) ELFSensor, a pain management system that monitors pain management infusion status and medication efficacy. For details of these systems, see “— Our Business Units” in this section. As we continue to expand into new medical domains, we expect to develop more information management systems that cater to a broader range of application scenarios and medical needs.

SALES, DISTRIBUTION AND MARKETING

Our Sales and Marketing Platform

We have developed a global sales and marketing platform that closely aligns with academia, industry, and market dynamics. Leveraging our high-quality, innovative medical products that address the unmet clinical needs, we have made significant inroads into Grade 3A hospitals. As of March 31, 2026, through our sales network, our products reached over 6,000 hospitals in China, including approximately 90% of Grade 3A hospitals, covering 31 provinces, municipalities, and autonomous regions. Additionally, we have established a global footprint, offering products and services in over 140 countries and regions, with significant penetration in top international medical institutions.

We place a strong emphasis on academic promotion and actively engage in industry conferences, summits and fairs. These initiatives not only allow us to showcase our products and maintain close communication with regional markets, but also help us to capture new market opportunities. On the distribution front, by establishing a vast network of domestic and overseas distributors, we are dedicated to fostering trust and customer loyalty among our distributor customers, enabling faster delivery of our products to end users through our sales network.

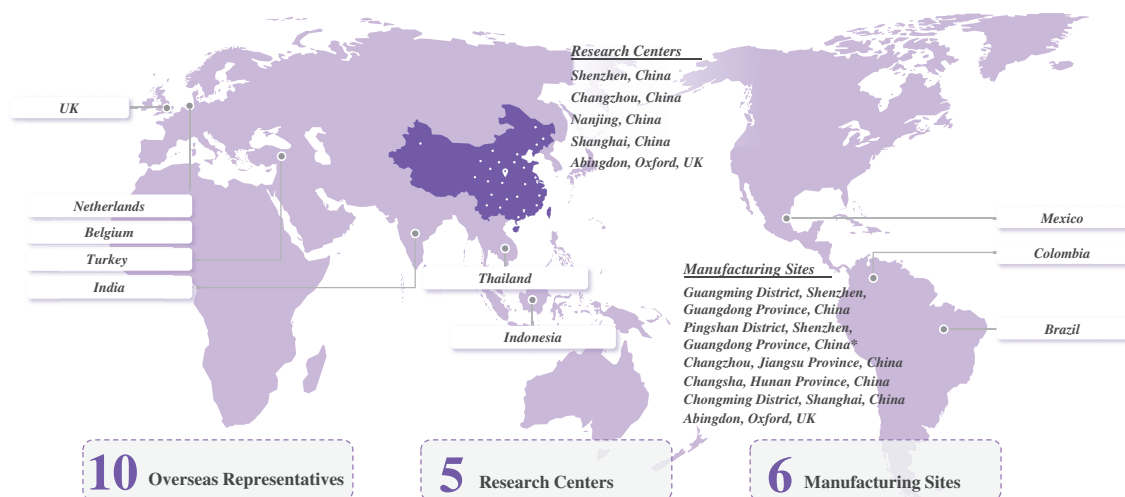
Additionally, we utilize the sales channels of our subsidiaries located in various regions and countries to create synergies. Through team integration, resource sharing, and joint participation in exhibitions, we not only capitalize on regional advantages but also maximize collaborative benefits. This integrated approach underpins our sales and marketing platform, helping us maintain a strong presence in the competitive medical device market.

Our Sales and Marketing Force

Our marketing strategies are implemented by our in-house sales and marketing team, which is organized across various geographic regions. As of March 31, 2026, our sales and marketing team consisted of over 500 employees. Our sales and marketing team members possess in-depth knowledge and understanding of the industry and our product offerings, and our key sales members have over eight years of sales experience on average. We implement an evaluation system to comprehensively assess the performance of our sales personnel and reward outstanding performers. To retain high-quality and experienced sales personnel, we provide comprehensive training, career development guidance and ample opportunities for internal promotion. Key performance indicators, particularly those related to sales performance, are also used to determine internal promotions. We also from time to time provide training sessions for our employees to enhance their awareness of, and compliance with, applicable laws and regulations and our internal policies, and to reinforce standards of conduct. We categorize our sales and marketing personnel into different levels based on their experience and capabilities and design mandatory and elective trainings tailored to their respective levels.

Sales and Distribution Network

We have established an extensive sales network and distributed our products in over 140 countries and regions. The diagram below sets forth our global footprint:



* We have closed our Pingshan manufacturing center following the expiry of its lease at the end of June 2026.

In line with the medical device industry norm, we sell our products through either direct sales or a distributorship model. We believe the combination of distributors and direct sales provides us with a more flexible and effective sales strategy in our existing and new target markets. During the Track Record Period, a substantial majority of our products were sold through distributors. To fully leverage the strengths of our sales channels, we not only sell our proprietary branded products but also a limited portion of third-party branded products. The third-party branded products we sell are primarily complementary to our proprietary product lines, enhancing the overall breadth of our

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product portfolio. According to CIC, such sales arrangements are consistent with the industry norm. Revenue from sales of third-party branded products accounted for less than 5% of our total revenue for each period during the Track Record Period. To a lesser extent, we sold products directly to hospitals and other end customers, and also sold products to ODM customers outside China. For details of our revenue breakdown by sales channels, see “Financial Information — Description of Selected Components of Consolidated Statements of Profit or Loss — Revenue — Revenue by Sales Channel.”

Sales to Distributors

During the Track Record Period, we maintained an extensive sales network. We had 2,538, 2,791, 2,773, 1,430 and 1,532 active domestic distributors, and 907, 903, 934, 469 and 497 active overseas distributors in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively. Our distribution network covered 31 provinces, municipalities and autonomous regions in China, as well as over 140 countries and regions globally.

In line with the medical device industry norm in China and overseas, we adopt a distributorship model, which we believe allows us to leverage the distributors’ customer bases and expertise in local markets. The following table sets forth the changes in the number of our distributors that purchased our products in the period indicated:

	As of/For the Year Ended December 31,			As of/For the Three Months Ended March 31,	
	2023	2024	2025	2025	2026
Domestic:					
Number of distributors that contributed revenue in the preceding year	1,972	2,538	2,791	2,791	2,773
Add: active distributors ⁽¹⁾	1,358	1,527	1,496	466	386
Less: inactive distributors ⁽²⁾	(792)	(1,274)	(1,514)	(1,827)	(1,627)
Number of distributors that contributed revenue in the current period	2,538	2,791	2,773	1,430	1,532
Overseas:					
Number of distributors that contributed revenue in the preceding year	923	907	903	903	934
Add: active distributors ⁽¹⁾	423	536	465	137	95
Less: inactive distributors ⁽²⁾	(439)	(540)	(434)	(571)	(532)
Number of distributors that contributed revenue in the current period	907	903	934	469	497
Total	3,445	3,694	3,707	1,899	2,029

Notes:

- (1) Added active distributors are distributors with whom we had sales in the year indicated but not in the preceding year.
- (2) Inactive distributors are distributors with whom we did not have sales in the year indicated but had sales in the preceding year.

Given the nature of our products and the diverse market dynamics across regions, we typically engage with small- to medium-sized local distributors. During the Track Record Period, the number of distributors in our sales network generally aligned with our sales planning and reflected regional market demand.

Overall, our distributor base expanded from 2023 to 2025 to support our broader product portfolio and geographic reach. Historically, we experienced moderate fluctuations in the number of newly added active distributors, as our distribution agreements typically have a term of up to one year, allowing us to adjust our arrangements with distributors in line with our overall sales and marketing strategies.

The number of inactive distributors during the Track Record Period was relatively high primarily because, under our definition, distributors that made purchases in the preceding period but not in the current period are classified as inactive distributors for the current period. Given the differences in product useful life, regional market conditions and hospital procurement schedules, certain distributors may not make purchases in a particular period due to demand cycles and may resume purchases in subsequent periods. For our overseas distributors, their procurement activities tend to follow a more measured pace, subject to a series of structural factors associated with cross-border transactions, such as limited warehousing flexibility, more complex logistics arrangements, and longer turnaround times for returns and exchanges. These distributors typically place orders only upon receiving confirmed purchase requests from their end customers, which results in longer procurement cycles. In addition, we review distributor performance on an ongoing basis and may elect not to renew agreements with distributors that underperform or are no longer strategically aligned, which also contributed to the number of inactive distributors during the Track Record Period. For the same reasons as stated above, the number of our inactive distributors fluctuated during the Track Record Period.

Based on our industry experience and confirmed by CIC, our distributorship model is consistent with industry practice and well aligned with our sales strategy. We believe that our order volumes during the Track Record Period reasonably reflect market demand, considering our strict return and exchange policies, relatively tight payment terms, and the shelf life of our products. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material disputes with distributors relating to the termination of distributor relationships. For risks relating to the maintenance of relationships with distributors, see “Risk Factors — Risks Relating to Our Business and Industry — If we lose our existing distributors and fail to secure new distributors, our business and sales of the relevant products could be adversely affected.”

Selection of Distributors

We primarily sell our products through a broad network of small- to medium-sized local distributors with valid distribution qualifications. These distributors are typically identified through various commercial channels, such as referrals from existing partners, industry exhibitions and conferences, and inquiries from local distributors in target markets. Our relationship with distributors is that of a supplier and a customer, and not a principal-agent relationship. As our products span a wide range of categories and are sold across over 140 countries and regions, our distributor base is highly diversified. As a result, we have a low level of distributor concentration risk. Revenue generated from our largest distributor in each period accounted for 2.5%, 2.8%, 2.7% and 7.2%, respectively, of our total revenue in 2023, 2024 and 2025 and the three months ended March 31, 2026. Revenue generated from our ten largest distributors in each period accounted for 12.3%, 15.5%, 12.2% and 20.3%, respectively, of our total revenue during the same periods. We select our distributors based primarily on their business credentials, market presence, distribution capabilities, and compliance record. Before we engage new distributors, we review their qualifications to ensure that they have the appropriate licenses and background. In addition, we conduct a thorough assessment, including the distributor candidate’s financial capability, creditworthiness, sales channels and capabilities. We also assess relevant candidates’ ability to achieve our targeted sales volume and to implement our pricing strategies in relevant territories, their number and qualifications of their sales personnel, the credibility of their founders and senior management. These criteria are discussed at an early stage before onboarding and apply to all of our distributors. During the Track Record Period, to the best of our Directors’ knowledge, save for Vedefar which became our subsidiary following our acquisition in the first half of 2025, all of our distributors were Independent Third Parties who were not controlled by our former or current

employees, did not use our brand or name or receive any material advances or financial assistance from us. Our Directors confirm that, to the best of their knowledge having made reasonable inquiries, they are not aware of any other past or present relationships (including business, employment, family, trust and financing) between our Group and our distributors, their respective substantial shareholders, directors, supervisors or senior management, or any of their respective close associates during the Track Record Period, save that BPL Medical Technologies Private Limited, from which we acquired Intermed and its subsidiaries (including Penlon), later became one of our distributors following the completion of the acquisition. For details, see “Business — Material Acquisitions.”

Principal Terms of Distribution Arrangements

We typically enter into written purchase orders or similar purchase agreements with our distributors when fulfilling product sales. Based on our assessment of the sales performance of our distributors, and taking into account their preferences and customary business practices, we may also selectively enter into written framework distribution agreements. These agreements further specify the terms of our cooperation and tailored arrangements, such as minimum purchase commitments and preferential commercial terms, which promote our long-term and stable relationships with such distributors. In line with the industry practice, we generally do not prohibit our distributors from engaging sub-distributors in their respective authorized distribution territories.

The following sets forth our key contractual arrangements with domestic distributors:

- *Authorized Products.* The types of products that the distributors are entitled to sell are specified in the distribution agreements.
- *Term.* The duration of the distribution agreements is typically up to one year subject to renewal.
- *Designated Region.* Distributors are permitted to sell our products only within the designated region and to the designated hospitals as stipulated in the distribution agreements.
- *Payment and Credit Terms.* We typically require advance payments prior to delivery. Payments shall be settled via wire transfer.
- *Shipment and Risk Transfer.* We are responsible for delivering the products to the locations as designated by the distributors. The associated transportation costs are borne by us and/or the distributors as agreed in the distribution agreements.
- *Warranty Period.* Depending on the product type, we typically provide a warranty period ranging from 12 to 60 months, subject to product type.
- *Product Returns.* We ensure the quality of our products and generally do not accept product returns except for defective products within the warranty period.
- *Regulatory Compliance.* Both parties shall comply with all applicable laws and regulations, including but not limited to those relating to anti-bribery and anti-kickback matters.
- *Breach and Termination.* The breaching party shall be liable for losses and penalties as stipulated in the distribution agreement. In the event of a material breach, the non-breaching party may terminate the agreement.

The following sets forth our key contractual arrangements with overseas distributors.

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- *Authorized Products.* The types of products that the distributors are entitled to sell are specified in the distribution agreements.
- *Term.* The duration of the distribution agreements is typically one year subject to renewal.
- *Designated Territory.* Overseas distributors are only authorized to sell our products within the designated territory as defined in the distribution agreements.
- *Payment and Credit Terms.* We usually grant a credit term of 30 to 90 days, depending on the credit history and payment capacity of the overseas distributors. Payments shall be settled via wire transfer.
- *Shipment and Risk Transfer.* We are responsible for shipping and delivering the products to the designated locations. Freight, insurance, and other applicable charges are stated separately on the invoices. Title and risk of loss or damage pass to the distributor upon delivery in accordance with the trade terms specified in the corresponding purchase order.
- *Warranty Period.* Depending on the product type, we generally offer a warranty period ranging from 12 to 24 months, subject to product type.
- *Product Returns.* We ensure the quality of our products and generally do not accept product returns except for defective products within the warranty period.
- *Regulatory Compliance.* Both parties shall comply with all applicable laws and regulations, including but not limited to those relating to anti-bribery and anti-kickbacks.
- *Breach and Termination.* The breaching party shall be liable for losses and penalties as stipulated in the distribution agreement. In the event of a material breach, the non-breaching party may terminate the agreement.

Target Sales and Rebate Arrangement

We usually set an annual sales target for our distributors under our framework distribution agreements. The amounts of such annual targets are determined on a case-by-case basis, with reference to factors such as the scope of the authorized sales territory, the product types involved and the applicable product pricing. During the Track Record Period, the annual target sales amounts set out in our distribution agreements varied significantly, ranging from approximately RMB0.3 million to RMB48.0 million, depending on factors such as the size of the distributor, the scope of the authorized territory, and the types and range of authorized products. The primary purpose of such targets is to assist us in evaluating the sales performance of our distributors and planning our production and distribution resources accordingly. We do not typically impose penalties on distributors solely for failing to meet their sales targets.

In addition, we entered into volume-based rebate arrangements with certain distributors, under which rebates were granted on a quarterly or annual basis, depending on the achievement of their respective sales targets and the terms of the relevant agreements. During the Track Record Period, we generally offered tiered volume rebates ranging from 3% to 8% of the eligible sales amount as defined in the relevant agreement. In 2023, 2024 and 2025 and the three months ended March 31, 2026, we granted rebates to 43, 46, 43 and 48 distributors, respectively, and the total amount of rebates granted and offset against revenue was RMB3.7 million, RMB6.9 million, RMB3.0 million and RMB1.4 million, respectively. The higher rebate amount in 2024 was primarily attributable to the timing of settlement. A larger portion of rebates for 2023 was settled in 2024 due to a higher proportion of annual settlement arrangements for 2023, whereas a greater share of 2024 rebates were settled within the same year under quarterly arrangements.

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We have established a series of effective control measures to address and mitigate potential channel stuffing risks that may result from the implementation of sales target and rebate mechanisms, including the following:

- *Rebate eligibility tied to product activation.* For our equipment products, rebate eligibility is assessed based not only on sales volumes but also on the insurance card activation rate for the relevant products. These cards are typically activated by end customers upon installation and use, serving as a reliable proxy for actual delivery and use at the hospital level. This mechanism discourages distributors from overstocking solely to qualify for volume-based rebates and ensures that rebates are more closely linked to actual market demand and clinical usage.
- *Inspection measures.* We have adopted multiple measures to identify and mitigate the risk of channel stuffing. We may from time to time request our distributors to provide sales invoices issued to their downstream customers to assess their actual sales performance. We may also carry out warehouse inspections and on-site visits by our sales staff, and maintain regular communication with distributors to monitor inventory levels.
- *Payment requirement.* For domestic distributors, we generally require advance payment before shipment, which reduces their incentive and ability to stockpile excess inventory. For overseas distributors, although we may grant limited credit terms based on their historical transaction performance and creditworthiness, cross-border transaction complexities and associated risks may naturally limit their willingness to overstock.
- *Diversified distributor base.* As of March 31, 2026, we had 2,029 active distributors across over 140 countries and regions. Our distributor base is geographically diverse and decentralized. Our low level of distributor concentration effectively mitigates the risk of excessive inventory accumulation at the channel level.
- *Strict return policy.* We typically do not allow product returns except for defective products within the warranty period. This further reduces the likelihood of inventory buildup. In 2023, 2024 and 2025 and the three months ended March 31, 2026, the amount of our products returned was RMB1.8 million, RMB0.2 million, RMB1.2 million and RMB0.1 million, respectively, accounting for 0.14%, 0.01%, 0.07% and 0.02%, respectively, of our total revenue for the respective periods.

Management of Distributors

The goals of our management of distributors are to ensure a healthy and orderly market for our products, to maintain clear visibility into and an accurate understanding of, the sales performance of our distributors and demand for our products, and to build and protect our product and brand reputation. Through the comprehensive measures that we adopt to manage distributors, as well as strict penalties we impose on non-compliant distributors, such as monetary penalties or termination of relevant distribution agreements, we are able to monitor the compliance with terms of distribution agreements. During the Track Record Period and up to the Latest Practicable Date, we had not terminated any distributors due to material breaches of their distributorship agreements.

Prevention of Cannibalization

We generally grant exclusivity for a specified country/region/hospital(s) to each distributor in the distribution agreement. The duration of such exclusivity arrangements is generally one year, depending on the relevant market, and may be renewed upon mutual agreement. Therefore, we do not expect cannibalization issues to arise between different distributors in their authorized territories. Once we identify any unauthorized cannibalization activities by our distributors, we reserve the right to penalize them for breach of contract or even terminate the distribution agreement.

We have implemented measures to manage potential channel cannibalization between our direct sales and distributor networks. In particular, when authorizing distributors, we clearly define their designated territories and customer scope, and exclude hospitals or regions covered by our direct sales team to avoid overlap. Internally, we coordinate sales efforts and regularly review customer allocations to ensure delineation between channels. We also monitor sales activities and feedback to make adjustments where necessary, helping to maintain an orderly and complementary relationship between our direct and distributor sales channels.

Inventory Management and Control

Our distributors generally place orders based on actual demand from end customers and historical order volume. As our distributors are largely small- to medium-sized distributors, they do not have sizeable warehouses and storage capacity to accommodate large inventories and generally place orders based on the demand of their end customers. In addition, by implementing the following policies and measures, we believe we are able to ensure that our sales to distributors reflect genuine market demand and prevent channel-stuffing of our products:

- *Close monitoring.* We collect information about our distributors' sales performance from time to time as well as information about the demand of hospitals they cover and their procurement practices. If a distributor places noticeably large orders or orders that are inconsistent with its normal practice, we check with this distributor and review its downstream sales to ensure its order volume is in line with the actual demand of hospitals within the distributor's authorized region. During the Track Record Period and up to the Latest Practicable Date, we did not notice any unusually large orders.
- *Frequent communications.* We communicate frequently with our distributors to understand the feedback from end customers and anticipate their needs. In our day-to-day management, we communicate directly with the distributors' sales personnel and with different sales and marketing teams of larger distributors, in order to closely monitor their sales. We require distributors to provide us with details of their sales volume to hospitals and periodically assess the data collected to review actual market demand for our products and distributors' performance.
- *Strict product return policy.* We maintain a supplier-customer relationship with our distributors and recognize revenue from sales to our distributors when control of goods is transferred to them. We generally do not allow distributors to return unsold goods unless there are quality defects within the warranty period.

Anti-corruption, Anti-bribery and Sanction Risk Control Measures

Distributors are subject to anti-bribery obligations pursuant to the Partner Code of Conduct (《合作夥伴行為準則》) signed by our distributors, under which they are (i) prohibited from providing or promising any form of improper benefits, directly or indirectly, to persons who may influence or make decisions regarding cooperation with us; (ii) required to comply with the applicable anti-bribery laws and regulations and ensure their employees comply with such laws and regulations; and (iii) required to inform us of any non-compliance by them or their related personnel. Additionally, the National Health and Family Planning Commission of China published Provisions on the Establishment of Commercial Bribery Blacklist in the Pharmaceutical Purchase and Sales Industries (《關於建立醫藥購銷領域商業賄賂不良記錄的規定》) in 2013 with respect to anti-corruption and anti-bribery compliance by distributors, which came into effect in March 2014 and stipulates that public medical and health institutions, in their medical procurement processes, will not purchase from or will give lower bid ranking to parties who are included in a blacklist depending on the occurrences of commercial bribery. To the best of our knowledge, none of our employees or distributors was or has been the subject of, or otherwise involved in, complaints, investigations, or regulatory enquiries in relation to, any bribery or kickback arrangements during the Track Record Period and up to the Latest Practicable Date.

In addition, we have established guidelines for controlling economic sanctions risks. Pursuant to these guidelines, we take prudent measures to screen our counterparties, including conducting screenings against sanctions lists, staying updated on the latest sanctions policies, providing regular internal training, maintaining relevant records, and conducting periodic reviews and risk assessments. For details, see “— Risk Management and Internal Control” in this section.

Management of Sub-distributors

During the Track Record Period, certain of our distributors engaged sub-distributors from time to time, which then on-sold our products to hospitals. We only enter into bipartite distribution agreements with distributors, and do not enter into tripartite distribution agreements with distributors and their sub-distributors. Our distributors are responsible for verifying the sub-distributors’ qualifications, financial condition and compliance history. After the engagement of a sub-distributor, we require our distributors to regularly monitor the sub-distributor’s compliance status, sales performance, inventory levels and any breaches of the sub-distributorship agreement.

Compliance With Two-Invoice System Under Sub-distribution Model

While we do not prohibit our distributors from further engaging sub-distributors, we believe that such arrangements do not compromise our compliance with the Two-Invoice System requirements applicable in certain regions of the PRC, based on the following:

- *Limited scope of application.* As of the Latest Practicable Date, the Two-Invoice System applies only to public hospitals in selected provinces in the PRC and covers only specified categories of medical devices and/or high-value consumables. During the Track Record Period and up to the Latest Practicable Date, only certain consumable products sold by us were subject to the Two-Invoice System in the provinces of Anhui, Fujian and Shaanxi (collectively, the “**Relevant Regions**”). Our sales to sub-distributors outside the Relevant Regions or involving products not subject to the Two-Invoice System therefore do not trigger compliance concerns under such regime.
- *Institutional controls and regulatory safeguards.* For products subject to the Two-Invoice System, the regulatory framework in the Relevant Regions has established stringent enforcement and verification mechanisms. Public hospitals are typically required to conduct thorough checks during product acceptance, including verifying that the invoices presented match the purchase orders and products delivered. Specifically, public hospitals are required to obtain from the distributor a copy of the manufacturer-issued invoice and supporting documentation, and ensure consistency among product name, specifications, batch number and pricing across all documents. These hospitals are also subject to oversight by the relevant local authorities, and any non-compliant procurement practices may result in administrative penalties or negatively impact their performance assessments.
- *Ongoing compliance monitoring.* We closely monitor updates to the Two-Invoice System, including any changes to the list of applicable regions and the scope of covered product types, by reviewing announcements and policy updates from the National Medical Products Administration and local regulatory authorities to ensure timely compliance with any new developments.

During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any administrative penalties for non-compliance with the Two-Invoice System. To the best of our knowledge, none of our distributors had been found in violation of relevant policies in connection with their engagement of sub-distributors. For other details of our compliance with the Two-Invoice System, see “— Pricing — Compliance with Two-Invoice System” in this section.

Enhanced Monitoring Measures

To strengthen the oversight of our distribution network and monitor the number of new sub-distributors, we formulated the Guide for Domestic Distributor Management and the Guide for Overseas Distributor Management, which set out comprehensive internal control measures, including but not limited to: (i) conducting background checks and qualification reviews to ensure that our distributors hold valid licenses and certifications, (ii) specifying the designated geographic areas for distribution in agreements with distributors, with provisions to terminate the relevant distribution agreement in the event of violations, (iii) reviewing records of sales destinations, where available, to detect irregularities in the distribution chain, (iv) conducting regular audits and spot checks of sales channels, so as to ensure that distribution activities are carried out in accordance with the agreements, and (v) stipulating in the distribution agreements that we reserve the right to require distributors to provide sales reports setting forth sales channels (i.e., direct sales to end customers or sub-distribution), sales volumes and transaction prices by product category, inventory levels, customer feedback and market dynamics.

Direct Sales

In addition to our distributor network, we also maintain an experienced dedicated sales team and conduct direct sales to hospitals and other end customers primarily in China and the U.K. Our highly trained sales team collaborates with our global marketing team to proactively identify market opportunities, design sales strategies, and provide product trainings to physicians. By working closely with the physicians, we in turn gain valuable insights into the operations of each local market and the physicians' needs. In 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, our direct sales amounted to RMB20.3 million, RMB47.0 million, RMB45.4 million, RMB6.9 million and RMB9.2 million, respectively, accounting for 1.5%, 3.4%, 2.8%, 2.0% and 2.2% of our total revenue for the respective periods.

We determine the appropriate sales model, whether through direct sales or via distributors, based on a range of factors, including product characteristics, the procurement preferences and practices of end customers (such as whether centralized tendering is required), the expected sales volume, and the level of technical support or after-sales service required in a particular market. Our key contractual arrangements for direct sales are as follows:

- *Products:* The agreements specify the types, models, prices and quantities of products to be procured by the customer.
- *Quality Standards.* Products are manufactured and delivered in accordance with applicable international and national standards. Where the customer has specific requirements, the products will conform to the technical specifications, conditions, samples or supplemental requirements as agreed in the agreement.
- *Packaging and Delivery.* We are responsible for packaging the products as agreed and delivering them to the designated location of the customer. We typically bear the transportation costs.
- *Title and Risk Transfer.* Title and risk of loss or damage pass to the customer upon delivery and acceptance.
- *Warranty Period:* Depending on the product type, we typically provide a warranty period ranging from 12 to 60 months, subject to product type.
- *Payment.* Customers are required to pay instalments and we usually grant a credit term of 30 days.
- *Product Returns.* We ensure the quality of our products and generally do not accept product returns except for defective products within the warranty period.

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- *Regulatory Compliance.* Both parties shall comply with all applicable laws and regulations, including but not limited to those relating to anti-bribery and anti-kickback matters.
- *Breach and Termination:* The breaching party shall be liable for losses and penalties as stipulated in the agreement. In the event of a material breach, the non-breaching party may terminate the agreement.

ODM Sales

During the Track Record Period, we also operated under an ODM model and conducted direct sales to ODM customers outside China, most of which are overseas medical device companies with well-established brands within the relevant regional/local markets. In contrast to our sales via distributors where we sell products under our own brand, the products sold under the ODM model are labeled with customers' own brands and trademarks. Under this sales model, our overseas customers place orders with us, and we design and manufacture the products based on their specifications. According to CIC, such sales arrangements are consistent with industry norms. In 2023, 2024 and 2025 and the three months ended March 31, 2026, we served 65, 87, 89 and 42 ODM customers respectively. In 2023, 2024 and 2025 and the three months ended March 31, 2026, our revenue generated from sales to ODM customers amounted to RMB141.2 million, RMB172.6 million, RMB228.8 million and RMB41.5 million, respectively, representing 10.7%, 12.3%, 14.1% and 9.8% of our total revenue for the respective periods.

Our key arrangements with ODM customers are as follows:

- *Term.* Our ODM agreements generally have a term of one to five years.
- *Order placement.* ODM customers place purchase orders specifying product details, quantities, requested delivery dates and shipping addresses.
- *Design and change control.* We are responsible for the design, development and manufacturing processes of the products.
- *Quality assurance.* We warrant that the products comply with the agreed quality standards and specifications.
- *Product inspection and verification.* We inspect the products in accordance with the agreed testing protocols and provide the relevant documentation to ODM customers.
- *Packaging, storage and transportation.* We are responsible for packaging and delivering the products to locations designated by the ODM customers. Upon delivery, the responsibility for storage and custody is transferred to the ODM customers.
- *Payment and credit term.* We may offer credit terms ranging from 30 to 90 days, depending on the creditworthiness and payment history of the ODM customers. Payments are generally settled via wire transfer.
- *Regulatory Compliance.* The manufacturing, transportation, inspection and associated documentation of the products must comply with applicable laws and regulations in the designated jurisdictions to ensure that the products can be registered and marketed by the ODM customers in their respective markets.
- *Breach and Termination.* The breaching party shall be liable for losses and penalties as stipulated in the agreement. In the event of a material breach, the non-breaching party may terminate the agreement.

We generally prioritize the development and promotion of our owned brands. To that end, we adopt a strict, tiered assessment approach with respect to target markets, distribution channels and product positioning when considering cooperation with ODM customers outside China, particularly when expanding into new geographical markets. Any potential risk of competition between our own-branded products and products sold by the ODM customers outside China is effectively managed through contractual provisions that impose clear restrictions on sales territories, product positioning and distribution channels.

PRICING

Regulations that Impact Product Pricing

Participation of Volume-based Procurement Process

Under the medical procurement system of the PRC, “high-value medical consumables” may be procured through different mechanisms, including centralized volume-based procurement (“VBP”), depending on the nature of the procurement. These consumables are medical supplies that act directly on the human body, are subject to strict safety requirements, have high clinical utilization, carry relatively high prices and impose a significant financial burden on the public. See “Regulatory Overview — Laws and Regulations Relating to the Administration of Medical Devices — Tender Management for Medical Device Procurement.” The VBP regime typically comprises two layers of procurement processes, one administered by national, regional, or provincial regulatory authorities, and the other conducted by public hospitals: (i) At the national, regional or provincial level, VBP tenders are organized by designated regulatory authorities, and the bidding parties are typically medical product manufacturers or product registration certificate holders. Multiple suppliers may be selected within the same product category. Upon successful selection, the relevant products are included in the centralized procurement platform of the relevant region for procurement by public hospitals within that same region. Depending on the terms of each tender, a product selected through VBP may either be allocated a committed purchase volume or granted priority access for procurement by public hospitals in the relevant region. (ii) At the hospital level, it is typically the distributors, rather than the manufacturers, who participate in and execute the procurement process. For details of the VBP schemes, see “Regulatory Overview — Centralized Volume-Based Procurement.” During the Track Record Period and up to the Latest Practicable Date, we had participated in 38 rounds of regional VBP public tenders, of which our products were successfully selected in 31 tenders, representing a success rate of approximately 81.6%. For each tender, we typically submitted multiple product models, and the success rate refers to the proportion of tenders in which at least one product model was selected. As of the Latest Practicable Date, we had over 90 products included in one or more VBP schemes. Except for one national VBP tender in January 2026 in which six of our products were selected and three were canceled, during the Track Record Period and up to the Latest Practicable Date, we did not participate in any national VBP program. The table below sets forth our VBP-eligible products (i.e., the products selected in any VBP tenders) and the relevant regions as of the Latest Practicable Date:

Relevant Region⁽¹⁾	Number of products selected
Anhui province	21
Chongqing	1
Fujian province	4
Guangdong province	6
Hebei province	6
Henan province	2
Hubei province	2
Jiangxi province	1

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Relevant Region ⁽¹⁾	Number of products selected
Liaoning province	1
Shandong province	2
Shanghai	2
Yunnan province	2
Xinjiang Uyghur Autonomous Region	56
Zhejiang province	6
National	3
Total	115

Note:

- For each of the regions set out above, our products have been selected in one or more provincial, regional or national-level VBP tenders. Moreover, certain VBP tenders were organized by a single province but their selection results are applicable across a broader designated region. In respect of such tenders, the disclosure above includes only the relevant province responsible for organizing the relevant VBP tender.

For products within the scope of VBP, we generally offer volume-based discounts ranging from 30% to 70% off our standard ex-factory prices. While we endeavor to track downstream sales of our products, in practice, it is common in the medical device industry that downstream sales information is not always provided by distributors in a timely manner. Accordingly, we assessed the potential impact of the VBP programs based on (i) our total sales of VBP-eligible products to distributors and (ii) downstream sales information available to us, to the extent practicable, in respect of sales under the VBP programs. Based on such assessment, for the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026: (i) VBP-eligible life support products accounted for nil, 0.5%, 0.7% and 0.3% of our revenue from life support products, respectively; (ii) VBP-eligible minimally invasive intervention products accounted for 1.7%, 5.5%, 10.5% and 13.1% of our revenue from minimally invasive intervention products, respectively; and (iii) VBP-eligible in vitro diagnostics products accounted for 4.1%, 4.9%, 2.9% and 3.9% of our revenue from in vitro diagnostics products, respectively.

We intend to continue proactively participating in future VBP public tenders across our three business units to further consolidate our market position and expand our patient reach. Based on our current best estimate, and subject to factors outside our control, including tender outcomes, pricing dynamics and the timing and scope of future VBP cycles, we expect our revenue attributable to VBP under minimally invasive intervention products to continue an upward trend and the other two to remain stable. To mitigate potential pricing pressures, we remain committed to strengthening our R&D pipeline, diversifying our product portfolio and expanding overseas market. Therefore, we believe we are well-positioned to navigate the evolving regulatory landscape while sustaining long-term revenue growth and operational stability.

We have adopted a dynamic approach to managing VBP participation, taking into consideration market demand, pricing competitiveness, product specifications, and evolving regulatory requirements. Given our broad product portfolio, comprising hundreds of products across multiple business units and numerous specifications and models under each product, we assess on a case-by-case basis whether to submit all or selected models of a given product to a particular VBP public tender.

As for hospital-level procurement under the VBP regime, we exercise oversight in accordance with our Guide for Domestic Distributor Management. In particular: (i) We grant hospital-level sales authorizations to distributors and set agreed performance targets, which may include sales targets and hospital admission plans. Distributors that fail to meet such targets are required to

provide explanations, and where a distributor fails to meet the agreed performance targets for two consecutive quarters, we may adjust the relevant hospital-level sales authorization. (ii) Distributors are required to assist us with hospital-level tender submissions for our products within their authorized territories.

Our Directors are of the view that the VBP policy has not had a material adverse impact on our overall business operations or financial performance, having considered the results of operations as discussed above and as further detailed in the section headed “Financial Information” in this prospectus, as well as the following: (i) our diversified product portfolio with no reliance on any single product or tender. During the Track Record Period, we offered a broad portfolio of products across multiple business units, comprising several hundred product models. No individual product model accounted for more than 10% of our total revenue in any period during the Track Record Period; (ii) our extensive and diversified domestic sales network with no material regional concentration. As of March 31, 2026, we maintained a sales network of 1,532 active domestic distributors, covering 31 provinces, municipalities and autonomous regions in China, thereby mitigating reliance on any single region or tender; and (iii) our significant overseas operations providing geographic diversification. Our international sales further mitigate the potential impact of the VBP regime in China. We sold products to customers in over 140 countries and regions, and in the three months ended March 31, 2026, revenue from overseas markets accounted for 46.4% of our total revenue.

Compliance with the Two-Invoice System

In China, certain provinces and regions implement the Two-Invoice System for the procurement of the high-value medical consumables by public medical institutions. This system allows only one distributor layer between the medical device manufacturer and the public medical institutions. During the Track Record Period, over 30 of our products, primarily minimally invasive interventional consumables, were subject to the Two-Invoice System in certain regions, including Anhui, Fujian and Shaanxi, and the revenue derived from these products represented an immaterial amount of our total revenue in the respective periods.

In regions where the Two-Invoice System has been adopted and applies to medical device products, compliance with this system is a prerequisite for medical device companies to participate in the tender and procurement processes of public hospitals. Manufacturers and distributors that fail to comply with the Two-Invoice System may lose their qualifications to participate in the tender and procurement process and may also be blacklisted from engaging in sales to public hospitals. Our Directors confirmed that, to their best knowledge, during the Track Record Period and up to the Latest Practicable Date, we had complied with the Two-Invoice System in all material aspects as we (i) had not been deemed to have violated or circumvented any law, regulations, rules or policies in relation to the Two-Invoice System, (ii) had not been disqualified from participating in public tendering processes in any province, (iii) were not subject to any administrative fines or penalties by the competent authorities in relation to the Two-Invoice System, and (iv) had not received any warning or notice from any competent authorities in relation to the compliance of the Two-Invoice System.

Going forward, we will closely monitor the adoption of the Two-Invoice System across different regions in China and assess whether the medical device products we sell fall within its scope. This will help ensure our continued compliance with the requirements of the Two-Invoice System and other applicable laws and regulations.

Pricing Policy for Distributors

We sell products to our distributors at prices mutually agreed upon by both parties. In determining prices of our products, we consider various factors, including the advantages of our products, our production costs, the prices of competing products, and the differences in features between our products and those of our competitors. Under the distributorship model, a substantial majority of our products are sold by distributors to public hospitals through public tender processes.

BUSINESS

If our products win the bids, such products would be qualified for future procurement, and the bidding prices would generally be one of the important factors for us to determine the price we sell our products to the distributors. For details of the public tender process, see “Regulatory Overview — Laws and Regulations Relating to the Administration of Medical Devices — Tender Management for Medical Device Procurement” in this prospectus.

Pricing Policy for Direct Sales

For direct sales to hospitals, we generally sell products through public tender processes under the centralized procurement regimes established within the relevant regions. Our sales team handles the entire process and prepares bidding materials for tender submission. Once the price is set and we are confirmed as the winning bidder, our product will be admitted into the hospital’s qualified product pool for future procurement. Direct sales to private hospitals usually involve direct negotiations with the hospitals and rarely involve tender process.

Our pricing strategies are also influenced by regulatory policies. For instance, in China, the governments implement a centralized procurement system which controls end prices of the high-value medical consumables if the products are included in the scope of the centralized procurement. For details of the centralized procurement policies, please refer to the paragraph headed “Regulatory Overview — Laws and Regulations Relating to the Administration of Medical Devices — Tender Management for Medical Device Procurement” in this prospectus.

Pricing Policy for Overseas Sales

For our sales to overseas distributors and ODM customers, we determine prices through commercial negotiations with customers based on a number of factors, primarily including the specific market conditions of each overseas market, product specifications, the business scale and growth potential of overseas customers, our relationships with them and their order volumes. We believe that we have implemented an effective pricing strategy. We believe that our high-quality products are well received by end customers and distributors. In addition, our brand reputation as well as effective academic promotion and marketing strategies enhance our strong bargaining power. During the Track Record Period, we did not experience any material fluctuations in ex-factory prices of our major product categories.

CUSTOMERS

During the Track Record Period, our customers were primarily distributors, who purchased and distributed our products. Revenue generated from our five largest customers accounted for 10.6%, 13.5%, 14.4% and 15.5%, respectively, of our total revenue in 2023, 2024 and 2025 and the three months ended March 31, 2026. Revenue generated from our largest customer accounted for 3.0%, 3.8%, 5.9% and 7.2%, respectively, of our total revenue in 2023, 2024 and 2025 and the three months ended March 31, 2026. For details of our sales arrangement with distributors and other customers, see “— Sales, Distribution and Marketing” in this section.

Our revenue generated from Chinese Mainland accounted for 61.6%, 55.0%, 51.7% and 53.6% of our total revenue in 2023, 2024, and 2025 and the three months ended March 31, 2026, respectively. Except for Mexico which accounted for 7.2% of our revenue for the three months ended March 31, 2026, no single country or region outside Chinese Mainland accounted for more than 5.0% of our total revenue in any period during the Track Record Period. As of March 31, 2026, our products had been ultimately sold to over 6,000 hospitals in China, including approximately 90% of Grade 3A hospitals, covering 31 provinces, municipalities and autonomous regions in China. In addition, we generated 38.4%, 45.0%, 48.3% and 46.4% of our revenue from overseas sales in 2023, 2024, and 2025 and the three months ended March 31, 2026, respectively. Our overseas customers primarily comprised distributors and a small number of direct customers, in markets across the EMEA, APAC and AMER regions, covering over 140 countries and regions worldwide. As of March 31, 2026, we had 497 active overseas distributors. The end customers of our products were primarily hospitals and medical institutions.

BUSINESS

As of the Latest Practicable Date, none of our Directors, their associates or any other Shareholder which, to the knowledge of our Directors, owned more than 5% of our share capital had any interest in any of our top five customers. None of our five largest customers, or any of their shareholders, directors, senior management or any of their respective associates, have any past or present relationship (family, employment, trust, financing or otherwise) with us, our subsidiaries, our Shareholders, Directors, senior management or any of their respective associates.

Our Customer Services

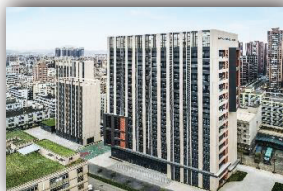
We provide comprehensive customer service to our direct customers, as well as hospitals and other end users, including product usage training and consultation, product maintenance and care, as well as the prompt collection of user feedback for product upgrades. We also conduct regular inspections to ensure the proper use of our medical devices and carry out in-hospital MQT services to assist hospitals in equipment management. We maintain overseas representatives and training centers in the UK, the Netherlands, Colombia, and other countries to offer product and technical training and services to our local customers. These services are generally provided free of charge. In certain markets or for specific products, we may offer paid training programs on a limited basis. Our training center network currently spans overseas markets including the EMEA, APAC and AMER regions, allowing us to provide timely product and technical support to local customers. In selecting the location of training centers, we consider a number of factors, including (i) the region's ability to serve as a hub for surrounding markets, (ii) the level of market maturity and product penetration, (iii) the degree of customer familiarity with our product categories, and (iv) the presence of ongoing training demand from local customers. For instance, we established an overseas office and training center in Colombia to serve the AMER market. In addition, Colombia was considered a suitable location for a training center given the region's relatively early stage of development and greater need for end-user education. By offering localized support, we are able to facilitate product adoption and deepen engagement with our customers in the local markets. In addition, we provide customer support services through our subsidiaries and branches in China covering major cities including Beijing, Shanghai, Guangzhou, Shenzhen, Hefei, Chengdu, Nanjing, Zhengzhou, Wuhan, Guiyang, Jinan, Chongqing, Shenyang, Changsha, Xi'an, Changzhou and Kunming.

MANUFACTURING

Manufacturing Centers

We are committed to in-house production and have developed strong manufacturing capabilities. During the Track Record Period, we operated six major manufacturing centers: (i) the Shenzhen Guangming manufacturing center, primarily focusing on the manufacturing of medical equipment and reagents, as well as supply chain management; (ii) the Shenzhen Pingshan manufacturing center, primarily focusing on the manufacturing of life support consumables; (iii) the Abingdon manufacturing center in Oxford, U.K., primarily focusing on the manufacturing of anesthesia machines and vaporizers; (iv) the Jiangsu Changzhou manufacturing center, primarily focusing on the manufacturing of minimally invasive intervention products; (v) the Shanghai Chongming manufacturing center, primarily focusing on the manufacturing of gel cards; and (vi) the Hunan Changsha manufacturing center, primarily focusing on the manufacturing of minimally invasive intervention products. Each of these centers plays a crucial role in our comprehensive manufacturing ecosystem, enabling us to deliver high-quality medical products across different categories. During the Track Record Period and up to the Latest Practicable Date, we primarily relied on in-house manufacturing, with limited external production arrangements based on regional market considerations.

BUSINESS



**Guangming, Shenzhen,
Guangdong, China**



**Pingshan, Shenzhen,
Guangdong, China***



Abingdon, Oxford, U.K.



Changzhou, Jiangsu, China



**Chongming, Shanghai,
China**



Changsha, Hunan, China

* We closed our Pingshan manufacturing center following the expiry of its lease at the end of June 2026.

Our manufacturing system incorporates advanced methodologies to ensure quality and production efficiency. We employed (i) a DMAIC-based Six Sigma Quality Management System, which uses data-driven techniques to improve processes and reduce defects, and (ii) a Lean Intelligent Production System that adopts Just-In-Time and Single-minute Exchange of Die methodologies, enabling us to streamline production, minimize waste, and increase flexibility in our operations. To further enhance operational efficiency, we integrate the warehouse management system (“WMS”) and ERP system, along with other automated logistics and manufacturing technologies. These integrations provide real-time data and analytics, facilitating better decision-making and more efficient management of resources across our production centers. This combination of sophisticated systems and practices ensures that our manufacturing processes are effective and responsive to market needs, maintaining high standards of quality and meeting our commitments on time.

We procure manufacturing machinery and equipment from time to time based on our production needs. Our equipment and machinery primarily consist of cutting machines, welding equipment, assembly lines, sterilization equipment, packaging machines, molds and tools. As of the Latest Practicable Date, we owned all of our machines which had estimated useful lives of approximately three to ten years, respectively. We perform routine and preventive maintenance on our manufacturing machinery and equipment to ensure their proper functioning. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material interruption to our production process due to machinery or equipment failure.

[illegible]

* Figures are rounded to two decimal places for numbers below 10, and to one decimal place for numbers equal to or greater than 10.

- (1) The production capacity is calculated based on the number of employees per production line, average working hours and individual output per unit of time.
- (2) The utilization rate equals actual production volume divided by the production capacity in the relevant year.
- (3) Medication delivery equipment products primarily include SYS series infusion products, MP series infusion products, HP series infusion products and enteral feeding pumps.
- (4) Other equipment products primarily include video laryngoscopes, DVT preventive pumps, vein illuminators and oxygen concentrators.
- (5) The production volumes of gel cards and test reagents are calculated based on one test per individual. The test reagents primarily include those used for TEG testing, chemiluminescence detection, and molecular testing.

BUSINESS

Our production capacity is designed to be flexible and we periodically reallocate resources based on our internal assessment of sales performance in the prior year, expected order volumes, distributor engagement, and overall business planning. Leveraging shared production lines and workforce, we are able to dynamically adjust production capacity among different business units to align with market conditions and operational priorities. In 2024, we reduced the capacity allocated to our life support business unit, primarily due to a short-term change in market demand. Adjustments in the capacity of other business units were also made in line with changes in expected sales volumes and order fulfillment requirements. These adjustments were part of our ordinary production planning process and were generally consistent with the revenue performance of each business unit during the Track Record Period. For details, see “Financial Information — Revenue — Revenue by Business Unit.”

Under our production plan, we adjust production capacity by managing workforce allocation and working hours. Overall, the utilization rates of our major product lines remained at high levels during the Track Record Period. Certain minimally invasive intervention and IVD product lines recorded utilization rates exceeding 100.0%, as we met strong demand by extending working hours through overtime, resulting in actual output surpassing our planned capacity based on standard working hours. To address this situation, we are expanding our production facilities. For details, see “— Manufacturing — Future Plan” in this section.

Life Support Product Lines. The utilization rate of the production capacity for our medication delivery products increased from 88.2% in 2023 to 89.9% in 2024, to 97.6% in 2025, and further to 97.3% in the three months ended March 31, 2026, remaining at a high level. The utilization rate of the production capacity for our anesthesia machines reached 92.9% in 2023, before declining to 78.2% in 2024 and remaining broadly stable at 78.5% in 2025 and 82.1% in the three months ended March 31, 2026, primarily due to a planned adjustment based on our inventory levels and market demand. The utilization rate of the production capacity for our vaporizers was 96.2%, 99.1%, 94.2% and 67.9% in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively, primarily due to the change of market demand. The utilization rate of the production capacity for other life support equipment, such as oxygen concentrators and vein illuminators, remained at a relatively high level throughout the Track Record Period.

Minimally Invasive Intervention Product Lines. The utilization rate of the production capacity for our endoscope systems was relatively low at 22.3% in 2023, as the product was launched at the end of 2022 and was in its initial commercialization phase. Benefiting from our proactive market promotion and growing market penetration, the utilization rate of this production line improved to 45.6% in 2024 and further ramped up to 74.3% in 2025 and further to 97.1% in the three months ended March 31, 2026, to meet the growing market demand for our endoscope systems. Throughout the Track Record Period, the utilization rate of the production capacity for our minimally invasive intervention consumables exceeded or approached full capacity, driven by sustained strong market demand.

In Vitro Diagnostics Product Lines. The utilization rate of the production capacity for our testing analyzers remained at a high level throughout the Track Record Period, reaching 99.6%, 89.5%, 94.2% and 91.0% in 2023, 2024, and 2025 and the three months ended March 31, 2026, respectively. The utilization rate of the production capacity for our gel cards was 98.5%, 104.0%, 99.7% and 88.3% in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. The utilization rate of the production capacity for our test reagents increased from 65.8% in 2023 to 86.9% in 2024, and then decreased to 81.4% in 2025 and then decreased to 74.3% in the three months ended March 31, 2026, which was in line with market demand.

During the Track Record Period and up to the Latest Practicable Date, we had completed core manufacturing steps in-house. We believe that our current manufacturing capacity is able to meet our short-term commercial needs. Moreover, our locations provide us with a manufacturing advantage over our competitors, as we have access to China’s vast labor pool and well-developed manufacturing base, making it easier for us to hire personnel with the appropriate production skills.

Manufacturing Process

Given the diverse range of our medical products spanning life support, minimally invasive intervention and in vitro diagnostics, our manufacturing processes vary by product type, and our tailored production steps are designed to ensure the quality and reliability of our medical products.

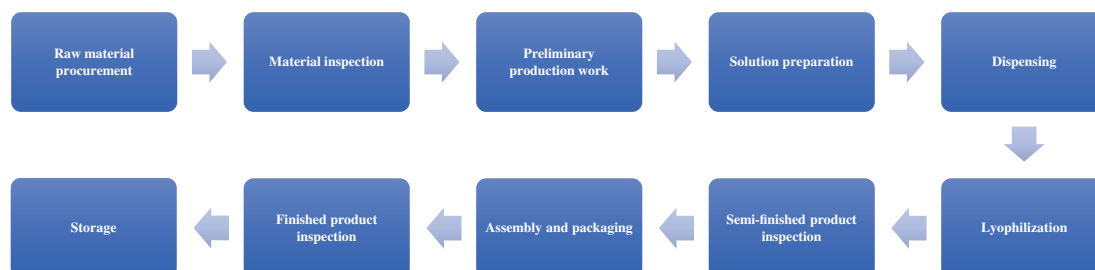
The following diagram summarizes the key manufacturing process for our life support equipment products:



The following diagram summarizes the key manufacturing process for our minimally invasive intervention consumables:



The following diagram summarizes the key manufacturing process for our in vitro diagnostics reagents:



Production Collaboration

To utilize our production capacity more effectively and ensure the quality and efficiency of our core component manufacturing, we outsource a very limited number of non-core production processes and certain legacy products to qualified third-party manufacturers. Our Directors consider that investing in machinery and labor for such processes is not an effective use of funds and resources, while subcontracting is more cost-effective and time-efficient. According to CIC, such production arrangement is in line with the industry norm.

We select our production partners based on several key factors, including their location, qualifications, production capacity, and price. We typically screen multiple qualified candidates before finalizing our production partners. Our partners are usually responsible for sourcing materials required for the relevant production processes. We may conduct on-site inspections of their production facilities to perform quality checks during the production process. Furthermore, we carry out quality control tests on the semi-finished or finished products before incorporating them into our production process. All production partners we engaged were Independent Third Parties.

BUSINESS

During the Track Record Period, our outsourced manufacturing costs amounted to RMB14.2 million, RMB29.2 million, RMB34.4 million and RMB11.3 million in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively, accounting for 2.1%, 4.1%, 4.6% and 5.9% of our cost of sales for the respective periods. During the Track Record Period, we did not experience any difficulties in procuring services from production partners, nor did we encounter any delay in their provision of services that caused material disruption to our operations.

Future Plan

We are proactively expanding our production capacity and upgrading our manufacturing centers to accommodate our increasingly diversified product pipeline and growing market demand. We are establishing a new R&D and manufacturing center in Changzhou, with a planned gross floor area of 115,742 sq.m. As of March 31, 2026, the key production buildings, with a gross floor area of 93,485 sq.m., had been completed, and the relevant property ownership certificates had been obtained and all required completion filings and operating permits had been duly completed or obtained, as applicable. Furthermore, we commenced operation of certain production lines at the site by the end of September 2025. In addition, we are actively advancing the center's development, such as equipment procurement, intelligent production line planning, and construction of supporting facilities. The new center will enable us to further consolidate our existing production facilities and resources, streamline operational management, improve efficiency, and enhance synergies across our production lines. Established overseas production bases, such as our anesthesia equipment manufacturing facility in the UK, will remain in operation given their technical specialization and strategic importance in serving local and international markets. We closed our Pingshan manufacturing center following the expiry of its lease at the end of June 2026. Our manufacturing center in Changzhou is expected to take over the orders currently handled by the Pingshan center. We do not expect the wind-down of the Pingshan center to disrupt our manufacturing arrangements or order deliveries, as the Pingshan center has relatively limited production capacity and is used only for the manufacture of certain life support disposables. We believe this transition will allow us to better utilize the capacity of our Changzhou manufacturing center, streamline our production footprint and improve overall operational efficiency.

The new R&D and manufacturing center is still under construction and the production lines are under further expansion, which will require further capital expenditures in the foreseeable future. We expect to fund these capital expenditures using net proceeds from the Global Offering and our cash flows from operations. See "Future Plans and Use of Proceeds" for details.

INVENTORY AND QUALITY MANAGEMENT

Inventory Control

Our inventories primarily include (i) finished goods and work in progress, mainly comprising medical equipment and consumables for life support, minimally invasive intervention and in vitro diagnostics; and (ii) raw materials, such as plastics, metals, sensors, and other auxiliary materials and components. As of December 31, 2023, 2024 and 2025 and March 31, 2026, we had inventories of RMB237.0 million, RMB230.2 million, RMB263.4 million and RMB253.8 million, respectively. Under our inventory control policy, we regularly monitor and analyze our historical procurement, production and sales data and adjust our inventories to meet customer demand in a timely manner while avoiding excessive inventory accumulation. As of December 31, 2023, 2024 and 2025 and March 31, 2026, we had impairment allowances on inventories of RMB15.6 million, RMB26.5 million, RMB31.3 million and RMB34.6 million, respectively.

To ensure the quality of our inventory, our storage spaces are temperature- and humidity-controlled. Our warehouse management team conducts regular inspections to identify products that are damaged, obsolete or near expiration, and disposes of them or makes provisions for them. The team is required to conduct inventory checks and report stock levels in a timely manner in case of any shortage in supply or overstock of inventory. Furthermore, we have implemented a locally deployed warehouse management system for automation and utilize automated guided vehicles to enhance storage management efficiency. For details of our inventory control measures in respect of products sold to distributors, see “— Sales, Distribution and Marketing — Sales to Distributors — Management of Distributors” in this section.

Quality Control

Our quality control team is involved in every aspect of our daily operations. Our quality control system complies with legal and regulatory requirements in China, the EU and other operating regions, as well as pertinent international quality certification standards. It encompasses various stages of the product life cycle, including design and development, raw material sourcing and procurement, manufacturing and delivery, and after-sales service. This comprehensive oversight ensures that our products meet applicable IEC, ISO and other quality management standards. Our quality assurance team, comprising 72 experienced professionals, oversees and manages all aspects of quality control across our operations.

In July 2024, our subsidiary Mabsky was subject to administrative measures imposed by the Guangdong Medical Products Administration following an on-site inspection, which identified certain deficiencies in its production quality management system. Specifically, certain production lines were found not to be fully compliant with the Standards on Production and Quality Management of Medical Devices (《醫療器械生產質量管理規範》), and Mabsky was ordered to suspend production accordingly. In response, we established an inspection team to assess potential product risks and conduct a thorough review of our production processes. The deficiencies primarily related to the management of materials, products and equipment, documentation, and transportation control. We promptly carried out enhanced quality inspections on the products that may have been affected by the procedural issues, and confirmed that all inspected batches complied with applicable quality standards. No quality non-compliance was identified as a result of these inspections. In November 2024, we completed the required rectification, submitted a rectification report, passed the follow-up inspection, and resumed production. We believe that this temporary production suspension did not have a material adverse impact on our business operations and financial performance for the following reasons: (i) Mabsky’s contribution to our revenue remained minimal, accounting for 2.2% of our revenue in 2024; (ii) we had not experienced any material customer complaints or product returns related to the products produced by the affected production lines during the Track Record Period and up to the Latest Practicable Date; and (iii) we immediately implemented corrective measures following the incident and completed the rectification work, thereby preventing any significant adverse impact on our production or delivery schedules.

During the Track Record Period, there were two product quality-related incidents involving our products: (i) in September 2024, the NMPA issued the Notice on the Results of National Medical Device Quality Supervision Inspections (No. 35 of 2024), which identified that a model of our syringe pump, did not fully meet the mandatory standard relating to audible alarm signals; and (ii) in January 2024, the Guangdong Provincial Medical Products Administration identified that the “nominal length” parameter of one batch of our disposable tracheostomy tubes deviated from the registered technical specifications. According to the Regulations on the Supervision and Administration of Medical Devices of the PRC (《醫療器械監督管理條例》), the production, sale, or use of medical devices that do not meet mandatory standards or the registered or recorded technical specifications shall be subject to administrative correction orders and confiscation of the non-compliant products by the competent drug regulatory authority. Where the value of the non-compliant products is less than RMB10,000, a fine ranging from RMB20,000 to RMB50,000 may be imposed; where the value exceeds RMB10,000, a fine of five to twenty times the value may be imposed. In serious cases, the authority may order the suspension of production or business operations, and the original licensing authority may revoke the relevant medical device registration certificate, production license, or distribution license. The legal representative, principal person in

charge, responsible management personnel, and other responsible individuals of the violating entity may be subject to confiscation of the income they received from the entity during the period of the violation, and may be further fined not less than 30% and not more than three times such income. In particularly serious circumstances, such individuals may be prohibited from engaging in medical device manufacturing or distribution activities for a period of up to ten years. For these two incidents, we were subject to (i) an administrative fine of RMB20,000 in connection with the syringe pump incident; and (ii) an administrative fine of RMB20,000 and the confiscation of the affected batch of disposable tracheostomy tubes valued RMB560 in total.

The two incidents primarily arose from minor deviations in raw material or final quality inspection processes under specific technical conditions. Given the specialized and technical nature of medical device manufacturing, occasional non-conformities may arise despite the existence of stringent internal quality control systems. These incidents did not reflect systemic deficiencies in our quality management framework. As of the Latest Practicable Date, we had duly paid the fine in full and promptly implemented rectification measures, including (i) investigating the root causes of the issue; (ii) suspending the sale of the affected batches identified during the inspections, which had not entered the market and therefore did not require product recalls; and (iii) organizing training sessions to reinforce the correct inspection procedures for the relevant products, with all relevant personnel having completed the required training and assessment. Given the relatively small amount of the fines imposed, the fact that we were not subject to any production or sales suspension, and the absence of any other direct operational or financial loss as a result of these incidents, and the rectification measures and internal controls we implemented, we believe that these incidents have not had any material adverse effect on our business, results of operations or financial condition.

In addition to the above, on April 2, 2026, Hunan Vedkang Science and Technology Co., Ltd. (“**Hunan Vedkang**”), an indirect wholly-owned subsidiary of our Company, was ordered to suspend production and sales by the Hunan Medical Products Administration (the “**Hunan MPA**”) following an on-site inspection, which identified certain deficiencies in its production quality control system. We promptly addressed the identified issues by analyzing and rectifying each specific non-conformity, upgrading on-site resource allocation and management processes in strict compliance with Good Manufacturing Practice standards, and concurrently initiating a Group-wide systematic review across the entire product lifecycle to ensure rigorous quality control. The comprehensive rectification process was completed on April 9, 2026, and Hunan Vedkang fully resumed its normal production and commercial operations on April 20, 2026, upon confirmation from the Hunan MPA. Following this, on June 3, 2026, the National Healthcare Security Administration announced the cancelation of Hunan Vedkang’s selected status for relevant products under the sixth national VBP program, together with a suspension of its eligibility to participate in VBP bidding until December 2, 2027. As of the Latest Practicable Date, these regulatory actions primarily related to routine supervision and qualification management and did not result in any administrative fines or penalties. Given that Hunan Vedkang is a non-core subsidiary and the revenue derived from the specific products affected by the VBP matter accounted for a negligible portion of our total revenue in 2025, we believe that these incidents have not had, and are not expected to have, any material adverse impact on our business operations, results of operations, or financial condition.

Save as disclosed above, we have complied with quality control policies in all material aspects and have passed all inspections conducted by the regulatory authorities up to the Latest Practicable Date. During the Track Record Period and up to the Latest Practicable Date, we had not received any material complaints from our customers and our products had not been the subject of any material claims, litigation or investigations.

Product Warranty, Return, Recalls and Exchanges

Our return and exchange policy generally does not allow any product return or exchange, except where there is any product defect or product expiration, we will consider returning or exchanging products based on the specific scenario and our working relationship with our distributors.

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During the Track Record Period, we voluntarily initiated two Class III medical device recalls, involving (i) two batches of coagulation test kits and (ii) one batch of infusion equipment. According to the Measures for the Administration of Medical Device Recalls (《醫療器械召回管理辦法》), a Class III recall is initiated where the circumstances giving rise to the recall are unlikely to cause harm. Both recalls were conducted to update or correct product labeling information, and did not involve any issue relating to product quality or performance. Details of the two voluntary recalls are as below:

- For two batches of coagulation test kits, which were TEG reagent kits (Platelet-AA and ADP reagents, coagulometric method), we identified a discrepancy between the expiration dates printed on the vial labels and those on the outer packaging due to an inadvertent printing error. As the issue was limited to labeling and did not affect the quality, safety or performance of the products, we voluntarily recalled the affected batches by implementing the following rectification measures: (i) issuing customer letters to promptly inform all affected users of the correct expiration date; and (ii) providing updated labels, outer packaging labels and user manuals for the affected products. This recall involved a total of 103 units of test kits. As no physical return of products was required following our remedial measures, the recall did not result in any actual disruption to product sales or customer use.
- For one batch of infusion equipment, including infusion pumps and multi-channel infusion workstations, we inadvertently labeled the outer packaging with the newly approved registration certificate numbers during the transitional period following the renewal of the relevant registrations. Although the renewed certificates had been approved, the new registration numbers had not yet taken effect at the time of labeling, and differed from the previously valid certificate numbers. As the issue was limited to labeling and did not affect the quality, safety or performance of the products, we voluntarily recalled the affected batch by notifying customers of the correct registration information. This recall involved a total of 712 units of infusion products. As no physical return of products was required following our remedial measures, the recall did not result in any actual disruption to product sales or customer use.

During the Track Record Period and up to the Latest Practicable Date, we had not received any customer complaints, adverse event reports, claims, third-party demands, refund or compensation requests, or regulatory penalties or fines in connection with these two recalls. We have established a dedicated quality inspection team responsible for the testing of work-in-progress and finished products in accordance with our stringent internal inspection protocols. Our inspection methods include first inspection, self-inspection, mutual inspection, patrol inspection, and random sampling. All inspection results should be documented with final approval checks and signed by the supervisor in charge of quality control. For detailed regulations relating to medical device recall in China, please refer to the paragraphs headed “Regulatory Overview — Laws and Regulations Relating to the Administration of Medical Devices — Medical Device Recall, Monitoring and Re-evaluation of Adverse Events” in this prospectus.

During the Track Record Period, except for the above-mentioned two voluntary recalls, we had not experienced any other product recall initiated by ourselves or required by regulatory authorities. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material customer complaint or product return from customers.

RAW MATERIALS AND SUPPLIERS

Suppliers

During the Track Record Period, our suppliers mainly included suppliers of raw materials and components for medical equipment, providers of construction services and land providers for our manufacturing centers. Purchases from our five largest suppliers accounted for 19.1%, 12.1%, 9.0%

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and 6.7%, respectively, of our total purchases in 2023, 2024 and 2025 and the three months ended March 31, 2026. Purchases from our largest supplier accounted for 8.9%, 3.6%, 2.2% and 2.3%, respectively, of our total purchases in 2023, 2024 and 2025 and the three months ended March 31, 2026.

As of the Latest Practicable Date, none of our Directors, their associates or any other Shareholder which, to the knowledge of our Directors, owned more than 5% of our share capital had any interest in any of our five largest suppliers. None of our five largest suppliers, including their shareholders, directors, senior management or any of their respective associates, have any past or present relationship (family, employment, trust, financing or otherwise) with us, our subsidiaries, our Shareholders, Directors, senior management or any of their respective associates.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material dispute with our suppliers, difficulties in the procurement of our direct materials, or interruptions in our operations caused by our suppliers. We do not rely on any of our current suppliers as there are viable substitutes available on the market to meet our needs at a comparable price and quality. We keep a list of qualified suppliers for our principal direct materials. The selection of qualified suppliers is based on various criteria, including price, quality and customer service.

Raw Materials

Our raw materials consist of, among others, plastics, metals, sensors, and various components. In 2023, 2024, 2025 and the three months ended March 31, 2026, we incurred costs of raw material of RMB444.3 million, RMB467.1 million, RMB502.5 million and RMB130.3 million, respectively, representing 67.1%, 66.3%, 67.0% and 67.4% of our cost of sales for the same periods, respectively.

The raw materials of our main products which we sourced from our suppliers are generally readily available in the market through domestic and foreign suppliers. We believe we have alternative sources for the supply of principal raw materials with comparable quality and prices. We have not experienced significant difficulties in maintaining reliable sources of supplies and expect to be able to maintain adequate sources of quality supplies in the future through continuously developing new supplier relationships and exploring domestic replacements.

We generally enter into supply agreements with a term of one year with our raw material suppliers. The purchase price of our raw materials is primarily based on prevailing market prices for raw materials of similar quality and subject to arm's length negotiation. During the Track Record Period and up to the Latest Practicable Date, we did not experience significant supply shortage of raw materials, and we generally did not experience significant price volatilities. For risks relating to the supply of raw materials, see "Risk Factors — Risks Relating to our Business and Industry — Our results of operations could be negatively impacted by our inability to obtain raw materials in a timely and cost-effective manner."

Salient terms of the supply agreements with our suppliers for key raw materials typically include:

- **Product and Specifications.** The supply agreements specify the product types, specifications, quantity and unit prices of raw materials to be procured.
- **Pricing.** The price of the procured goods is set forth in the supply agreements or price sheets.
- **Delivery.** The suppliers are required to deliver the procured goods to our designated place pursuant to the supply agreements. The associated transportation costs are borne by us or the distributors as agreed in the supply agreements.

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- **Payment.** We typically are required to settle the payment between 30 and 120 days upon the receipt of invoice or by instalments.
- **Quality.** The procured goods should meet national and/or our inspection standards. The suppliers shall be liable for compensation if we are subject to penalties imposed by the relevant administrative authorities or if any users suffer personal injuries or property damages due to quality deficiencies of products sold by the suppliers.
- **Inspection and Acceptance.** The procured goods are subject to our inspection upon arrival at our designated place, and we may refuse acceptance of any defective products.

INTELLECTUAL PROPERTIES

We have established comprehensive intellectual property protection for our technological innovations, safeguarding our R&D achievements with a wide array of patents, trademarks and software copyrights, both in China and globally. As of March 31, 2026, we had 1,215 patents and patent applications in China, including 874 issued patents and 341 patent applications. Our issued patents included 171 invention patents, 565 utility model patents and 138 design patents; and we had 60 overseas patents and patent applications, including six patent applications under the PCT. In addition, as of March 31, 2026, we had 181 trademarks and trademark applications in China, including 173 registered trademarks; and we had 67 overseas trademarks and trademark applications, including 55 registered trademarks. See “Statutory and General Information — 2. Further Information about Our Business — B. Our Material Intellectual Property Rights” in Appendix IV to this prospectus for further details of our material intellectual property rights.

During the Track Record Period and up to the Latest Practicable Date, except for one pending lawsuit claiming our infringement of a third-party’s utility patent, which we believe is not material and the likelihood of the plaintiff proving infringement or securing any meaningful compensation against us as very low, we had not been involved in any proceedings in respect of, and we had not received notice of any claims alleging infringement of, any intellectual property rights, whether as claimant or a respondent, nor were we aware of any breach of the aforementioned confidentiality or non-compete obligations by the counterparties. We believe these intellectual property rights are critical to maintaining our competitive barriers and we intend to continue to develop more intellectual property rights and technological know-how which are expected to bring long-term benefits to our business. For details of risks relating to intellectual property rights, see “Risk Factors — Risks Relating to our Business and Industry — We may be unable to obtain and maintain effective and sufficient protection of intellectual property rights for our products and pipeline products in a timely manner and may be subject to intellectual property infringement claims or other disputes” in this prospectus.

AWARDS AND OTHER RECOGNITION

Our product performance and market presence have not only addressed market demand but have also been recognized by governmental authorities and industry participants through awards and other recognition. The following table sets out a summary of the major awards and recognition:

Award/Recognition	Organization/Authority	Year Awarded
National Specialized, High-end and Innovation-driven “Little Giant” Enterprise (國家專精特新“小巨人”企業)	Ministry of Industry and Information Technology of the PRC (國家工信部)	2023 & 2020
China National Brand Gold Award for Medical Equipment (中國醫療設備民族品牌金獎) and Social Responsibility Award (社會責任獎).	China Medical Devices (“中國醫療設備”雜誌社)	2017-2025

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Award/Recognition	Organization/Authority	Year Awarded
No. 1 in Industry Customer Satisfaction (服務滿意度行業第一)	China Medical Devices (“中國醫療設備”雜誌社)	2018-2025
Provincial Enterprise Technology Center of 2024 (2024年省級企業技術中心)	Industry and Information Technology Department of Jiangsu (江蘇省工業和信息化廳)	2024
Product Inclusion Certificate for Guidelines for the Selection of High-Quality Medical Devices from China (2025) (中國高品質醫療器械出海遴選指南(2025)產品入選證書)	Lin-gang Medical Device Innovation Center, Shanghai FTZ (上海自由貿易試驗區臨港新片區醫療器械創新中心)	2025
2024 Jiangsu Gazelle Enterprise (2024江蘇省瞪羚企業)	Jiangsu Productivity Center (江蘇省生產力中心)	2024
2024 Hurun Global Unicorn List (2024胡潤全球獨角獸榜)	Hurun Research Institute (胡潤研究院)	2024
Guangdong Province Manufacturing Single-category Champion Demonstration Enterprise (廣東省製造業單項冠軍示範企業)	Industry and Information Technology Department of Guangdong Province (廣東省工業和信息化廳)	2023

In recognition of our R&D and innovation capabilities, we have also received the following designations:

- Skill Examination Base of Registered Clinical Engineer (臨床工程註冊工程師技能考試基地);
- Key Enterprise Research Institute (重點企業研究院) by the Shenzhen Science and Technology Innovation Commission (深圳市科技創新委員會);
- Guangdong Engineering Technology Research Center for Intelligent Infusion System (廣東省智能輸注系統工程技術研究中心) by the Guangdong Science and Technology Department (廣東省科學技術廳);
- Guangdong Engineering Technology Research Center for Pathogen In-Vitro Diagnostic Reagent (廣東省病原體體外診斷試劑工程技術研究中心) by the Guangdong Science and Technology Department (廣東省科學技術廳);
- Jiangsu Engineering Research Center for Endoscopic Diagnosis Instruments (江蘇省內鏡下診斷醫療器械工程技術研究中心) by the Jiangsu Department of Science and Technology (江蘇省科學技術廳); and
- Shenzhen Engineering Technology Research Center for Intelligent Infusion System (智能輸注系統深圳市工程技術研究中心) by the Shenzhen Science and Technology Innovation Commission (深圳市科技創新委員會).

Furthermore, given our solid R&D foundation and a strong R&D environment, we were appointed as a teaching practice base by 12 universities in China during the Track Record Period, including six “985 & 211” universities. In addition, our product design innovations have also been rewarded. Our products, including our infusion workstation, TEG analyzer, video laryngoscope, VC-20 and VC-30 series spirometers, ambulatory infusion pump and oxygen concentrator, have been honored with international design awards such as the Red Dot Design Awards and/or the iF Design Awards.

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COMPETITION

We provide a comprehensive range of medical device products spanning life support, minimally invasive intervention and in vitro diagnostics. Our products primarily compete with products that provide medical functions similar to those of our products, in terms of efficacy, price and general market acceptance by medical professionals, hospitals and other end users. The identities of our key competitors vary by product. In certain cases, our competitors may have greater financial and R&D resources than we do, and may elect to focus these resources on developing, importing or in-licensing and marketing competitive products. According to CIC, the competition in the markets for life support products, particularly in the medication delivery domain, is relatively concentrated. In 2025, the top ten market players for infusion workstations accounted for a substantial portion of the market share in both the Chinese and global markets. In the minimally invasive intervention field, the Chinese market is dominated by a few leading players, with imported brands holding a slight advantage. In the in vitro diagnostics field, competition is more fragmented due to the variety of sub-markets, such as coagulation, chemiluminescent assays, blood grouping, and molecular diagnostics.

EMPLOYEES

As of March 31, 2026, we had a total of 2,213 employees, comprising 2,052 employees based in Chinese Mainland, 121 employees in the UK, and the remainder in other countries and regions, such as the Netherlands, Colombia, Thailand, Indonesia and India. The following table sets forth a breakdown of our employees by function as of March 31, 2026.

Function	Number	% of Total
Manufacturing and supply chain	993	44.9
R&D	502	22.7
Sales and marketing	503	22.7
General administration	215	9.7
Total	2,213	100.0

We generally recruit our employees based on a number of factors, including work experience, educational background and our position requirements. We recruit primarily through online job postings, internal referrals, on-campus recruiting programs and job fairs. We provide induction training to our new employees to provide them with an overview of our corporate culture, workplace safety, product knowledge, quality control, staff conduct policies, and the relevant laws and regulations. In addition, from time to time, we invite external experts to provide training to our R&D team on professional knowledge and management skills. We evaluate our training results every year and adjust our training programs accordingly for the coming year. We conduct periodic performance reviews of our employees to evaluate their performance and enhance productivity.

In compliance with the relevant PRC labor laws, we enter into employment contracts with our employees covering matters such as salaries, bonuses, employee benefits, workplace safety, confidentiality obligations, non-competition and grounds for termination. In addition, we are required under PRC law to pay social insurance premiums (including basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and make housing provident fund contributions for our employees according to the standard stipulated by the authorities. Moreover, we operate a share-based compensation scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of our operations.

Non-compliance of Social Insurance and Housing Provident Funds

During the Track Record Period and up to the Latest Practicable Date, we had not made social insurance and housing provident funds for some of our employees in full in accordance with the relevant PRC laws and regulations. We estimate that the shortfall amounted to RMB11.7 million, RMB17.1 million, RMB17.6 million and RMB4.0 million in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. Our failure to make social insurance and housing provident fund contributions for some of our employees in full was primarily due to the fact that such employees were unwilling to cooperate in making such payments, or that they had participated in local rural social security system offered in their place of residency or their own hometowns in rural areas.

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For the shortfall in social insurance contributions, we may be subject to the following legal consequences: (i) being required to pay all outstanding social insurance contributions within a prescribed period, with late fees at a daily rate of 0.05% of the outstanding amount, accruing from the date when the social insurance contributions are due, and (ii) being required to pay a fine of one to three times of the overdue amount if such payment is not made within the stipulated period, with the maximum penalty amount capped at three times of the overdue amount. For the shortfall in housing provident funds, we may be subject to the following legal consequences: (i) being required to pay the outstanding amount within a prescribed period, and (ii) an application may be made to the courts for compulsory enforcement if the payment is not made within such time limit. Accordingly, we may be required by competent authorities to pay the outstanding amount, and may be subject to an enforcement application made to the court, but no penalties are provided under the relevant PRC laws and regulations. Our PRC Legal Advisor is of the view that if we can pay the outstanding balance to the relevant authorities within a certain period of time when we are required to do so, the likelihood of us being subject to penalties by the relevant government authorities is remote. As of the Latest Practicable Date, no administrative action or penalty had been imposed or, to the knowledge of our Directors, was expected to be imposed by the relevant regulatory authorities with respect to our social insurance and housing provident fund contributions, nor had we received any order to settle the deficit amount.

We confirm that, as of the Latest Practicable Date, (i) we had obtained compliance certificates or credit reports from relevant authorities in China, confirming that we had not been subject to any fines or penalties imposed by the relevant government authorities with respect to social insurance and housing provident fund-related laws and regulations in China; (ii) no employee had raised any material disputes against us regarding social insurance and housing provident fund matters, and we had not received any litigation documents related to material labor disputes (especially those related to social security and housing provident fund contributions); and (iii) subsequent rectification will be carried out by us in accordance with applicable laws and regulations and the requirements of relevant competent authorities. Based on the foregoing, our PRC Legal Advisor is of the view that the likelihood that we or our major subsidiaries would be subject to centralized collection of the historical shortfalls of social insurance and housing provident fund contributions or material administrative penalties due to failure to make full social insurance and housing fund contributions is remote. Accordingly, we believe that there is no need to make provisions for the social insurance and housing provident fund contributions.

We have taken the following internal control enhancement measures relating to social insurance and housing provident fund contributions:

- We have designated our human resources department to monitor the reporting and contributions of social insurance and housing provident fund;
- We will consult our PRC legal counsel on a regular basis for advice on relevant PRC laws and regulations to keep us abreast of relevant regulatory developments; and
- We will actively communicate with relevant social insurance and local housing fund authorities to ensure we have the most updated information about the relevant laws and regulations concerning social insurance and housing fund. If the relevant authorities order us to pay the outstanding social insurance and/or housing provident fund contributions or take any rectification measures in accordance with applicable laws and regulations, we undertake to make such payments or take such rectification measures promptly within the specified period.

See also “Risk Factors — Any failure to fully comply with labor-related laws in the countries and regions where we operate may subject us to government investigations or require us to incur additional expenditures.”

We believe that we have maintained good working relationships with our employees. During the Track Record Period and as of the Latest Practicable Date, we did not experience any labor disputes or strikes that may have a material and adverse effect on our business, financial condition or results of operations. Save for two China-based subsidiaries, our employees had not established any labor unions up to the Latest Practicable Date.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

ESG Structure

We are committed to incorporating the philosophy of environmental, social and governance (“ESG”) into our management system and integrating ESG ideas into our operation. Our Board holds ultimate responsibility for all ESG and climate-related issues within our Group. Our Board is responsible for establishing the regulatory system for ESG and climate-related issues, resolving and approving our management policies, strategies and targets related to ESG and climate-related issues, including assessing, prioritizing and managing material ESG and climate-related issues, risks and opportunities. Additionally, our Board oversees and annually reviews the ESG performance and progress of ESG targets.

We have established an ESG governance structure. The Board has ultimate oversight of ESG and climate-related matters, including, among other things, the assessment of ESG risks and opportunities, and reviews ESG performance and targets regularly. The Strategy and ESG Committee supports the Board in formulating ESG strategy and overseeing implementation, while the Strategy and ESG working group coordinates execution and reporting.

The Board has received training on ESG and climate-related disclosure rules and engaged an external consultant to support the Strategy and ESG working group.

Materiality Assessment

A comprehensive materiality assessment has been conducted to better understand the needs and expectations of our stakeholders. We have engaged an independent ESG consultant to assist in conducting a materiality assessment in accordance with the Listing Rules. This involves a questionnaire to collect stakeholders’ concerns and expectations, for the subsequent determination of material issues by our Group. The materiality assessment process involves identifying potential ESG issues relevant to our operations and stakeholders, engaging a wide range of stakeholders through questionnaires to evaluate the significance of each issue, analyzing their feedback to prioritize key concerns, and reviewing and identifying material issues for further action and disclosure.

Based on the results of the materiality assessment as below:

- **Product quality and safety:** Product quality is of utmost importance in our business, and that includes ensuring compliance and strengthening regulation and monitoring. We ensure that our products comply with relevant regulatory standards and quality requirements, and through relevant standards and procedures.
- **Customer service:** We understand customers’ satisfaction with our products, handle customer feedback promptly, better understand customer needs and expectations, and improve customer satisfaction.
- **Intellectual property protection:** We consider intellectual property as a crucial business asset, including protecting innovation and R&D outcomes and preventing intellectual property infringement. We establish internal policies to ensure that our trade secrets and intellectual property are adequately protected.

- **Information safety and data privacy:** We strictly comply with all relevant data security and privacy laws and have developed robust internal policies and systems to safeguard company and customer information access control, cybersecurity training, and regular security reviews.
- **Business ethics and anti-corruption:** We uphold high standards of business ethics with a zero-tolerance policy towards bribery, supported by comprehensive internal policies.
- **Employee right protection:** We strictly comply with employment-related laws and regulations and place high priority on protecting employee rights in the workplace. We develop clear policies on staff management and offer competitive compensation packages with various benefits. We focus on the career development of our employees and provide them with various functional and skill training.

Environmental Protection

We comply with the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) and other related environmental protection laws and regulations, as well as other regulatory requirements in our business operations. We have formulated the "Environmental Protection Measures Guide" (《環境保護措施細則》) to strengthen our environmental protection work. Our Company has obtained ISO 14001:2015 environmental management system certification.

In the past three years, our Group has not (i) violated any laws or regulations regarding the emission of exhaust and greenhouse gases, the discharge of pollutants into water and land, and the generation of hazardous and non-hazardous waste in all material aspects; (ii) experienced any significant events affecting the environment and natural resources; or (iii) received any notices of environmental fines or litigation.

Waste Management

Our operation generates both non-hazardous and hazardous wastes. For non-hazardous waste, we place it in the designated containers, and the property management company will handle its collection, which is then managed and processed by an outsourced cleaning company for centralized management. For hazardous waste, we entrust qualified third-party agencies to properly process and handle the wastes. We use fully enclosed waste packaging to prevent leakage during the collection, storage, and transportation of hazardous waste.

Energy and Greenhouse Gas Emissions Management

We are committed to energy conservation and greenhouse gas ("GHG") emission reduction, adopting a series of energy-saving and GHG emission reduction measures. For example, our UK subsidiary, Penlon, uses 100% renewable electricity. We also optimize electricity consumption by scheduling production shifts to avoid peak loads, adopting energy-efficient LED lighting, and ensuring production electrical equipment is installed and monitored in accordance with applicable requirements. In addition, we require power to be switched off when offices are unoccupied and after working hours, and we provide appropriate incentives to encourage employees' energy-saving initiatives.

Water Resources Management

We have implemented water-saving measures, including promoting water conservation awareness, monitoring water consumption through regular tracking and taking corrective actions where necessary, installing water meters and considering water-source layout in new facilities, and conducting regular inspections of water-using equipment with prompt leak repairs.

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Environmental Metrics

We prepare our greenhouse gas inventory based on the Greenhouse Gas Protocol developed by the World Resources Institute and the World Business Council for Sustainable Development, as well as How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs developed by the Stock Exchange.

Set forth below are the environmental quantitative indicators for our offices and production facilities during the Track Record Period.

	Unit	For the year ended December 31,			For the Three Months Ended March 31,
		2023	2024	2025	2026
Electricity	kWh	9,406,852.71	11,488,886.91	11,734,299.96	2,815,318.57
Electricity Consumption Intensity	kWh/Million RMB Revenue	7,162.78	8,210.10	7,247.19	6,666.28
Electricity Consumption Intensity per unit revenue (YoY)	%	-6.70%	14.62%	-11.73%	-8.02%
Water	m ³	57,938.52	53,242.87	79,782.50	21,224.37
Water Consumption Intensity	m ³ /Million RMB Revenue	44.12	38.05	49.27	50.26
Water Consumption Intensity per unit revenue (YoY)	%	-0.99%	-13.76%	29.51%	1.99%
Total Greenhouse Gas Emissions (Scope 1 and 2)	tCO ₂ e	5,114.66	6,199.71	6,219.89	1,491.05
Scope 1	tCO ₂ e	216.72	184.16	153.77	38.86
Scope 2	tCO ₂ e	4,897.94	6,015.55	6,066.13	1,452.19
Greenhouse Gas Emissions (Scope 1 and 2) Intensity	tCO ₂ e/Million RMB Revenue	4.13	4.43	3.84	3.53
Greenhouse Gas Emissions (Scope 1 and 2) Intensity per unit revenue (YoY)	%	-6.56%	13.76%	-13.29%	-8.09%
Gasoline	L	46,961.43	35,313.40	29,593.21	8,950.39
Diesel	L	6,028.35	4,399.64	2,153.10	0.00
Natural Gas	m ³	36,149.04	42,148.55	36,802.10	7,732.55

Notes:

- (1) Scope 1 emissions refer to direct GHG emissions primarily from the direct energy consumed in our operations (including GHG from the combustion of fossil fuels from stationary and mobile sources, and fugitive gas emissions from refrigerants).
- (2) Scope 2 emissions refer to indirect GHG emissions mainly from purchased electricity consumption.
- (3) The YoY changes for the three months ended March 31, 2026, are presented for reference purposes only. Due to the unavailability of corresponding comparative-period data, these changes are currently based on a comparison with the year ended December 31, 2025. The YoY analyses will be updated when the relevant comparative-period data becomes available.

Our GHG emission intensity (Scope 1 and 2) was 4.43 tCO₂e per million RMB revenue in 2024, lower than the industry peers' average of 4.78 tCO₂e per million RMB revenue. Our electricity and water consumption intensities were 8,210.10 kWh per million RMB revenue and 38.05 m³ per million RMB revenue, respectively in 2024, lower than the peers' average of 8,529.27 kWh per million RMB revenue and 66.59 m³ per million RMB revenue, respectively.

We ensure that all hazardous waste generated during production operations is properly disposed of. We generated hazardous waste amounts of 27,042.35 kg, 30,949.53 kg, 56,302.25 kg and 29,346.70 kg in 2023, 2024, 2025 and for the three months ended March 31, 2026, respectively.

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We set targets with reference to the existing operating model and industry peers' ESG targets. Based on environmental data from the past three years and maintaining a comparable level of operation. Our ESG goals are as follows:

- **GHG Emissions:** Reduce GHG emission intensity by 3% by 2027 compared to 2024.
- **Energy Usage:** Reduce energy emission intensity by 3% by 2027 compared to 2024.
- **Water Usage:** Reduce water consumption intensity by 3% by 2027 compared to 2024.

To achieve environmental targets, we have implemented a range of energy-saving and emission-reduction initiatives. These include controlling device standby time, upgrading to high-efficiency devices, introducing variable-frequency and smart controls for the HVAC system, and optimizing the lighting system, all of which have led to an overall reduction in energy consumption. In addition, we have invested in a rooftop distributed photovoltaic power station to increase the share of green electricity. For water conservation, we have recycled concentrate water and strengthened water management in production and office facilities.

The financial impact is mainly reflected in the initial capital expenditure required to achieve targets of energy usage, GHG emissions and water usage. These investments are expected to improve operational efficiency and reduce resource consumption and generate operational cost savings in the medium and long term. In terms of non-financial impact, these measures will enhance operational resilience, elevate our brand reputation, and ensure that our business model aligns with the long-term trend of sustainable development.

During the Track Record Period, our Group's business was in a rapid development phase, with uncertainties in operations and energy consumption. Accordingly, we have set measurable environmental targets, including reducing GHG emission intensity, energy consumption intensity, and water consumption intensity by 3% by 2027 compared to the 2024 baseline. These targets are based on key assumptions of stable business operations without major changes and reference the targets of industry peers.

Regarding the cost of achieving these environmental targets, we have undertaken proactive investment planning. In the first half of 2025, we invested approximately RMB5 million in the construction of a 2.2 MW photovoltaic power station, which is expected to generate over 2.2 million kWh of green electricity annually, contributing to the achievement of our greenhouse gas emission reduction and energy usage targets. The costs for the energy saving measures are not material in comparison to the overall energy costs, and the payback period for the solar panels' investment is approximately five years.

Climate Change

We place great importance on managing climate change and recognize that climate-related physical risks (e.g. typhoons, floods and extreme heat) and transition risk (e.g. Regulatory risk, Reputation risk and Market risk) may affect our operations, supply chain stability, asset integrity and compliance costs. To mitigate these risks, we enhance emergency response arrangements, monitor relevant weather conditions in operating locations, conduct closer inspections during hot weather, and implement appropriate logistics arrangements for temperature-sensitive medical products and materials. We also monitor climate-related regulatory developments and regularly disclose and review greenhouse gas emissions to support timely operational adjustments and compliance planning.

Employment

As of March 31, 2026, we had a total of 2,213 employees. As of the same date, we had 1,070 male employees and 1,143 female employees, representing approximately 48.4% and 51.6% of our total employees, respectively.

Our employee handbook sets out policies for managing staff and ensuring workplace equity. We offer competitive compensation packages that include stable salaries and various benefits. These benefits cover paid leave, such as vacation, sick leave, personal leave, and maternity/paternity leave. Additionally, we provide insurance in accordance with local laws and regulations, including social insurance.

Occupational Safety

We are committed to maintaining a safe workplace by complying with occupational safety laws and enforcing internal policies such as the employee and safety handbook, which cover workplace safety, equipment maintenance, safety training, and annual health examinations. Our Health and Safety Committee provides recommendations to management for continuous improvement. We also address work-related stress through confidential counseling services. Annual physical examinations are fully covered by the Company.

Supply Chain Management

We have also developed strict standards for the selection of suppliers, supplier quality requirements and supplier performance evaluation. We require suppliers to comply with relevant environmental protection laws and regulations and adhere to the principle of integrity. If the products submitted by the supplier do not meet the environmental protection laws and regulations, the supplier shall compensate us for the losses incurred and shall bear all relevant legal responsibilities. We regularly monitor the environmental and social risks of the supply chain through supplier audits, including requesting the suppliers to update environmental certifications regularly according to Supplier Management Work Specifications (《供應商管理工作規範》) and sign Letter of Commitment (《環保承諾書》). We conduct annual performance evaluations of suppliers to ensure that they meet our business requirements. Besides, we require suppliers to submit environmental test reports and environmental declaration or relevant materials and we will increase environmental requirements for materials with relatively high environmental risks to use more environmentally friendly products and services throughout the supply chain.

Business Ethics

We have developed internal policies, including the Anti-Bribery Management Guidelines (《麥科田反商業賄賂管理指引》). Additionally, we have established the Anti-Bribery Compliance Manual (《麥科田反商業賄賂合規手冊》). Furthermore, we have set up the Code of Conduct for Partners (《合作夥伴行為準則》). This code clearly outlines the anti-bribery standards that our business partners must adhere to and requires business partners to sign this code of conduct.

We firmly reject any form of commercial bribery, bribery-taking, or other improper business practices. During the Track Record Period and up to the Latest Practicable Date, we fully complied with the laws and regulations prohibiting commercial bribery and did not engage in any law violations.

We have established the Commitment to Integrity and Self-Discipline (《廉潔自律承諾書》), which prohibits employees from seeking or accepting any personal benefits or gifts based on their positions or roles within our Group. We strictly prohibit the provision or acceptance of any payments or gifts with bribery, kickbacks, secret commissions, or personal interests. Furthermore,

we encourage employees and business partners to report commercial bribery. We strictly maintain the confidentiality of the whistleblower's identity, and the information provided in the report, including the name, department, and company names remains confidential throughout the entire process.

PROPERTIES

Owned Properties

As of March 31, 2026, we owned (i) the land use rights of three parcels of land in Shanghai and Changzhou, China, with an aggregate land use area of approximately 77,367 sq.m.; and (ii) five buildings in China, with an aggregate gross floor area of approximately 117,420 sq.m. Our properties are mainly used as our manufacturing centers, R&D centers and offices. As confirmed by our PRC Legal Advisor, we had obtained valid legal titles to these properties and land use rights for the land occupied by these buildings, and that we are entitled to legally occupy, use, benefit from, transfer, lease, pledge or otherwise dispose of these properties.

Leased Properties

As of March 31, 2026, we leased 32 properties for our operational needs in China, with an aggregate gross floor area of approximately 54,131 sq.m. We also leased one property in Abingdon, Oxford, UK as our R&D and manufacturing center as well as offices in the Netherlands, Indonesia, Colombia, Thailand and Belgium, respectively. Our lease agreements in respect of these leased properties generally have expiration dates ranging from one year to 18 years. During the Track Record Period and up to the Latest Practicable Date, we did not experience material difficulties in negotiating the renewal of our leases with our landlords.

As of March 31, 2026, the relevant lessors of our six leased properties for operational purposes had not provided relevant title ownership certificates or other similar proof of such leased properties to us, with an aggregate gross floor area of approximately 18,293 sq.m., representing approximately 33.8% of the total gross floor area of our leased properties for our operational needs. Among these six leased properties, five leased properties are used for office premises and do not involve any manufacturing or production activities. Therefore, the use of these properties does not require us to obtain any safety-related filings, approvals or permits under applicable PRC laws and regulations. The remaining leased property in Hunan is used as a manufacturing plant, for which we have obtained the Medical Device Manufacturing License from the relevant medical products administration and other necessary permits required for production activities. As advised by our PRC Legal Advisor, it is the lessors' responsibility to obtain the appropriate title certificates, and we, as the tenant, will not be subject to any administrative punishment or penalties because of the lessors' failure to obtain or to provide the relevant title ownership certificates. We, however, face uncertainties with respect to our leases if a third party claims rights to or challenges the lease. In the worst-case scenario, if the lessors were found out not to have the requisite rights to lease these properties, our relevant lease agreements with them may be deemed invalid, and as a result we may be required to vacate these leased properties. During the Track Record Period and up to the Latest Practicable Date, we had not encountered any disputes or termination of leases with respect to these leased properties as described above. Our Directors believe that these situations described above will not materially affect our business and results of operations, on the grounds that: (i) during the Track Record Period and up to the Latest Practicable Date, to the best knowledge of our Directors, our leases with respect to the above-mentioned leased properties had never been challenged by any third parties; (ii) these leased properties are geographically dispersed in different cities, the relocation of which is not expected to cause any material interruption to our R&D, manufacturing or sales plans; and (iii) there are multiple site candidates close to these leased properties at substantially the same rental prices, and we believe we would be able to relocate to different sites relatively easily should we be required to do so. We will continue to use commercially reasonable efforts to request our lessors to provide us with the relevant title ownership certificates, and to

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identify suitable alternative locations for these properties. For details of the relevant risks, see “Risk Factors — Risks Relating To Our Business and Industry — Our leased property interests may be defective and our right to lease or use the properties may be challenged.”

As of March 31, 2026, lease agreements for our 31 leased properties for operational purposes in China had not been registered with the relevant PRC governmental authorities, with an aggregate gross floor area of approximately 53,331 sq.m., representing approximately 98.5% of the total gross floor area of our leased properties for our operational needs. As advised by our PRC Legal Advisor, under the PRC Civil Code, failure to register the lease agreements with the relevant PRC government authorities does not affect the validity and enforceability of the relevant lease agreements. However, the relevant PRC government authorities may order us or the lessors to, within a prescribed time limit, register the lease agreements, and may impose a fine ranging from RMB1,000 to RMB10,000 for each unregistered lease agreement if we fail to complete such registration. In the event we fail to register the lease agreements according to the relevant regulatory requirements, we may be subject to a maximum aggregate fine of RMB0.3 million. Our Directors are of the view that the unregistered leases will not individually or collectively have a material adverse impact on our business or financial conditions.

As of March 31, 2026, we had no single property interest with a carrying amount of 15% or more of our total assets, and on this basis, we are not required by Rule 5.01A of the Hong Kong Listing Rules to include in this Prospectus any valuation report. Pursuant to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Cap. 32L of the Laws of Hong Kong), this prospectus is exempt from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance which requires a valuation report with respect to all our interests in land or buildings.

INSURANCE

We maintain insurance policies that are required under PRC laws and regulations as well as policies based on our assessment of our operational needs and industry practice. We are subject to the social insurance system of the PRC and are required to make contributions for our employees toward pension, medical insurance, unemployment insurance, work-related injury insurance and maternity insurance. In addition, we maintain product liability insurance and cargo insurance for export products as well as property insurance. We review our insurance policies from time to time in order to adequately address the breadth of coverage. We consider that our existing insurance coverage is in line with industry norms and is sufficient for our present operations.

During the Track Record Period and up to the Latest Practicable Date, save for the insurance claim filed by Penlon, we had not made or been the subject of any material insurance claims. For details of the insurance claim, see “Financial Information — Description of Selected Components of Consolidated Statements of Profit or Loss — Other Income and Gains” and “Financial Information — Discussion of Certain Selected Items From the Consolidated Statements of Financial Position — Prepayments, Other Receivables and Other Assets.” As our business expands, we will regularly review and assess our risk portfolio and adjust our insurance practice based on our needs and industry practice. For insurance related risks, see “Risk Factors — Risks Relating to our Business and Industry — Our insurance coverage may not be sufficient to cover all losses associated with our business operations” in this prospectus.

LICENSES, PERMITS AND APPROVALS

We operate in a heavily regulated industry, and accordingly, are required to obtain various licenses, permits, approvals and certifications from relevant regulatory authorities in the jurisdictions where we have operations.

In China, we are required to obtain registration certificates for Class II and III medical devices and complete record-filings for Class I medical devices with relevant regulatory authorities to commercialize our medical device products. According to applicable PRC laws and regulations, the Class I record-filings will remain effective provided that we continue to comply with the record-filing obligations for subsequent amendments to filed materials, and the registration certificates for Class II and III medical devices are valid for five years and subject to renewal. In addition, we are required to maintain a number of licenses, permits, approvals and proof of record-filings for our production and operations, including the Medical Device Production (醫療器械生產許可證), and the Business Operation License of Medical Devices (醫療器械經營許可證). For details of the relevant laws, regulations, and requirements, see “Regulatory Overview” in this prospectus. In addition, we are required to obtain CE markings, FDA approvals and/or other registration certificates pursuant to the regulatory requirements of our overseas markets.

As of March 31, 2026, we had completed record-filings for 32 Class I medical devices and held 238 and 59 valid NMPA registration certificates for Class II and Class III medical devices, respectively. In addition, we held 40 valid FDA approvals and 311 valid CE-marked products. In general, Class I medical devices in China remain valid upon record filing, while Class II and Class III medical device registrations are valid for five years and subject to renewal in accordance with applicable PRC laws and regulations. CE markings typically have a validity period ranging from one to five years, depending on factors such as the risk classification of the product, the applicable EU directives or standards, and whether any material changes have been made to the product or manufacturing process. FDA approvals granted to our products remain valid unless there is a material change in the intended use, design, manufacturing process or labeling of the approved product, or a withdrawal by the FDA or the applicant. As of the Latest Practicable Date, all necessary certificates and approvals remained valid and in effect. We will continue to monitor the expiration dates of our registration certificates and renew them on a timely basis prior to their expiry in order to ensure validity.

As confirmed by our PRC legal Advisor, we have obtained all necessary licenses, permits, approvals and certificates from, or made all necessary filings with, relevant competent regulatory authorities for our business operations in China during the Track Record Period and up to the Latest Practicable Date. In addition, we had obtained requisite licenses, approvals and certificates to sell our products to relevant overseas jurisdictions, and we did not experience any material difficulties in obtaining, making or renewing such licenses, permits, approvals, certificates and filings during the Track Record Period and up to the Latest Practicable Date.

OUR BUSINESS ACTIVITIES WITH REGIONS SUBJECT TO INTERNATIONAL SANCTIONS

The United States and other jurisdictions or organizations, including the European Union, the United Kingdom, the United Nations and Australia, have, through executive order, passing of legislation or other governmental means, implemented measures that impose economic sanctions against such countries or against targeted industry sectors, groups of companies or persons, and/or organizations within such countries. The United States also has enacted secondary sanctions targeting non-U.S. persons who have engaged in certain sanctionable activities related to the Comprehensively Sanctioned Countries, certain targeted sectors, or sanctioned entities designated on the SDN List.

During the Track Record Period, we sold certain of our products to certain customers located in countries/regions subject to International Sanctions, including Iran, Syria, Belarus, Egypt, Iraq, Lebanon, Libya, Myanmar, Nicaragua, Russia (excluding the Crimea region), South Sudan, Somalia, Tunisia, Turkey, Ukraine (excluding the Crimea region), Venezuela and Yemen (collectively, “**Relevant Regions**”). Since none of our customers at the time of the relevant transaction were designated on the SDN List, only operations in certain targeted sectors in Iran, Syria, Russia are subject to secondary U.S. sanctions risks regardless of whether any U.S. nexus was involved. Revenue attributable to such sales to the Relevant Regions represented approximately 2.4%, 2.5%, 1.9% and 2.9%, respectively, of our total revenue for the years ended December 31,

2023, 2024 and 2025 and for the three months ended March 31, 2026. Revenue attributable to sales to the United States was RMB19,799 thousand, RMB13,276 thousand, RMB18,371 thousand and RMB7,290 thousand and represented approximately 1.5%, 0.9%, 1.1% and 1.7% of our total revenue for the same period, respectively. As advised by our International Sanctions Legal Advisor, our sales of medical devices to the Relevant Regions during the Track Record Period did not represent a violation to primary U.S. sanctions and are unlikely to expose us to secondary U.S. sanctions risks on the basis that: (i) our customers for all of these were not designated under sanctions laws administered by the United States; (ii) our sales of medical devices to Iran were authorized by a general license in the Iranian Transactions and Sanctions Regulations (“**ITSR**”) set forth in 31 Code of Federal Regulations (“**C.F.R.**” or “**CFR**”) § 560.530(a)(3); (iii) our sales of medical devices to Syria were authorized by a general license in the Syrian Sanctions Regulations (“**SySR**”) set forth in 31 C.F.R. § 542.525; and our sales of medical devices to Russia were authorized by General License No. 6D of Russian Harmful Foreign Activities Sanctions Regulations 31 CFR part 587; and (iv) there are general policy objectives to authorize sales of medical devices given the humanitarian nature of the products involved. For our sales of medical devices in Relevant Regions other than Iran, Syria and Russia, which are subject to list-based sanctions programs only, no licenses are required since our customers are not sanctioned. As of the Latest Practicable Date subsequent to the Track Record Period, there were no material changes to our business in relation to the Relevant Regions.

Besides, our customers located in the Relevant Regions were also not designated under sanctions laws administered by the European Union, the United Nations and Australia. Based on the reasons above, as advised by our International Sanctions Legal Advisers, (i) our sales of medical devices to the Relevant Regions are unlikely to result in the violation of, or sanctions designation under, applicable sanctions laws administered by the United States, the European Union, the United Nations and Australia; and (ii) our business activities did not constitute Primary Sanctioned Activities that represent a violation to the applicable International Sanctions and are unlikely to be viewed as Secondary Sanctionable Activities during the Track Record Period.

As of the Latest Practicable Date, we have ceased our sales to Comprehensively Sanctioned Countries, and neither we nor our Directors have received any notice of penalties or enforcement action related to our historical sales to the Relevant Regions. We do not intend to undertake any future business with any Comprehensively Sanctioned Countries, Sanctioned Targets or other business that could cause us to violate the applicable International Sanctions.

Trade, Tax and Investment Regulatory Exposure

Set out below is a detailed analysis of our exposure to tariffs, transfer pricing, import/export restrictions, and U.S. Outbound Investment Rule (the “**OIR**”).

- **Tariffs.** We primarily conduct export transactions under trade terms such as Ex Works (EXW), Free on Board (FOB), and Cost, Insurance and Freight (CIF). Under these terms, any tariffs or import-related charges, if applicable, are typically borne by the buyer. In addition, our exported products, such as medical devices, fall within tariff-exempt categories in certain overseas markets. Furthermore, our exposure to markets with evolving tariff policies, such as the United States, is highly limited. In 2023, 2024 and 2025 and the three months ended March 31, 2026, revenue generated from sales to customers in the United States was RMB19.8 million, RMB13.3 million, RMB18.4 million and RMB7.3 million, respectively, representing only 1.5%, 0.9%, 1.1% and 1.7% of our total revenue for the same periods, respectively. We did not incur any tariffs in connection with our overseas sales during the Track Record Period. In light of the foregoing, we reasonably believe that our exposure to tariff-related risks in connection with overseas sales is remote, and specifically, that U.S. tariff policies have not had, and are not expected to have, a material adverse impact on our business, results of operations or financial position.

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- **Transfer pricing.** We have engaged an independent consultant to formulate a related-party transaction policy in accordance with the arm's length principle and international practices, with a view to regulating cross-border transactions among our subsidiaries in the PRC and overseas. In addition, we have adopted a transfer pricing policy that reflects the comparable prices typically charged between independent third parties for the provision of similar services or goods under fair market conditions. During the Track Record Period, all such intra-group transactions were conducted in accordance with our related party transaction policy and transfer pricing policy. We believe that the pricing of such transactions was consistent with the arm's length principle and, to the best of our knowledge, there were no transfer pricing adjustments imposed that would give rise to additional tax liabilities under the applicable transfer pricing laws and regulations. As such, we are of the view that we were not subject to any material risk of underpayment of corporate income tax in the relevant jurisdictions during the Track Record Period.
- **Import/Export Restrictions.** While we remain attentive to global market developments, our exposure to export controls and import restrictions is limited due to the following: (i) our products, as medical devices, generally fall within the tariff-exempt categories and do not fall within categories that are typically subject to security-related export controls or licensing regimes; (ii) our global footprint is geographically diversified, and we do not rely on a single export market or politically sensitive region for a material portion of our revenue; (iii) we have implemented compliance protocols to screen customers and transactions against applicable export control and sanctions lists; and (iv) we confirm that we do not export, import, procure, source or otherwise rely on (a) any software, technology, goods, or services which may be deemed as controlled items as defined under the Export Control Law of the PRC to include dual-use items, military items, nuclear items, technologies, services, and any items related to the maintenance of national security and national interests and to the performance of anti-proliferation obligations, or (b) any U.S.-origin software, technology or goods, or foreign-made software, technology or goods that are exported from the United States or contain certain U.S. content. During the Track Record Period, our procurement of U.S.-origin parts and components was immaterial, accounting for less than 5.0% of our total procurement amount. We confirm that these are standard, commercially available items not subject to stringent U.S. export controls. We maintain a diversified supplier base and can readily source comparable alternatives from non-U.S. suppliers without material disruption to our operations.
- **OIR.** We confirm that our business operations, products, and services do not involve the research, development, production, or sale of any technologies falling within the scope of the OIR. Consequently, based on the nature of our business, we have concluded that we are not a "covered foreign person" under the OIR as we are not engaged in "covered activities" under the OIR, and therefore the OIR is not applicable to our Group. We will continue to monitor the regulatory landscape to ensure ongoing compliance.

Based on the foregoing analysis, we are of the view that our exposure to potential regulatory risks in connection with tariffs (especially the U.S. tariffs), transfer pricing, import/export restrictions and OIR has not had, and is not expected to have, a material adverse impact on our business, results of operations or financial position. That said, we are aware that tariffs, import and export restrictions and related regulatory frameworks have been tightening in recent years. As such, there remains a degree of uncertainty going forward.

LEGAL PROCEEDINGS AND REGULATORY COMPLIANCE

Compliance

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any non-compliance incidents that had led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

Legal Proceedings

We may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial costs and diversion of our resources, including our management's time and attention. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any litigation, arbitration or administrative proceedings against us that could have a material adverse effect on our business, financial condition or results of operations.

RISK MANAGEMENT AND INTERNAL CONTROL

We have established risk management and internal control systems tailored to our business needs, incorporating policies and procedures aimed at ensuring legal compliance, intellectual property protection, information technology security, human resource management, financial reporting accuracy, and overall internal governance. These systems are subject to ongoing refinement to align with our operational demands. Our Board of Directors oversees the establishment and periodic review of these systems, while our senior management monitors their effective daily execution across subsidiaries and functional departments. The heads of each functional department, business unit and subsidiary are responsible for the related risk control in their respective areas.

To monitor the continuous implementation of risk management and internal control after the Listing, we have adopted or will continue to adopt, among other things, the following risk management measures:

- establish an audit committee to review and supervise our financial reporting and internal control system. For the qualifications and experience of these members, see "Directors and Senior Management;"
- adopt corporate governance policies to guarantee compliance with continuing obligations as stipulated by the Listing Rules, including but not limited to the establishment of board committees, the adoption of rules of procedures and policies in relation to risk management, connected transactions, investments and information disclosure;
- provide regular anti-corruption and anti-bribery compliance training for senior management and employees in order to enhance their knowledge of and compliance with applicable laws and regulations; and
- arrange for our Directors and senior management to attend training seminars on Listing Rules requirements and the responsibilities as directors of a Hong Kong-listed company;

To ensure the above compliance culture is embedded into everyday workflow and set the expectations for individual behavior across the organization, we will regularly conduct internal compliance checks and inspections, adopt strict internal accountability and conduct compliance training.

Legal and Compliance Risk Management

To manage compliance and legal risks, we adopted internal procedures, ensuring our operations align with applicable laws and regulations. Our in-house legal team reviews and updates the form of contracts we enter into with clients, suppliers, and business partners. Our in-house legal team's responsibilities encompass legal assistance for major projects, dispute resolution, intellectual property protection, corporate governance compliance, overseas regulatory landscape navigation, and support for subsidiaries' compliance. Their daily tasks include reviewing business

processes and contracts and analyzing daily legal queries. Additionally, our legal team is responsible for obtaining and maintaining the requisite administrative certificates and approvals for our business operations. We also continuously improve our internal policies in response to changes in laws, regulations, and industry standards, and update internal templates for legal documents.

Information System Risk Management

Sufficient maintenance, storage and protection of user data and other related information are critical to our success. For risks relating to information systems, see “Risk Factors — Risks Relating to our Business and Industry — A breach, cyber-attack or other disruption to these systems or data could materially and adversely affect our business, financial condition or results of operations.” We have implemented relevant internal procedures and controls to ensure that user data is protected, and that leakage and loss of such data are avoided. In particular, we have installed encryption software on the computers of key functional departments, including, among others, R&D, human resources, procurement, and finance. The transmission and decryption of files for external purposes require prior approval, and all transmission records are archived. We monitor the execution of our information security policies and provide regular training and technical support to our business operations teams. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material information leakage or loss of user data.

Data Privacy and Security Risk Management

We have designed strict data protection policies to ensure that the collection, use, storage, and processing of medical data comply with applicable laws and prevailing industry practices. We have adopted comprehensive data privacy and protection policies and have established a management system to enforce our data privacy and protection measures. We also organize training from time to time to ensure privacy compliance and data security.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any breach of confidential data or personal information or any related incidents which could have had a material adverse effect on our business, financial condition or results of our operations, and we had complied with laws and regulations related to data security and privacy with respect to our products, systems and operations in all material aspects. During the Track Record Period and up to the Latest Practicable Date, we had not transmitted any personal information collected or generated in the course of our operations in Chinese Mainland to any overseas entity, organization or individual. Such data are properly stored within Chinese Mainland, and, no overseas entity, organization or individual has access to, or is able to query, retrieve, download or export any such data. As confirmed by our PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, we had not incurred any related administrative penalties. For details of laws and regulations regarding data privacy and protection, see “Regulatory Overview — Other Laws and Regulations — Laws and Regulations on Information Security and Data Privacy” in this prospectus.

Financial Reporting Risk Management

We have in place a set of accounting policies in connection with our financial reporting risk management, such as financial report management policies, expense management policies and treasury management policies. We have various procedures in place to implement such accounting policies, and our finance department reviews our management accounts based on such procedures. We also provide regular training to our finance department staff to ensure that they understand financial management and accounting policies and implement them in our daily operations.

Human Resource and Anti-Corruption Management

We have established human resources policies covering recruitment, training, work ethic and legal compliance. We maintain high standards in recruitment with strict procedures to ensure the quality of new employees and provide induction training and periodic training in relation to various compliance aspects. In addition, we provide regular and specialized training tailored to the needs of our employees in different departments. Our human resources department regularly organizes internal training sessions conducted by senior employees or outside consultants on topics of interest. Through this training, we ensure that our staff's skill sets remain up to date, enabling them to better discover and meet customers' needs.

We have in place an employee handbook and a staff code of conduct. The handbook contains internal rules and guidelines regarding work ethic, fraud prevention mechanisms, negligence, anti-bribery, and anti-corruption. We have implemented an anti-corruption policy that outlines prohibited conduct and the corresponding preventive and disciplinary measures, with the aim of safeguarding against corrupt practices within our Group. Under our firm-wide whistle-blowing policy, we make our internal reporting channel open and available for our employees to report on an anonymous basis, any non-compliance incidents and acts, including bribery and corruption. Reported incidents and persons involved will be investigated and appropriate measures will be taken in response to the findings. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any non-compliance with relevant laws and regulations that had a significant impact on us relating to corruption and bribery. We conduct periodic performance reviews for our employees.

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You should read the following discussion and analysis in conjunction with audited consolidated financial information included in “Appendix I — Accountants’ Report” to this prospectus, together with the accompanying notes. Our consolidated financial information has been prepared in accordance with IFRS, which may differ in material aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountants’ Report and not merely rely on the information contained in this section.

The following discussion and analysis contain forward-looking statements that reflect the current views with respect to future events and financial performance. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate under the circumstances. However, whether the actual outcome and developments will meet our expectations and predictions depends on a number of risks and uncertainties over which we do not have control. For details, see “Forward-looking Statements” and “Risk Factors” in this prospectus.

OVERVIEW

We are a global medical device provider, serving clinical needs across a wide range of clinical departments, wards and offices within medical institutions, as well as community health centers, testing facilities and home care scenarios. As of March 31, 2026, we had commercialized over (i) 60 life support products, (ii) 110 minimally invasive intervention products, and (iii) 150 in vitro diagnostics products, available in multiple models to accommodate diverse application needs. Our products had cumulatively reached over 140 countries and regions globally. In China, our products have cumulatively reached over 6,000 hospitals, including approximately 90% of Grade 3A (三級甲等) hospitals, covering 31 provinces, municipalities and autonomous regions.

We generate revenue primarily from the sale of medical device products, and have achieved sustained revenue growth throughout the Track Record Period. Our revenue increased from RMB1,313.3 million in 2023 to RMB1,619.2 million in 2025, and further from RMB354.7 million for the three months ended March 31, 2025 to RMB422.3 million for the same period in 2026. Our gross profit margin increased from 49.6% in 2023 to 49.7% in 2024, and further to 53.7% in 2025 and 54.3% in the three months ended March 31, 2026. In line with our phased development strategy, we made significant investments in product R&D, technology upgrades, business line expansion and global marketing during the Track Record Period. As a result of these strategic expenditures, we recorded net losses of RMB64.5 million and RMB96.6 million in 2023 and 2024, respectively. In 2025, we turned profitable with a net profit of RMB50.7 million, mainly attributable to sales growth across all business units, coupled with enhanced production and operational efficiency. For the three months ended March 31, 2026, we recorded a net loss of RMB2.5 million, primarily because we made share-based payments of RMB25.1 million under the Pre-IPO Share Option Scheme and incurred listing expenses of RMB12.5 million.

Our adjusted profit/(loss) for the year (non-IFRS measure) improved from an adjusted loss of RMB25.0 million in 2024 to an adjusted profit of RMB128.5 million in 2025. We recorded an adjusted profit (non-IFRS measure) of RMB35.0 million for the three months ended March 31, 2026, compared with RMB15.1 million for the same period in 2025. Our adjusted EBITDA (non-IFRS measure) increased from RMB150.2 million in 2023 to RMB289.8 million in 2025, representing a CAGR of 38.9%. Our adjusted EBITDA (non-IFRS measure) increased to RMB75.3 million for the three months ended March 31, 2026 from RMB52.1 million for the same period in 2025.

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MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We believe that the major factors affecting our results of operations and financial condition include the following:

Growth and Competitive Landscape of Our Industry

Our financial performance and future growth mainly depend on the overall growth of and our competitiveness in the life support, minimally invasive intervention and in vitro diagnostics markets. Factors such as an aging population, increasing awareness of medical diagnosis and treatment, favorable government policies, and broader insurance coverage have been driving and are expected to continue to drive the growth of the medical device market. According to CIC, in 2025, the life support market reached a scale of US\$80.4 billion globally and RMB60.9 billion in China; the endoscopic minimally invasive intervention market reached US\$34.8 billion globally and RMB28.3 billion in China; and the in vitro diagnostics market reached US\$118.1 billion globally and RMB122.5 billion in China. We have established competitive strengths across the life support, minimally invasive intervention and in vitro diagnostics markets during the Track Record Period. For details of our market rankings, see “Business — Overview” and “Industry Overview.”

We face competition from multinational and domestic companies in various areas, including, among others, product safety and efficacy, timing and scope of regulatory approvals, supply availability and cost, marketing and sales capabilities, reimbursement coverage, product price, and patent positions. We believe that, leveraging our competitive strengths and comprehensive product portfolio, we are well-positioned to capitalize on the market opportunities. Meanwhile, to increase our market share, we may need to continue to devote managerial, financial and other resources to anticipate and respond to potential changes in market conditions and industry trends in China and globally in a timely manner.

Our Ability to Successfully Develop New Products

Our success depends on our ability to anticipate clinical needs and market trends, and respond with timely and cost-effective innovations. To that end, we plan to further expand and diversify our product portfolio by strengthening our R&D capabilities, including the development of new products, iterative improvements to existing product series, and strategic extensions across product categories. Leveraging our R&D platform and accumulated technological expertise, we aim to improve development efficiency, control costs, and mitigate risks inherent to new product launches. However, delays in our R&D progress or in the commercialization of pipeline products may affect our future revenue growth and business outlook.

Our Ability to Manage the Pricing Mechanism and Expand Our Sales Network

For our products sold to distributors, the prices are determined through negotiations with the distributors with reference to their sales volumes and selling prices to end customers. For our products sold directly to hospitals, our product prices are determined through the public tender process as required by hospitals and our negotiations with relevant customers pursuant to applicable regulations, which may put downward pressure on our selling prices. For details, see “Business — Pricing.” Decreases in the selling prices of our products may adversely affect our revenue and gross profit margin. We seek to enhance our pricing power by continuously innovating and upgrading our products with higher clinical value and pricing potential.

Specifically, for our products that are procured through VBP, we generally offer volume-based discounts ranging from 30% to 70% off our standard ex-factory prices. For the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026: (i) VBP-eligible life support products accounted for nil, 0.5%, 0.7% and 0.3% of our revenue from life support products, respectively; (ii) VBP-eligible minimally invasive intervention products accounted for 1.7%, 5.5%, 10.5% and 13.1% of our revenue from minimally invasive intervention products,

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respectively; and (iii) VBP-eligible in vitro diagnostics products accounted for 4.1%, 4.9%, 2.9% and 3.9% of our revenue from in vitro diagnostics products, respectively. We intend to continue proactively participating in future VBP public tenders across our three business units to further consolidate our market position and expand our patient reach. Based on our current best estimate, and subject to factors beyond our control, including tender outcomes, pricing dynamics and the timing and scope of future VBP cycles, we expect our revenue attributable to VBP for minimally invasive intervention products to continue to increase, while the revenue contribution from VBP in our other two business units is expected to remain stable. To mitigate potential pricing pressures, we remain committed to strengthening our R&D pipeline, diversifying our product portfolio and expanding into overseas market. We believe we are well-positioned to navigate the evolving regulatory landscape while sustaining long-term revenue growth and operational stability.

We continue to develop and enhance our sales network. For details, see “Business — Sales, Distribution and Marketing.” We primarily sell our products through distributors. In 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, which generated our global network included 3,445, 3,694, 3,707, 1,899 and 2,029 distributors, respectively, revenue of RMB1,151.8 million, RMB1,179.8 million, RMB1,345.0 million, RMB314.0 million and RMB371.6 million, respectively, accounting for 87.8%, 84.3%, 83.1%, 88.5% and 88.0% of our total revenue for the respective periods. Thus, our ability to expand and efficiently manage our distribution network is vital to our business success and financial performance. Moreover, our marketing strategies are executed by our in-house sales and marketing team, which is strategically aligned across different geographic regions. As of March 31, 2026, our sales and marketing team had over 500 employees. Our ability to continuously maintain, expand and manage our sales team and distributor network is critical to our results of operations and financial condition.

Our Ability to Maintain Sufficient Manufacturing Capacity and Improve Operational Efficiency

Our manufacturing capacity affects our results of operations. We are proactively expanding our production capacity and upgrading our manufacturing centers to accommodate our increasingly diversified product pipeline and growing market demand. The expansion of our manufacturing capacity requires time to (i) construct the facilities, (ii) obtain the necessary permits and certifications for operations, (iii) recruit and train the new employees for the new manufacturing centers and (iv) purchase replacement machine and equipment. For details, see “Future Plans and Use of Proceeds” in this prospectus.

Our ability to effectively control our cost of sales while achieving expected business growth is critical to our profitability. Our cost of sales primarily consisted of raw materials costs, direct labor costs and manufacturing costs. Of these, raw material costs represented 67.1%, 66.3%, 67.0% and 67.4% of our total cost of sales in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. Any fluctuation in raw material costs would impact our cost of sales and our profit margin. We have implemented several measures with respect to our raw material procurement process in order to mitigate the impact of shortage of, and rising prices for, principal raw materials, including monitoring inventory levels based on manufacturing forecast and maintaining a list of backup suppliers.

In addition, our business and results of operations are affected by our operating expense structure, which primarily comprised R&D expenses, selling and marketing expenses, and administrative expenses during the Track Record Period. We incurred substantial selling and marketing expenses as we maintain a well-established sales and marketing team to sell and promote our products in China and overseas. As we launch new products, expand our product lines and further penetrate existing and enter new markets, we may incur additional expenses in connection with increased sales and marketing activities and the expansion of our in-house sales and marketing team. Our administrative expenses primarily consisted of administrative staff costs. Our R&D expenses primarily consisted of R&D staff costs and raw material costs. We anticipate that our R&D expenses will continue to constitute a substantial portion of our total operating expenses in the

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foreseeable future, as we persist in our efforts to expand and innovate our product portfolio. This ongoing investment in R&D is crucial to maintaining our competitive edge and responding to evolving market demands. We expect our cost and expense structure to evolve as we continue to expand our business operations and develop and launch new products. Going forward, we will continue to endeavor to improve operating efficiency and achieve economies of scale to enhance our profit margin.

Our Ability to Execute Successful Acquisitions and Manage Post-Acquisition Integration

We expanded rapidly through organic growth and strategic acquisitions. We strategically select high-quality acquisition targets that have synergy with or complement the technical capabilities or application scenarios of our existing products, gradually expanding our business footprint. In the first half of 2022, we acquired Vedkang Medical and Penlon. The acquisition of Vedkang Medical enabled us to expand into the field of minimally invasive intervention, while the acquisition of Penlon enhanced our life support product portfolio by incorporating anesthesia system products. For details, see “History, Development and Corporate Structure — Material Acquisitions.” To further strengthen our sales capabilities in overseas markets, we acquired Vedefar, a Belgian distributor, in June 2025, enhancing our international sales capabilities. In September 2025, to further strengthen our presence in the endoscope market, we acquired the entire equity interest in Caring Medical, a medical device company focused on the development, production and sales of intelligent endoscopic systems.

In identifying acquisition opportunities, we focus on businesses in market segments where our existing engineering capabilities, technological expertise, and operational infrastructure can be effectively leveraged to drive post-acquisition integration and value creation. We also favor targets whose product portfolios share clinical applications and departmental overlaps with our existing business units, enabling efficient use of our established sales channels and customer base. We will continue to pursue strategic acquisition opportunities that can further expand our business footprint. Our ability to identify suitable targets, execute successful acquisitions, and implement effective post-acquisition integration will play a critical role in driving future revenue growth and enhancing our business prospects.

Fluctuations in Foreign Exchange Rates

During the Track Record Period, a portion of our revenue was generated from sales denominated in foreign currencies, while a substantial portion of our costs and expenses were denominated in Renminbi. In addition, we operate on a global scale and generate revenue in multiple currencies. Consequently, the translation of these foreign currencies into RMB, our reporting currency, also impacts our financial results. This currency translation can lead to significant fluctuations in reported earnings due to changes in exchange rates, affecting the comparability and interpretation of our results of operations over time. For details, see “— Market Risk Disclosure” in this section.

Regulatory Environment

The medical device industry is highly regulated in China and globally. Government policies and regulations, and their implementation and enforcement, significantly affect the supply, demand and pricing of medical devices, as well as the cost of compliance for medical device companies in countries and regions where they operate. Medical devices must be filed or registered with the NMPA, EMA, FDA or other similar regulatory authorities before they can be manufactured or sold in relevant markets, and some of such filings and registrations must be renewed periodically. The regulatory requirements in connection with such filings and registrations may change, which could significantly increase the resources and time required to launch new products and renew registrations for existing products.

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In recent years, the governments of China, Europe, the U.S. and many other countries and regions have promulgated policies to encourage the development of innovative medical devices, which have contributed to the growth of the medical device industry. Changes in policies and regulations may also affect our results of operations. For instance, in recent years, the healthcare regulatory framework in China has undergone various changes, including changes to the tendering process, centralized procurement regime and the Two-Invoice System. These policies have influenced our choice of sales models, pricing flexibility, and the channels for our products to enter hospitals. We may face downward pricing pressure if our products are included in the centralized procurement regime or if additional products of ours are included in the medical insurance reimbursement list, even if such inclusions are expected to increase the sales volume of our products. See “Business — Pricing”. We will need to constantly adjust our operations and sales practices in order to comply with any changes in the regulatory environment in the countries and regions where our products are sold to.

BASIS OF PREPARATION

Our historical financial information has been prepared in accordance with applicable IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”). The historical financial information has been prepared under the historical cost convention except for certain financial instruments which have been measured at fair value at the end of each period during the Track Record Period.

The preparation of the historical financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying our accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to our historical financial information are disclosed in Note 3 to the Accountants’ Report included in Appendix I to this prospectus.

For ordinary shares issued to Pre-IPO Investors, pursuant to the Supplemental Agreement entered into between our Company and the Pre-IPO Investors in relation to the termination of certain of special rights granted by our Company, including redemption rights and certain deemed liquidation events beyond our control which are void ab initio as described in Note 34 to the Accountants’ Report included in Appendix I to this prospectus, having taking into account the legal and regulatory framework of our Company’s jurisdiction and the governing law of the Supplemental Agreement, our Directors considered that it is appropriate to present the pre-IPO investments as equity throughout the Track Record Period. For the details of the financial impact, see Note 34 to the Accountants’ Report included in Appendix I to this prospectus.

MATERIAL ACCOUNTING POLICY INFORMATION, ESTIMATES AND JUDGMENTS

We have identified certain accounting policies that are significant to the preparation of our financial statements. Material accounting policies that are significant for understanding our financial condition and results of operations are set forth in detail in Note 2.3 to the Accountants’ Report in Appendix I to this prospectus. Some of our accounting policies involve subjective assumptions and estimates, as well as complex judgments relating to accounting items. Actual results could differ from those estimates. We continually evaluate these estimates and assumptions based on the most recently available information, our own historical experience and other factors that we believe to be relevant under the circumstances. Our management has discussed the development, selection and disclosure of these estimates with our Board of Directors. Since our financial reporting process inherently relies on the use of estimates and assumptions, actual results may differ from these estimates under different assumptions or conditions. When reviewing our financial statements, you should consider (i) our selection of key accounting policies, (ii) the judgments and other uncertainties affecting the application of such policies, and (iii) the sensitivity of reported results to changes in conditions and assumptions. We believe that the material accounting policy information and estimates such as fair value estimates, estimated useful lives and residual values of property, plant and equipment, and current and deferred income taxes as detailed in Note 3 to the Accountants’ Report in Appendix I to this prospectus are critical and involve the most important estimates and judgments we used in preparing our financial statements.

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DESCRIPTION OF SELECTED COMPONENTS OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

The following table sets forth our consolidated statements of profit or loss for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except percentages)									
	(Unaudited)									
Revenue	1,313,297	100.0	1,399,361	100.0	1,619,152	100.0	354,743	100.0	422,322	100.0
Cost of sales.	(661,861)	(50.4)	(704,289)	(50.3)	(749,492)	(46.3)	(172,948)	(48.8)	(193,118)	(45.7)
Gross profit.	651,436	49.6	695,072	49.7	869,660	53.7	181,795	51.2	229,204	54.3
Other income and gains	82,417	6.3	56,331	4.0	46,546	2.9	8,449	2.4	7,160	1.7
Selling and marketing expenses	(328,322)	(25.0)	(332,538)	(23.8)	(353,667)	(21.8)	(78,118)	(22.0)	(95,425)	(22.6)
Administrative expenses	(145,950)	(11.1)	(177,003)	(12.6)	(187,665)	(11.6)	(35,692)	(10.1)	(59,471)	(14.1)
Research and development expenses.	(281,099)	(21.4)	(290,508)	(20.8)	(274,194)	(16.9)	(61,726)	(17.4)	(68,211)	(16.2)
Impairment on financial assets, net	(96)	0.0	(1,761)	(0.1)	(1,542)	(0.1)	(218)	(0.1)	(244)	(0.1)
Other expenses	(5,517)	(0.4)	(3,201)	(0.2)	(2,092)	(0.1)	(756)	(0.2)	(6,143)	(1.5)
Finance costs	(21,419)	(1.6)	(15,998)	(1.1)	(18,331)	(1.1)	(3,455)	(1.0)	(3,539)	(0.8)
Share of losses of an associate	(1,274)	(0.1)	(896)	(0.1)	–	–	–	–	–	–
(Loss)/profit before tax.	(49,824)	(3.8)	(70,502)	(5.0)	78,715	4.9	10,279	2.9	3,331	0.8
Income tax expense	(14,684)	(1.1)	(26,115)	(1.9)	(27,977)	(1.7)	(5,056)	(1.4)	(5,858)	(1.4)
(Loss)/profit for the year/period	(64,508)	(4.9)	(96,617)	(6.9)	50,738	3.1	5,223	1.5	(2,527)	(0.6)
Attributable to:										
Owners of the parent	(63,709)	(4.9)	(96,400)	(6.9)	48,886	3.0	5,023	1.4	(3,100)	(0.7)
Non-controlling interests	(799)	(0.1)	(217)	0.0	1,852	0.1	200	0.1	573	0.1
	(64,508)	(4.9)	(96,617)	(6.9)	50,738	3.1	5,223	1.5	(2,527)	(0.6)

For details on the accounting treatment of redemption rights of the Pre-IPO Investors, and its financial impacts, see “— Discussion of Certain Selected Items from the Consolidated Statements of Financial Position — Share Capital” below and Note 34 to the Accountants’ Report in the Appendix I to this prospectus.

Non-IFRS Measures

To supplement our consolidated financial statements which are presented in accordance with IFRS, we also use adjusted profit/(loss) (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that such measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as our management uses them. However, our presentation of adjusted profit/(loss) (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted profit/(loss) for the period (non-IFRS measure) as profit/(loss) for the period excluding share-based payment expenses and listing expenses. Share-based payment expenses are non-cash expenses arising from share awards granted to certain management personnel and employees and do not result in cash outflows. Listing expenses are expenses related to the Listing and the Global Offering. We define adjusted EBITDA (non-IFRS measure) as adjusted profit/(loss) for the period (non-IFRS measure) adding back net finance costs, income tax expense, depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets.

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We therefore believe that adjusting for these items provides potential investors and management with greater visibility into our operating results and financial performance, so that they can assess our underlying core performance without the effects of these items. The following table reconciles, in absolute amounts and as percentages of total revenue for the periods indicated, our adjusted profit/(loss) (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) to the most directly comparable financial measures presented in accordance with IFRS:

	For the Year Ended December 31,			For the Three Months Ended March 31,	
	2023	2024	2025	2025	2026
	<i>(RMB in thousands, except percentages)</i>				
	<i>(Unaudited)</i>				
(Loss)/profit for the year/period	(64,508)	(96,617)	50,738	5,223	(2,527)
Add:					
Equity settled share-based payments	64,119	53,822	67,882	9,013	25,065
Listing expenses	1,616	17,750	9,899	858	12,485
Adjusted profit/(loss) for the year/period (non-IFRS measure)	1,227	(25,045)	128,519	15,094	35,023
Adjusted profit/(loss) margin (non-IFRS measure) (%) ⁽¹⁾	0.1	(1.8)	7.9	4.3	8.3
Add:					
Net finance costs	18,445	9,876	13,656	2,660	2,067
Income tax expenses	14,684	26,115	27,977	5,056	5,858
Depreciation of property, plant and equipment	37,628	38,786	38,229	9,073	11,178
Depreciation of right-of-use assets	29,300	30,971	28,652	6,561	7,670
Amortization of intangible assets	48,900	52,522	52,816	13,660	13,479
Adjusted EBITDA (non-IFRS measure)	150,184	133,225	289,849	52,104	75,275
Adjusted EBITDA margin (non-IFRS measure) (%) ⁽²⁾	11.4	9.5	17.9	14.7	17.8

Notes:

- (1) Adjusted profit/(loss) margin (non-IFRS measure) is calculated by dividing the adjusted profit/(loss) (non-IFRS measure) by total revenue. We define adjusted profit/(loss) (non-IFRS measure) as the profit/(loss) for the period excluding share-based payment expenses and listing expenses.
- (2) Adjusted EBITDA margin (non-IFRS measure) is calculated by dividing the adjusted EBITDA (non-IFRS measure) by total revenue. We define adjusted EBITDA (non-IFRS measure) as the adjusted profit/(loss) (non-IFRS measure), adding back net finance costs and income tax expense or subtracting income tax benefits, and further adding back depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets.

Revenue

Revenue by Business Unit

During the Track Record Period, our revenue was primarily derived from the sales of medical devices. The following table sets forth a breakdown of our revenue by business unit for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except percentages)</i>									
	<i>(Unaudited)</i>									
Life support	564,146	43.0	494,057	35.4	613,406	37.9	125,950	35.5	161,550	38.3
Medication delivery	301,912	23.0	220,560	15.8	347,920	21.5	65,843	18.6	94,148	22.3
Anesthesia machine	195,130	14.9	209,622	15.0	163,868	10.1	41,669	11.7	35,190	8.3

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	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except percentages) (Unaudited)									
Other life support products	67,104	5.1	63,875	4.6	101,618	6.3	18,438	5.2	32,212	7.6
Minimally invasive intervention	586,545	44.7	721,327	51.5	812,207	50.0	187,570	52.9	208,619	49.4
Products targeting digestive Systems	554,109	42.2	687,274	49.1	763,923	47.0	177,008	49.9	201,214	47.6
Products targeting urological Systems	32,436	2.5	34,053	2.4	48,284	3.0	10,562	3.0	7,405	1.8
In vitro diagnostics	162,606	12.3	183,977	13.1	193,539	12.1	41,223	11.6	52,153	12.3
Coagulation	64,656	4.9	57,555	4.0	47,837	3.0	11,247	3.2	14,531	3.4
Blood grouping	50,212	3.8	68,012	4.9	80,319	5.0	18,060	5.1	21,959	5.2
Chemiluminescence	18,576	1.4	25,366	1.8	30,484	1.9	6,455	1.8	8,025	1.9
Molecular diagnostics	29,162	2.2	33,044	2.4	34,899	2.2	5,461	1.5	7,638	1.8
Total	1,313,297	100.0	1,399,361	100.0	1,619,152	100.0	354,743	100.0	422,322	100.0

Life Support

We offer a comprehensive portfolio of life support products, including, among others, medication delivery products, anesthesia machines, airway management and pulmonary function testing products and related consumables. Our revenue from sales of life support products fluctuated during the Track Record Period. For details, see “— Period-to-Period Comparison of Results of Operations.”

Minimally Invasive Intervention

Our business expanded into the field of minimally invasive intervention following our acquisition of Vedkang Medical in April 2022. We primarily offer reusable and single-use endoscope systems and consumable products. During the Track Record Period, our revenue from sales of minimally invasive intervention products experienced sustained growth. For details, see “— Period-to-Period Comparison of Results of Operations.”

In Vitro Diagnostics

Our in vitro diagnostics products primarily included testing analyzers and consumables spanning coagulation, blood grouping, chemiluminescence and molecular diagnostics. Our revenue from in vitro diagnostics business unit increased during the Track Record Period. For details, see “— Period-to-Period Comparison of Results of Operations.”

Revenue by Geographic Location

During the Track Record Period, our products have been distributed to over 140 countries and regions worldwide. Except for Mexico which accounted for 7.2% of our revenue for the three months ended March 31, 2026, no single country or region outside Chinese Mainland accounted for more than 5.0% of our total revenue in any period during the Track Record Period. The following table sets forth a breakdown of our revenue by geographical location for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except percentages) (Unaudited)									
Chinese Mainland	809,572	61.6	769,527	55.0	837,783	51.7	199,275	56.2	226,343	53.6
EMEA	247,404	18.8	313,911	22.4	431,325	26.6	67,237	19.0	96,527	22.9
APAC	154,657	11.8	144,653	10.3	153,126	9.5	39,089	11.0	27,520	6.5
AMER.	101,664	7.8	171,270	12.3	196,918	12.2	49,142	13.8	71,932	17.0
Total	1,313,297	100.0	1,399,361	100.0	1,619,152	100.0	354,743	100.0	422,322	100.0

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Revenue by Sales Channel

During the Track Record Period, we primarily sold our products to our distributors, and to a lesser extent, directly to ODM customers, and end customers. The following table sets forth a breakdown of our revenue by sales channel for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except percentages)										
(Unaudited)										
Sales to distributors	1,151,837	87.8	1,179,828	84.3	1,345,014	83.1	314,034	88.5	371,610	88.0
ODM sales	141,164	10.7	172,579	12.3	228,781	14.1	33,674	9.5	41,535	9.8
Direct sales	20,296	1.5	46,954	3.4	45,357	2.8	6,945	2.0	9,177	2.2
Total	1,313,297	100.0	1,399,361	100.0	1,619,152	100.0	354,743	100.0	422,322	100.0

During the Track Record Period, we primarily generated revenue from sales to distributors. In addition to selling our products to distributors, we also generate revenue from ODM sales in overseas markets. Under this model, we develop, produce, and supply medical products according to the specifications provided by our ODM customers. These products are ultimately sold under our ODM customers' brand names. Increases in our revenue from sales to distributors and ODM sales during the Track Record Period were generally in line with our overall business expansion and increases in sales volume.

We sell a small portion of our products directly to hospitals and other end customers. The increase in our revenue from direct sales in 2024 was primarily driven by the expansion of our hospital customer base. Our revenue from direct sales remained relatively stable at RMB45.4 million in 2025. Our revenue from direct sales was RMB9.2 million for the three months ended March 31, 2026, compared with RMB6.9 million for the three months ended March 31, 2025.

Revenue by Product Nature

Our products are primarily divided into medical equipment and consumables. Equipment products mainly include, among others, infusion pumps and workstations, endoscopic equipment, and in vitro diagnostic analyzers. Consumable products primarily include infusion disposables, minimally invasive intervention consumables, and diagnostic test kits. Other products primarily included freight charges we collected from customers. The following table sets forth a breakdown of our revenue by product nature for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except percentages)										
(Unaudited)										
Equipment	547,929	41.7	491,038	35.1	602,313	37.2	125,412	35.4	154,486	36.6
Consumables	760,338	57.9	899,321	64.3	1,014,746	62.7	228,627	64.4	267,699	63.4
Others	5,030	0.4	9,002	0.6	2,093	0.1	704	0.2	137	0
Total	1,313,297	100.0	1,399,361	100.0	1,619,152	100.0	354,743	100.0	422,322	100.0

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Cost of Sales

Our cost of sales primarily consisted of raw materials costs, staff costs and manufacturing costs. The following table sets forth a breakdown of our cost of sales by nature for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except percentages)										
(Unaudited)										
Raw materials	444,302	67.1	467,089	66.3	502,472	67.0	113,200	65.5	130,257	67.4
Direct labor costs	62,349	9.4	61,727	8.8	66,222	8.8	15,752	9.1	17,237	8.9
Manufacturing costs	155,210	23.5	175,473	24.9	180,798	24.2	43,996	25.4	45,624	23.6
Total	661,861	100.0	704,289	100.0	749,492	100.0	172,948	100.0	193,118	100.0

The following table sets forth a breakdown of our cost of sales by business unit for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except percentages)										
(Unaudited)										
Life support	331,308	50.1	321,557	45.7	328,978	43.9	73,406	42.4	88,981	46.1
Minimally invasive intervention	262,420	39.6	305,249	43.3	329,513	44.0	77,396	44.8	79,761	41.3
In vitro diagnostics	68,133	10.3	77,483	11.0	91,001	12.1	22,146	12.8	24,376	12.6
Total	661,861	100.0	704,289	100.0	749,492	100.0	172,948	100.0	193,118	100.0

Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of our gross profit in absolute amounts and gross profit margin expressed as percentages by business unit for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except percentages)										
(Unaudited)										
Life support	232,838	41.3	172,500	34.9	284,428	46.4	52,544	41.7	72,569	44.9
Minimally invasive intervention	324,125	55.3	416,078	57.7	482,694	59.4	110,174	58.7	128,858	61.8
In vitro diagnostics	94,473	58.1	106,494	57.9	102,538	53.0	19,077	46.3	27,777	53.3
Total	651,436	49.6	695,072	49.7	869,660	53.7	181,795	51.2	229,204	54.3

Our gross profit and gross profit margin increased during the Track Record Period. For details, see “— Period-to-Period Comparison of Results of Operations.” Our in vitro diagnostics business unit experienced a decline in both gross profit and gross profit margin in 2025, primarily due to pricing adjustments in response to fluctuating market demand for molecular diagnostics products.

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Other Income and Gains

Our other income and gains primarily consisted of (i) government grants income; (ii) bank interest income; (iii) investment income from investments classified as financial assets at FVTPL; (iv) investment income from investments classified as financial assets at FVOCI; (v) net foreign exchange gains; and (vi) fair value gains on financial assets at FVTPL. The following table sets forth a breakdown of our other income and gains for the periods indicated:

	For the Year Ended December 31,			For the Three Months Ended March 31,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
	(Unaudited)				
Other income					
Government grants income ⁽¹⁾ . . .	64,174	44,600	24,313	5,405	4,801
Bank interest income	2,974	6,122	4,675	795	1,472
Investment income on investments classified as financial assets at fair value through profit or loss ("FVTPL") ⁽²⁾	1,940	1,163	4,568	599	439
Others ⁽³⁾	1,040	776	9,726	892	286
Total other income	70,128	52,661	43,282	7,691	6,998
Gains					
Foreign exchange gains, net	10,918	1,733	2,097	–	–
Gain on disposal of property, plant and equipment	265	202	–	–	–
Gain on termination of lease	–	353	948	–	–
Fair value gains on financial assets at FVTPL	1,106	1,382	219	758	162
Total gains	12,289	3,670	3,264	758	162
Total other income and Gains . . .	82,417	56,331	46,546	8,449	7,160

Notes:

- (1) The government grants income primarily includes the funding provided by the government to key and innovative enterprises, subsidies for R&D projects, rewards for product innovation and business expansion, as well as tax refunds.
- (2) Investments classified as financial assets at FVTPL mainly consist of wealth management products, denominated in RMB, with expected yield rates ranging from 1.20% to 2.90% per annum.
- (3) "Others" primarily consists of contractual penalties and fines, as well as an insurance payment, arising in our ordinary course of business. Other income categorized as "others" increased to RMB9.7 million in 2025, mainly due to an insurance payment of GBP730,000 received by Penlon. This insurance payment arose from an accident that damaged our molds stored with a supplier. At the time of the accident, the molds had a nil book value as they had been fully depreciated. Following the incident, Penlon filed an insurance claim and engaged a replacement supplier.

Selling and Marketing Expenses

Our selling and marketing expenses primarily consisted of (i) staff costs, representing salaries, benefits and bonuses for our in-house selling and marketing team; (ii) share-based payments to our sales and marketing team under our employee incentive scheme; (iii) marketing and promotion expenses, primarily including fees paid to third-party service providers for brand and product promotion, costs of participating in exhibitions, advertising production expenses, and costs

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associated with expanding sales channels; (iv) traveling and office expenses incurred by our in-house sales and marketing team; and (v) depreciation and amortization expenses. Other expenses represented miscellaneous costs related to general sales and marketing activities and office expenses related to the sales team. The following table sets forth a breakdown of our selling and marketing expenses for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except percentages)</i>										
<i>(Unaudited)</i>										
Staff costs	147,001	44.8	155,060	46.6	170,953	48.3	40,208	51.5	49,119	51.5
Share-based payments	17,253	5.3	7,133	2.1	15,187	4.3	1,261	1.6	9,369	9.8
Marketing and promotion expenses	89,613	27.3	93,747	28.2	91,067	25.7	19,815	25.4	16,516	17.3
Traveling and office expenses	40,186	12.2	43,139	13.0	45,531	12.9	9,355	12.0	9,986	10.5
Depreciation and amortization	11,959	3.6	12,279	3.7	13,192	3.7	3,167	4.0	3,291	3.4
Others	22,310	6.8	21,180	6.4	17,737	5.1	4,312	5.5	7,144	7.5
Total	328,322	100.0	332,538	100.0	353,667	100.0	78,118	100.0	95,425	100.0

Administrative Expenses

Our administrative expenses primarily consisted of (i) staff costs, representing salaries, benefits and bonuses for our administrative staff; (ii) share-based payments to our administrative staff under our employee incentive scheme; (iii) depreciation and amortization; (iv) professional service fees primarily including legal, financial and accounting fees; (v) taxation expenses; (vi) office expenses related to property leases and property service fees and office supply costs; and (vii) listing expenses for the Global Offering. Other expenses primarily included traveling expenses of our administrative staff and other expenses related to daily administrative activities. The following table sets forth a breakdown of our administrative expenses for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except percentages)</i>										
<i>(Unaudited)</i>										
Staff costs	68,200	46.7	70,459	39.8	79,520	42.4	17,441	48.9	21,561	36.3
Share-based payments	25,511	17.5	31,681	17.9	38,573	20.6	6,607	18.5	8,820	14.8
Depreciation and amortization	11,604	8.0	12,626	7.1	13,654	7.3	2,054	5.8	2,567	4.3
Professional service fees	9,239	6.3	13,807	7.8	10,336	5.5	1,930	5.4	3,407	5.7
Taxation expenses	10,927	7.5	10,739	6.1	14,205	7.6	3,418	9.6	5,374	9.0
Office expenses	6,488	4.4	6,788	3.8	6,238	3.3	798	2.2	1,249	2.1
Listing expenses	1,616	1.1	17,750	10.0	9,899	5.3	858	2.4	12,485	21.0
Others	12,365	8.5	13,153	7.5	15,204	8.0	2,586	7.2	4,008	6.8
Total	145,950	100.0	177,003	100.0	187,665	100.0	35,692	100.0	59,471	100.0

Research and Development Expenses

Our research and development expenses primarily consisted of (i) staff costs, representing salaries, benefits and bonuses for our in-house R&D team; (ii) share-based payments to our R&D staff under our employee incentive scheme; (iii) expenses for purchasing of raw materials; (iv) depreciation and amortization; and (v) expenses related to product testing and regulatory registrations for the development and launch of our products. Other expenses primarily included expenses related to patent applications and registrations and office expenses related to the R&D

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team and activities. The following table sets forth a breakdown of our research and development expenses for the periods indicated:

	For the Year Ended December 31,						For the Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except percentages)										
(Unaudited)										
Staff costs	179,275	63.8	192,090	66.1	178,374	65.1	43,166	69.9	43,051	63.1
Share-based payments	16,130	5.7	7,887	2.7	10,184	3.7	736	1.2	5,521	8.1
Raw materials	24,556	8.7	24,430	8.4	20,417	7.4	4,510	7.3	5,171	7.6
Depreciation and amortization	17,918	6.4	21,564	7.4	19,164	7.0	4,300	7.0	5,371	7.9
Testing and registration expenses	21,798	7.8	20,794	7.2	18,671	6.8	3,369	5.5	4,290	6.3
Others	21,422	7.6	23,743	8.2	27,384	10.0	5,645	9.1	4,807	7.0
Total	281,099	100.0	290,508	100.0	274,194	100.0	61,726	100.0	68,211	100.0

Impairment on Financial Assets, Net

Our net impairment on financial assets primarily represented losses on our trade and other receivables. We recorded net impairment on financial assets of RMB0.1 million, RMB1.8 million, RMB1.5 million, RMB0.2 million and RMB0.2 million, respectively, in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, arising from our expected credit losses on our trade receivables in the ordinary course of our business. For details of the test on expected credit losses, see the Accountants' Report in Appendix I to this prospectus.

Other Expenses

Our other expenses primarily consisted of (i) fair value losses on financial liabilities measured at fair value; (ii) donations; (iii) loss on disposal of property, plant and equipment; (iv) loss on termination of leases; and (v) foreign exchange losses. The following table sets forth a breakdown of our other expenses for the periods indicated:

	For the Year Ended December 31,			For the Three Months Ended March 31,	
	2023	2024	2025	2025	2026
(RMB in thousands)					
(Unaudited)					
Fair value losses on financial liabilities measured at fair value ⁽¹⁾	2,956	1,623	472	182	187
Donations ⁽²⁾	1,792	650	360	51	—
Loss on disposal of property, plant and equipment	—	—	970	495	216
Loss on termination of lease	63	—	—	—	—
Foreign exchange losses, net	—	—	—	28	5,740
Others	706	928	290	—	—
Total	5,517	3,201	2,092	756	6,143

Notes:

- (1) Primarily represented fair value losses on contingent consideration recognized in connection with our acquisition of Penlon.
- (2) Primarily consisted of monetary donations and donations of medical device products to charitable organizations and schools.

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Finance Costs

Our finance costs primarily consisted of (i) interest on bank borrowings; and (ii) interest on lease liabilities. The following table sets forth a breakdown of our finance costs for the periods indicated:

	For the Year Ended December 31,			For the Three Months Ended March 31,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
	(Unaudited)				
Interest on:					
Bank borrowings	16,619	10,490	13,177	2,325	2,173
Lease liabilities	4,800	5,508	5,154	1,130	1,366
Total	21,419	15,998	18,331	3,455	3,539

Share of Losses of an Associate

We recorded share of losses of an associate of RMB1.3 million, RMB0.9 million, nil, nil and nil in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively. The losses primarily resulted from the losses recorded by an associate of Vedkang Medical.

Income Tax Expense

We recorded income tax expense of RMB14.7 million, RMB26.1 million, RMB28.0 million, RMB5.1 million and RMB5.9 million, respectively, in 2023, 2024, and 2025 and the three months ended March 31, 2025 and 2026, primarily because we did not fully recognize deferred tax assets in each of the corresponding periods.

We are subject to income tax on profits arising in or derived from jurisdictions in which members of our Group are domiciled and operate. Our principal applicable taxes and tax rates are set forth as follows:

United Kingdom

Our subsidiary incorporated in the United Kingdom was subject to income tax at a rate of 19% on the estimated assessable profits.

Netherlands

Our subsidiary incorporated in the Netherlands was subject to income tax at a rate of 15% on the estimated assessable profits.

Hong Kong

Our subsidiary incorporated in Hong Kong was subject to Hong Kong profits tax at a rate of 16.5% on any estimated assessable profits arising in Hong Kong during the Track Record Period.

Chinese Mainland

The provision for corporate income tax in Chinese Mainland is based on the statutory rate of 25% of taxable profits determined in accordance with the PRC Corporate Income Tax Law which became effective on January 1, 2008, except for certain subsidiaries in Chinese Mainland that have been granted tax concessions and are taxed at preferential tax rates. Our Company, Vedkang

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Medical, Changzhou Jiuhong, Medcaptain Life Science, Runpu Biotech, and Mabsky were qualified as High and New Technology Enterprises and entitled to a preferential income tax rate of 15% from 2021 to 2023. We completed the renewal of these qualifications for 2024 to 2026 in December 2024. These qualifications are subject to review by the relevant tax authority in Chinese Mainland every three years. In addition, from 2023 to 2025, certain of our small and low-profit subsidiaries in Chinese Mainland were entitled to a 75% discount on taxable income between RMB1,000,000 and RMB3,000,000, and total taxable income was taxed at a preferential tax rate of 20%.

During the Track Record Period and up to the Latest Practicable Date, we had fulfilled all our tax obligations and had no unresolved tax disputes.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Three Months Ended March 31, 2026 Compared With Three Months Ended March 31, 2025

Revenue

Our revenue increased by 19.1% from RMB354.7 million for the three months ended March 31, 2025 to RMB422.3 million for the three months ended March 31, 2026, primarily driven by growth in sales volume across all three business units.

Revenue from sales of our life support products increased by 28.3% from RMB126.0 million for the three months ended March 31, 2025 to RMB161.6 million for the three months ended March 31, 2026, primarily driven by an increase in sales of medication delivery products. In particular, the revenue of our medication delivery products increased by 43.0% from RMB65.8 million for the three months ended March 31, 2025 to RMB94.1 million for the three months ended March 31, 2026. The increase in the revenue from sales of our life support products was also attributable to the expanded sales efforts in EMEA and AMER, including the addition of sales and marketing personnel in these regions. For example, while our operations in Mexico were limited for the three months ended March 31, 2025, sales of life support products in Mexico accounted for 7.2% of our revenue for the three months ended March 31, 2026, evidencing recent growth in that market.

Revenue from sales of our minimally invasive intervention products increased by 11.2% from RMB187.6 million for the three months ended March 31, 2025 to RMB208.6 million for the three months ended March 31, 2026, primarily driven by the continued optimization of our product portfolio, our market penetration efforts and higher amount of products sold under VBP schemes. As a result of these efforts, we added 115 new customers, and the number of customers for this business unit increased from 506 for the three months ended March 31, 2025 to 621 for the three months ended March 31, 2026.

Revenue from sales of our in vitro diagnostics products increased by 26.5% from RMB41.2 million for the three months ended March 31, 2025 to RMB52.2 million for the three months ended March 31, 2026, primarily attributable to an increase in sales volume in the coagulation and blood grouping products, supported by our expanded sales effort including the expansion of our international sales and marketing personnel for IVD products.

Cost of Sales

Our cost of sales increased by 11.7% from RMB172.9 million for the three months ended March 31, 2025 to RMB193.1 million for the three months ended March 31, 2026. The increase of RMB20.2 million was primarily attributable to higher raw material costs of RMB17.1 million, driven by increased purchase volumes corresponding to the growth in sales volume of our products across all three business units. To a lesser extent, the increase in cost of sales was also attributable to (i) an increase of RMB1.6 million in manufacturing costs, primarily due to increases in the

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indirect labor costs and depreciation and amortization, and (ii) an increase of RMB1.5 million in direct labor costs. Our cost of sales accounted for 48.8% and 45.7% of our total revenue for the three months ended March 31, 2025 and 2026, respectively.

Gross Profit and Gross Profit Margin

Our gross profit increased by 26.1% from RMB181.8 million for the three months ended March 31, 2025 to RMB229.2 million for the three months ended March 31, 2026, and our gross profit margin increased from 51.2% for the three months ended March 31, 2025 to 54.3% for the three months ended March 31, 2026. Such increases were primarily attributable to (i) improved procurement efficiency and economies of scale as sales volume expanded and (ii) a favorable shift in product mix toward higher-margin products, particularly our medication delivery products in life support.

Other Income and Gains

Our other income and gains decreased by 15.3% from RMB8.4 million for the three months ended March 31, 2025 to RMB7.2 million for the three months ended March 31, 2026, primarily due to a decrease in government grants income of RMB0.6 million. The decrease in government grants income was primarily due to the completion of certain subsidy projects, which no longer generated income during the period.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 22.2% from RMB78.1 million for the three months ended March 31, 2025 to RMB95.4 million for the three months ended March 31, 2026. The increase was primarily driven by (i) an increase in staff costs of RMB8.9 million, mainly due to the expansion of our sales and marketing workforce and higher performance bonuses in connection with the increased sales, and (ii) an increase in share-based payments of RMB8.1 million, as a result of equity incentives granted to our sales and marketing personnel.

Administrative Expenses

Our administrative expenses increased by 66.6% from RMB35.7 million for the three months ended March 31, 2025 to RMB59.5 million for the three months ended March 31, 2026, primarily due to (i) an increase in listing expenses of RMB11.6 million, (ii) an increase in staff costs of RMB4.1 million, primarily due to adjustments to our personnel structure in line with our growing operational needs, including hiring of additional mid-level and above management personnel, (iii) an increase of RMB2.2 million in share-based payments made under the Pre-IPO Share Option Scheme, and (iv) an increase of RMB2.0 million in taxation expenses, in line with the increase of revenue.

Research and Development Expenses

Our research and development expenses increased by 10.5% from RMB61.7 million for the three months ended March 31, 2025 to RMB68.2 million for the three months ended March 31, 2026, primarily due to (i) an increase of RMB0.9 million in testing and registration expenses in connection with continuous optimization of our product portfolio, including (i) an increase in regulatory review fees and certification, testing and registration expenses, (ii) an increase in depreciation and amortization expenses, mainly due to the recognition of depreciation on right-of-use assets for our R&D premises following the renewal of the relevant lease agreements in June 2025, and (iii) an increase of RMB4.8 million in share-based payments as a result of equity incentives granted to our R&D personnel under the Pre-IPO Share Option Scheme. In particular, for the three months ended March 31, 2026, we continued our cost optimization initiatives, including reallocating our R&D personnel to high-priority pipelines and strategically reducing the personal workload and materials consumption associated with non-core R&D initiatives.

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Impairment on Financial Assets, Net

Our net impairment on financial assets amounted to RMB0.2 million and RMB0.2 million, respectively, for the three months ended March 31, 2025 and 2026. For details of the assessment of expected credit losses, see the Accountants' Report in the Appendix I to this prospectus.

Other Expenses

Our other expenses increased significantly from RMB0.8 million for the three months ended March 31, 2025 to RMB6.1 million for the three months ended March 31, 2026, primarily due to an increase of RMB5.7 million in foreign exchange losses in line with the trend of RMB appreciation.

Finance Costs

Our finance costs amounted to RMB3.5 million for each of the three months ended March 31, 2025 and 2026.

Income Tax Expense

We recorded income tax expense of RMB5.1 million and RMB5.9 million for the three months ended March 31, 2025 and 2026, respectively.

Loss for the Period

As a result of the above, we recorded a loss of RMB2.5 million for the three months ended March 31, 2026 as compared with a profit of RMB5.2 million for the three months ended March 31, 2025.

Year Ended December 31, 2025 Compared With Year Ended December 31, 2024

Revenue

Our revenue increased by 15.7% from RMB1,399.4 million in 2024 to RMB1,619.2 million in 2025, primarily driven by growth in sales volume across all three business units.

Revenue from sales of our life support products increased by 24.1% from RMB494.1 million in 2024 to RMB613.4 million in 2025, primarily due to the gradual recovery of market demand. In 2024, market demand for medication delivery products softened as hospitals had front-loaded their purchases during the preceding pandemic period to ensure sufficient clinical supply, which resulted in extended usage cycles and reduced procurement of life support products in 2024. Furthermore, the increase in our revenue from sales of life support products in 2025 was driven by our improved international sales performance as a result of our ongoing global strategic expansion. In particular, the number of our overseas customers increased by 7.5% from 872 in 2024 to 937 in 2025.

Revenue from sales of our minimally invasive intervention products increased by 12.6% from RMB721.3 million in 2024 to RMB812.2 million in 2025, primarily due to the continued expansion of our product portfolio, which introduced new growth drivers, together with our market penetration efforts. Our market penetration efforts resulted in 158 new customers, increasing the number of customers for this business unit from 590 in 2024 to 748 in 2025.

Revenue from sales of our in vitro diagnostics products increased by 5.2% from RMB184.0 million in 2024 to RMB193.5 million in 2025, primarily attributable to the increase in sales volume across the blood grouping, chemiluminescence and molecular diagnostics subcategories, resulting from the further expansion of our customer base, partially offset by the downward pricing adjustments implemented as a measure to address fluctuations in the prevailing market prices of, and demand for, TEG devices, which accounted for substantially all of our revenue in the coagulation category, in the domestic market.

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Cost of Sales

Our cost of sales increased by 6.4% from RMB704.3 million in 2024 to RMB749.5 million in 2025, primarily due to an increase of RMB35.4 million in the costs of raw materials in response to rising market demand and increased sales volume of our products. Our cost of sales accounted for 50.3% and 46.3% of our total revenue in 2024 and 2025, respectively.

Gross Profit and Gross Profit Margin

Our gross profit increased by 25.1% from RMB695.1 million in 2024 to RMB869.7 million in 2025, with our gross profit margin increasing from 49.7% in 2024 to 53.7% in 2025. Such increases were primarily attributable to a shift in product mix, with higher sales of products with relatively higher gross profit margins, as well as our economies of scale which led to lower average unit costs as we experienced increased sales volume.

Other Income and Gains

Our other income and gains decreased by 17.4% from RMB56.3 million in 2024 to RMB46.5 million in 2025, primarily due to a decrease in government grants income of RMB20.3 million.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 6.4% from RMB332.5 million in 2024 to RMB353.7 million in 2025. The increase was primarily driven by higher staff costs in 2025, which was in line with the increase in our sales for the same year.

Administrative Expenses

Our administrative expenses increased by 6.0% from RMB177.0 million in 2024 to RMB187.7 million in 2025, primarily due to an increase in staff costs of RMB9.1 million, driven by new hires to strengthen various administrative functions such as IT and human resources, as well as an increase of RMB6.9 million in share-based payments made under the Pre-IPO Share Option Scheme.

Research and Development Expenses

Our research and development expenses decreased by 5.6% from RMB290.5 million in 2024 to RMB274.2 million in 2025, primarily due to (i) a decrease of RMB13.7 million in staff costs due to our cost optimization initiatives, (ii) a decrease of RMB2.1 million in testing and registration expenses, and (iii) a decrease of RMB4.0 million in raw material costs. Such decreases were primarily attributable to a lower frequency of pilot-scale production of biologics during the year, in line with the progression of our R&D pipeline. In particular, in 2025, we initiated several cost optimization initiatives, including reallocating our R&D personnel to high-priority pipelines and strategically reducing their workload and material consumption for non-core R&D initiatives.

Impairment on Financial Assets, Net

Our net impairment on financial assets amounted to RMB1.8 million and RMB1.5 million, respectively, in 2024 and 2025. For details of the assessment of expected credit losses, see the Accountants' Report in the Appendix I to this prospectus.

Other Expenses

Our other expenses decreased by 34.6% from RMB3.2 million in 2024 to RMB2.1 million in 2025, primarily due to a decrease of RMB1.2 million in fair value losses on financial liabilities measured at fair value, which primarily represented fair value losses on contingent consideration recognized in connection with our acquisition of Penlon.

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Finance Costs

Our finance costs increased by 14.6% from RMB16.0 million in 2024 to RMB18.3 million in 2025, primarily due to an increase in our overall levels of bank borrowings in 2025, leading to higher interest expenses. For details of our bank borrowings, see Note 30 to the Accountants' Report in the Appendix I to this prospectus.

Share of Losses of an Associate

We recorded share of losses of an associate of RMB0.9 million and nil in 2024 and 2025, respectively, which was resulted from losses recorded by an associate of Vedkang Medical. This associate was dissolved in April 2024.

Income Tax Expense

We recorded income tax expense of RMB26.1 million and RMB28.0 million in 2024 and 2025, respectively.

Profit for the Year

As a result of the above, we turned from a loss for the year of RMB96.6 million in 2024 to a profit for the year of RMB50.7 million in 2025.

Year Ended December 31, 2024 Compared With Year Ended December 31, 2023

Revenue

Our revenue increased by 6.6% from RMB1,313.3 million in 2023 to RMB1,399.4 million in 2024, primarily attributable to the expansion of our minimally invasive intervention business.

Revenue from sales of our life support products decreased by 12.4% from RMB564.1 million in 2023 to RMB494.1 million in 2024, primarily due to the temporary softening of market demand for medication delivery products. In 2024, market demand for medication delivery products softened as hospitals had front-loaded their purchases during the preceding pandemic period to ensure sufficient clinical supply, which resulted in extended usage cycles and reduced procurement of life support products in 2024.

Revenue from sales of our minimally invasive intervention products increased by 23.0% from RMB586.5 million in 2023 to RMB721.3 million in 2024, primarily attributable to the expansion of our customer base and the increase in sales volume of our products in both domestic and overseas markets, as well as the introduction of new products. In particular, the revenue generated from basic diagnostics, hemostasis closure, ERCP and ESD products enjoyed favorable increased in 2024.

Revenue from sales of our in vitro diagnostics products increased by 13.1% from RMB162.6 million in 2023 to RMB184.0 million in 2024, mainly driven by higher sales of our testing products for blood grouping tests, chemiluminescence, and molecular diagnostics.

Cost of Sales

Our cost of sales increased by 6.4% from RMB661.9 million in 2023 to RMB704.3 million in 2024, primarily due to an increase of RMB22.8 million in raw material costs and an increase of RMB20.3 million in manufacturing costs, in line with the overall trend of our business expansion. Our cost of sales accounted for 50.4% and 50.3% of our total revenue in 2023 and 2024, respectively.

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Gross Profit and Gross Profit Margin

As a result of the changes in our revenue and cost of sales described above, our gross profit increased by 6.7% from RMB651.4 million in 2023 to RMB695.1 million in 2024, and our gross profit margin increased from 49.6% in 2023 to 49.7% in 2024.

Other Income and Gains

Other income and gains decreased by 31.7% from RMB82.4 million in 2023 to RMB56.3 million in 2024, primarily due to a one-time tax reward of RMB24.5 million in 2023 granted by the regional tax bureau of Changzhou.

Selling and Marketing Expenses

Our selling and marketing expenses slightly increased by 1.3% from RMB328.3 million in 2023 to RMB332.5 million in 2024, primarily due to an increase of RMB8.1 million in staff costs and an increase of RMB4.1 million resulting from our continued efforts to expand market coverage, partially offset by a decrease of RMB10.1 million in share-based payments made to our in-house selling and marketing team in 2024.

Administrative Expenses

Our administrative expenses increased by 21.3% from RMB146.0 million in 2023 to RMB177.0 million in 2024, primarily due to an increase of RMB16.1 million in listing expenses and an increase of RMB4.6 million in professional service fees related to our financing and investing activities, as well as an increase of RMB6.2 million in share-based payments made to our administrative staff.

Research and Development Expenses

Our research and development expenses increased by 3.3% from RMB281.1 million in 2023 to RMB290.5 million in 2024, primarily due to an increase of RMB12.8 million in staff costs for the recruitment of additional employees, partially offset by a decrease of RMB8.2 million in share-based payments to our in-house research and development team in 2024.

Impairment on Financial Assets, Net

Our net impairment on financial assets amounted to RMB96,000 and RMB1.8 million, respectively, in 2023 and 2024. For details of the assessment of expected credit losses, see the Accountants' Report in Appendix I to this prospectus.

Other Expenses

Our other expenses decreased by 42.0% from RMB5.5 million in 2023 to RMB3.2 million in 2024, primarily due to a decrease of RMB1.3 million in fair value losses on financial liabilities measured at fair value, which primarily represented fair value losses on contingent consideration recognized in connection with our acquisition of Penlon.

Finance Costs

Our finance costs decreased by 25.3% from RMB21.4 million in 2023 to RMB16.0 million in 2024, primarily due to a decrease in bank borrowings, leading to lower interest expenses. For details of our bank borrowings, see Note 30 to the Accountants' Report in Appendix I to this prospectus.

Share of Losses of an Associate

Our share of losses of an associate decreased by 29.7% from RMB1.3 million in 2023 to RMB0.9 million in 2024, which was resulted from losses recorded by an associate of Vedkang Medical. Such associate was dissolved in April 2024.

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Income Tax Expense

We recorded income tax expense of RMB14.7 million in 2023 and RMB26.1 million in 2024, respectively.

Loss for the Year

As a result of the above, our loss for the year increased by 49.8% from RMB64.5 million in 2023 to RMB96.6 million in 2024.

DISCUSSION OF CERTAIN SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth selected information from our consolidated statements of financial position as of the dates indicated:

	As of December 31,			As of March 31, 2026
	2023	2024	2025	
	<i>(RMB in thousands)</i>			
Total non-current assets	1,933,474	1,956,129	1,994,843	1,976,379
Total current assets	822,089	848,832	936,241	965,012
Total current liabilities	496,786	542,668	579,418	587,253
Net current assets	325,303	306,164	356,823	377,759
Total assets less current liabilities	2,258,777	2,262,293	2,351,666	2,354,138
Total non-current liabilities	558,491	511,079	475,694	462,170
Net assets	1,700,286	1,751,214	1,875,972	1,891,968

For details on the accounting treatment of redemption rights of the Pre-IPO Investors, and its financial impacts, see “— Share Capital” below and Note 34 to the Accountants’ Report in the Appendix I to this prospectus.

Property, Plant and Equipment

Our property, plant and equipment primarily consisted of buildings, office equipment, plant and machinery, transportation equipment, leasehold improvements and construction in progress. The table below sets forth a breakdown of the net carrying amount of our property, plant and equipment as of the dates indicated:

	As of December 31,			As of March 31, 2026
	2023	2024	2025	
	<i>(RMB in thousands)</i>			
Buildings	60,722	57,397	263,706	261,013
Office equipment	14,260	15,910	16,313	15,688
Plant and machinery	72,916	74,145	80,596	83,582
Transportation equipment	1,369	1,030	1,786	1,644
Leasehold improvements	16,329	8,111	3,735	2,944
Construction in progress	65,659	186,140	5,224	11,809
	231,255	342,733	371,360	376,680

The carrying amount of our property, plant and equipment was RMB231.3 million, RMB342.7 million, RMB371.4 million and RMB376.7 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively. During the Track Record Period, the increase in the carrying amount of our property, plant and equipment was primarily attributable to the construction in progress related to our new R&D and manufacturing center located in Changzhou. For details of the expansion plan, see “Business — Manufacturing.”

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Intangible Assets

Our intangible assets primarily included (i) patents relating to our medical products and R&D results; (ii) software, primarily including the enterprise management and financial software; (iii) customer relationship that represents the value derived from the interactions, loyalty, and connections our acquired businesses had with their customers; and (iv) brands acquired in the business combinations. The table below sets forth a breakdown of our intangible assets as of the dates indicated:

	As of December 31,			As of
	2023	2024	2025	March 31, 2026
	<i>(RMB in thousands)</i>			
Patents	200,191	175,133	154,819	147,395
Software	6,337	6,949	12,473	12,353
Customer relationship	190,575	167,475	144,375	138,600
Brands	200,328	200,612	203,477	200,935
	597,431	550,169	515,144	499,283

We identified patents, customer relationships and brands through business combinations, the value of which were assessed and valued by Jinzheng (Shanghai) Assets Appraisal Co., Ltd. (金證(上海)資產評估有限公司), an independent Third Party and qualified valuer in the PRC holding the Securities and Futures Related Business Assessment Qualification Certificate (證券期貨相關業務評估資格證書), in accordance with applicable accounting standards and industry practices.

Customer relationships were identified in connection with our acquisition of Vedkang Medical, which comprised the long-term and robust cooperative partnerships with over 400 distributors. Customer relationships were recognized as intangible assets on the basis that (1) they were separately identifiable as there were one- to five-year contractual distribution agreements between Vedkang Medical and distributors; (2) economic benefits were more likely than not to be generated from these distributors through stable revenue over an extended period, considering the high industry entry barriers, strong physician usage stickiness, and high switching costs for end-hospital procurement nature of the market; and (3) fair value of the customer relationships were evaluated by an independent valuer using the income approach. The useful life of such customer relationships was determined to be 10 years, taking into consideration a range of factors including the useful lives of similar intangible assets in comparable transactions, historical customer data, and our management's experience and understanding of the industry. These customer relationships represent a key component of Vedkang Medical's historical business foundation and are expected to continue contributing to our revenue generation. For details of Vedkang Medical's downstream customer profiles prior to the acquisition, and the revenue and gross profit of Vedkang Medical CGU post-acquisition, see "Business — Material Acquisitions."

Patents were identified through the acquisitions of both Vedkang Medical and Penlon. Given the continued contribution of these patents to our product R&D, and their contribution to product commercialization that generates future economic benefits, we have classified them as intangible assets based on the fair value determined by an independent valuer using the income approach. The useful lives of patents were determined by taking into consideration a range of factors, including the residual duration of patent rights and our management's expectation of the economic benefits generation period.

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Brands were identified through the acquisitions of both Vedkang Medical and Penlon. Given the continued contribution of these brands to our business operations and their ability to generate future economic benefits, we have classified them as intangible assets with indefinite useful lives. Accordingly, we perform annual impairment tests to assess the recoverable amount of each brand. The recoverable amount of the brand identified from our acquisition of Vedkang Medical was determined based on the present value of future cash flows using a five-year forecast approved by our management. The pre-tax discount rates applied were 12.92%, 12.31%, 12.93% and 12.94% for 2023, 2024 and 2025 and three months ended March 31, 2026, respectively, reflecting asset-specific risks. Cash flows beyond the forecast period were extrapolated using a long-term average growth rate of 2.0%. As such, the headroom was RMB1,232,933,000, RMB1,411,148,000, RMB1,428,041,000 and RMB1,411,471,000, respectively, as of December 31, 2023, 2024 and 2025 and March 31, 2026, and a decrease in the revenue growth rate by 69.4%, 74.0%, 67.6% and 67.2% would cause the carrying amount to exceed its recoverable amount as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively. Similarly, the recoverable amount of the brand acquired through Penlon was estimated based on a five-year management-approved forecast, with pre-tax discount rates of 13.25%, 13.54%, 14.15% and 14.39% for 2023, 2024 and 2025 and three months ended March 31, 2026, respectively. A terminal growth rate of 2.0% was applied for cash flows beyond the forecast period. As such, the headroom was RMB54,446,000, RMB64,529,000, RMB54,729,000 and RMB49,958,000, respectively, as of December 31, 2023, 2024 and 2025 and March 31, 2026, and a decrease in the revenue growth rate by 31.5%, 36.7%, 33.8% and 31.8% would cause the carrying amount to exceed its recoverable amount as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively. Based on the impairment assessments performed for each period during the Track Record Period, the recoverable amounts of the above-mentioned brands exceeded their respective carrying amounts, and no impairment losses were recognized. Any reasonably possible change in the key assumptions on which the recoverable amounts are based would not cause the cash-generating units' carrying amounts to exceed their recoverable amounts.

Our intangible assets decreased from RMB597.4 million as of December 31, 2023 to RMB550.2 million as of December 31, 2024, then decreased to RMB515.1 million as of December 31, 2025, and RMB499.3 million as of March 31, 2026, primarily due to the regular amortization of patents and customer relationships.

Right-of-use Assets

Our right-of-use assets primarily represented the carrying amounts of our plants, offices and laboratories and leasehold lands. Our right-of-use assets decreased from RMB166.9 million as of December 31, 2023 to RMB138.8 million as of December 31, 2024, primarily due to depreciation of our leased lands and properties. As of December 31, 2025, right-of-use assets increased to RMB166.3 million, primarily attributable to new lease agreements entered into for office premises as well as the appreciation in the value of our overseas leased properties due to exchange rate fluctuations. As of March 31, 2026, right-of-use assets decreased to RMB157.5 million, primarily due to depreciation of our leased lands and properties.

Our leases for plants, offices and laboratories generally have terms ranging from two to 15 years and are depreciated on a straight-line basis over the shorter of the lease terms or their estimated useful lives.

Goodwill

Our goodwill amounted to RMB905.5 million, RMB905.5 million, RMB928.2 million and RMB927.8 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively. During the Track Record Period, our goodwill primarily resulted from (i) the acquisition of Penlon in January 2022, which represented the difference between the purchase consideration of RMB183.7 million and the fair value of the identifiable net assets acquired of RMB172.9 million on the acquisition date, (ii) the acquisition of Vedkang Medical in April 2022, which represented the difference between the purchase consideration of RMB1,621.2 million and the fair value of the

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identifiable net assets acquired of RMB727.2 million on the acquisition date, (iii) the acquisition of Vedefar in June 2025, which represented the difference between the purchase consideration of RMB10.9 million and the fair value of the identifiable net assets acquired of RMB9.0 million on the acquisition date, and (iv) our acquisition of Caring Medical in September 2025, which recorded a difference between the purchase consideration of RMB5 and the fair value of the identifiable net liabilities acquired of RMB20.4 million on the acquisition date. Therefore, goodwill acquired through these business combinations was allocated to each of Vedkang Medical cash-generating unit (“CGU”), Penlon CGU and Vedefar CGU for impairment testing. The carrying amount of goodwill allocated to each of the CGUs is as follows:

	As of December 31,			As of
	2023	2024	2025	March 31, 2026
	<i>(RMB in thousands)</i>			
Vedkang Medical	894,049	894,049	914,429	914,429
Penlon ⁽¹⁾	11,425	11,468	11,922	11,521
Vedefar	—	—	1,874	1,805
	905,474	905,517	928,225	927,755

Note:

- (1) The carrying amount of Penlon CGU is denominated in GBP and is subject to the impact of foreign exchange rate changes of GBP.

The goodwill is tested by the management for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The recoverable amounts of our CGUs were determined based on a value-in-use calculation using cash flow projections based on financial forecasts covering a five-year period approved by the senior management. The management took into consideration, among others: (i) budgeted revenue, which is determined based on management’s expectation of the business and market development; (ii) budgeted gross profit margins, the value assigned to which is determined based on the average gross profit margins achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development; (iii) discount rates which are before tax and reflect specific risks relating to the relevant CGUs; and (iv) terminal growth rate which is based on management’s expectations of the market development and does not exceed the long-term average growth rate for the industry relevant to the CGUs.

For the Vedkang Medical CGU, the discount rates applied to its cash flow projections were 12.92%, 12.31%, 12.93% and 12.94% for the years ended December 31, 2023, 2024 and 2025 and three months ended March 31, 2026, respectively, and the growth rate used to extrapolate its cash flows beyond the five-year period was 2% for the years ended December 31, 2023, 2024 and 2025 and three months ended March 31, 2026. The growth rate is based on management’s expectations and does not exceed the long-term average growth rate for the industry relevant to the CGU. As such, the headroom was RMB338,883,000, RMB517,099,000, RMB513,611,000 and RMB497,040,000, respectively, as of December 31, 2023, 2024 and 2025 and March 31, 2026, and a decrease in the growth rate by 19.1%, 27.1%, 24.3% and 23.7% would cause the carrying amount of the cash-generating unit to exceed its recoverable amount as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively, and any reasonably possible change in the other key assumptions on which the recoverable amount is based would not cause the cash-generating unit’s carrying amount to exceed its recoverable amount.

For the Penlon CGU, the discount rates applied to its cash flow projections were 13.25%, 13.54%, 14.15% and 14.39% for the years ended December 31, 2023, 2024 and 2025 and three months ended March 31, 2026, respectively, and the growth rate used to extrapolate its cash flows beyond the five-year period was 2% for the years ended December 31, 2023, 2024 and 2025 and

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three months ended March 31, 2026. The growth rate is based on management's expectations and does not exceed the long-term average growth rate for the industry relevant to the CGU. As such, the headroom was RMB43,021,000, RMB53,059,000, RMB42,807,000 and RMB38,437,000, respectively, as of December 31, 2023, 2024 and 2025 and March 31, 2026, and a decrease in the growth rate by 24.8%, 30.0%, 26.5% and 25.0% would cause the carrying amount of the cash-generating unit to exceed its recoverable amount as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively, and any reasonably possible change in the other key assumptions on which the recoverable amount is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

Inventories

Our inventories primarily comprised (i) finished goods and work in progress, mainly representing life support, minimally invasive intervention and in vitro diagnostics medical equipment and consumables; and (ii) raw materials, such as plastics, metals, sensors, and other auxiliary materials and components. The following table sets forth our inventories as of the dates indicated:

	As of December 31,			As of March 31, 2026
	2023	2024	2025	
	<i>(RMB in thousands)</i>			
Raw materials	107,747	98,700	109,142	107,866
Work in progress	49,340	69,350	77,468	82,464
Finished goods	95,500	88,704	108,149	98,129
	252,587	256,754	294,759	288,459
Less: Impairment allowances on inventories	15,630	26,542	31,321	34,641
	236,957	230,212	263,438	253,818

Our inventories decreased from RMB237.0 million as of December 31, 2023 to RMB230.2 million as of December 31, 2024, primarily due to an increase of RMB10.9 million in impairment allowances for aged inventories. Our inventories then increased to RMB263.4 million as of December 31, 2025, primarily due to inventory build-up in line with our production and sales plans. Our inventories then decreased to RMB253.8 million as of March 31, 2026, primarily due to consumption of finished goods and work in progress in connection with our production and sales activities.

The following tables set forth an aging analysis of our inventories as of the dates indicated:

	As of December 31,			As of March 31, 2026
	2023	2024	2025	
	<i>(RMB in thousands)</i>			
Within 1 year	207,182	199,351	213,233	223,249
1 to 2 years	22,137	23,309	33,805	17,440
Over 2 years	7,638	7,551	16,400	13,129
	236,957	230,212	263,438	253,818

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The following table sets forth our inventory turnover days for the periods indicated:

	For the Year Ended December 31,			For the Three Months Ended March 31,
	2023	2024	2025	2026
Inventory turnover days ⁽¹⁾	128	121	120	121

Note:

- (1) Inventory turnover days are calculated by dividing the arithmetic mean of the opening and ending balances of inventories for that period by cost of sales for the corresponding period and then multiplying by the number of days in that period.

Our inventory turnover days were 128 days, 121 days, 120 days and 121 days in 2023, 2024 and 2025 and for the three months ended March 31, 2026, respectively, reflecting moderate fluctuations in our inventory turnover over the periods.

As of June 30, 2026, approximately RMB180.6 million, or 62.6% of our inventories as of March 31, 2026, had been subsequently used or sold. Given our inventory turnover cycle of approximately 120 days (implying a theoretical three-month utilization rate of approximately 75%), the actual usage rate of 62.6% is close to the theoretical expectation. We have made impairment provision of RMB36.5 million as of June 30, 2026, which we believe is adequate and sufficient.

Trade and Bills Receivables

Our trade and bills receivables primarily consisted of amounts due from distributors and other customers for the purchase of our products. The following table sets forth the details of our trade and bills receivables as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	<i>(RMB in thousands)</i>			
Bills receivables ⁽¹⁾	90	819	110	47
Trade receivables	106,820	135,543	171,462	173,910
	106,910	136,362	171,572	173,957
Less: Impairment loss	2,135	3,289	3,338	3,440
	104,775	133,073	168,234	170,517

Note:

- (1) Bills receivables are subject to impairment under the general approach, and the impairment is considered to be minimal.

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During the Track Record Period, our trade and bills receivables recorded a steady increase, from RMB104.8 million as of December 31, 2023 to RMB133.1 million as of December 31, 2024, to RMB168.2 million as of December 31, 2025, and further to RMB170.5 million as of March 31, 2026, which was primarily due to the continuous growth of our overseas sales, for which credit terms are typically granted, resulting in a corresponding increase in trade and bills receivables from overseas customers.

The following table sets forth our trade and bills receivables turnover days for the periods indicated:

	For the Year Ended December 31,			For the Three Months Ended March 31,
	2023	2024	2025	2026
Trade and bills receivables turnover days ⁽¹⁾	29	31	34	37

Note:

- (1) Trade and bills receivables turnover days are calculated by dividing the arithmetic mean of the opening and ending balances of gross trade and bills receivables for that period by revenue for the same period and then multiplying by the number of days in that period.

Our trade and bills receivables turnover days increased from 29 days in 2023 to 31 days in 2024, to 34 days in 2025, and further to 37 days for the three months ended March 31, 2026, primarily due to the rising proportion of sales to overseas customers, to whom we generally grant credit terms. As our overseas sales continued to expand during the Track Record Period, trade and bills receivables attributable to overseas customers also increased, resulting in a longer overall turnover cycle.

We generally require advance payments for domestic customers. However, for overseas customers and domestic customers that meet certain criteria, such as a longstanding partnership, significant purchase volumes, and a strong payment history, we may, upon their application, review and consider granting a credit period. For customers with a good purchasing record, we typically grant a credit period of 30 to 90 days. Each customer is assigned a maximum credit limit to ensure financial discipline. We maintain strict control over outstanding receivables, and our senior management regularly reviews overdue balances to ensure timely follow-up and resolution. In addition, for overseas sales, we procure commercial export credit insurance to provide protection against payment default and mitigate associated credit risks. Given these measures, along with the fact that our trade receivables are spread across a diverse customer base, there is no significant concentration of credit risk within our accounts. The following table sets forth an aging analysis of our trade receivables as of the dates indicated presented based on invoice date and net of loss allowance:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	<i>(RMB in thousands)</i>			
Within 1 year	100,881	128,422	163,164	165,922
1 to 2 years	3,586	4,039	4,024	3,645
2 to 3 years	308	612	1,046	950
	104,775	133,073	168,234	170,517

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As of June 30, 2026, approximately RMB140.9 million, or 81.4% of our trade and bills receivables as of March 31, 2026, had been settled. Our normal credit terms range from 30 to 90 days. Accordingly, a one-month period covers only a portion of the receivables that have fallen due. As 96.4% of our trade receivables were aged within one year as of March 31, 2026, we have no history of material bad debts, and we maintain a highly diversified customer base, we believe that the existing provision for expected credit losses is sufficient and that no additional provision is required. Therefore, there is no material recoverability issue for trade receivables and sufficient provision has been made.

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets primarily consisted of (i) prepayments primarily including payments made in advance for raw materials, machinery and contracted services for manufacturing processes; (ii) value-added tax recoverable; and (iii) other receivables primarily including deposits and an insurance payment to be received by Penlon. The following tables set forth the breakdown of our prepayments, other receivables and other assets as of the dates indicated:

	As of December 31,			As of March 31, 2026
	2023	2024	2025	
	<i>(RMB in thousands)</i>			
Prepayments	24,287	28,168	24,755	35,767
VAT tax recoverable	7,743	10,482	15,608	7,259
Other receivables	4,828	4,423	11,080	12,234
Prepaid listing expenses	—	—	5,994	4,274
	36,858	43,073	57,437	59,534

Our prepayments, other receivables and other assets increased from RMB36.9 million as of December 31, 2023 to RMB43.1 million as of December 31, 2024, and then to RMB57.4 million as of December 31, 2025, primarily due to increases in VAT tax recoverable, other receivables and prepaid listing expenses. The increase in other receivables in 2025 was primarily related to an insurance payment receivable by Penlon, which was subsequently received in January 2026. Our prepayments, other receivables and other assets further increased to RMB59.5 million as of March 31, 2026, primarily driven by an increase in prepayments for the procurement of raw materials in line with our business expansion.

As of June 30, 2026, approximately RMB49.5 million, or 83.1% of our prepayments, other receivables and other assets as of March 31, 2026, had been subsequently settled or utilized.

Financial Assets at FVTPL and Financial Assets at FVOCI

During the Track Record Period, our financial assets at FVTPL comprised wealth management products, denominated in RMB, with expected yield rates ranging from 1.20% to 2.90% per annum. As of December 31, 2023, 2024 and 2025 and March 31, 2026, our financial assets at FVTPL were RMB156.1 million, RMB132.5 million, RMB145.2 million and RMB157.4 million, respectively.

Our financial assets at FVOCI were certificates of deposit, denominated in RMB, with expected yield rates ranging from 3.10% to 3.85% per annum. As of December 31, 2023, 2024 and 2025 and March 31, 2026, our financial assets at FVOCI were RMB21.2 million, RMB21.9 million, nil and nil, respectively.

We have a treasury policy in place to ensure the rational and effective utilization of internal funds and to effectively manage related risks. We allocate surplus funds among bank deposits and other investment instruments such as low-risk wealth management products and structured deposits

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issued by large-scale commercial banks, in accordance with our annual and monthly budget. This aims to achieve capital preservation and returns while ensuring both security and liquidity. Our investment decisions are made on a case-by-case basis, taking into careful consideration various factors such as our overall financial condition, investment cost, investment duration, security and expected returns and potential risks. In terms of approval procedures, the purchase of financial products must adhere to our internal hierarchical approval process. Depending on the nature and risk of the investment, approval may be sought from our chief financial officer. Only after obtaining approval can the investments proceed. Our finance department is responsible for executing the approved investments, ensuring accurate recording in our financial statements and monitoring the performance of these investments on an ongoing basis. Our financial assets at FVTPL after the Listing will be subject to compliance with Chapter 14 of the Rules.

Trade Payables

Our trade payables increased from RMB88.9 million as of December 31, 2023 to RMB154.2 million as of December 31, 2024, reflecting the ramp-up in procurement to support upcoming production plans. Our trade payables further increased to RMB175.2 million and RMB197.7 million as of December 31, 2025 and March 31, 2026, respectively, primarily because we extended our procurement payment terms, while procurement volumes continued to grow in response to higher sales. The following table sets forth our trade payables turnover days for the periods indicated:

	For the Year ended December 31,			For the Three Months Ended March 31,
	2023	2024	2025	2026
Trade payables turnover days ⁽¹⁾	50	63	80	88

Note:

- (1) Trade payables turnover days are calculated by dividing the arithmetic mean of the opening and ending balances of trade payables for that period by cost of sales for the same period and then multiplying by the number of days in that period.

Our trade payables turnover days increased from 50 days in 2023 to 63 days in 2024, primarily due to the extension of payment terms granted by certain suppliers. Our trade payables turnover days further increased to 80 days in 2025 and 88 days for the three months ended March 31, 2026, following the amendment of our procurement terms to allow a payment cycle of up to 90 days.

Our trade payables are non-interest-bearing. The following table sets forth an aging analysis of our trade payables as of the dates indicated, based on the invoice date:

	As of December 31,			As of March 31, 2026
	2023	2024	2025	
	<i>(RMB in thousands)</i>			
Within 3 months	84,912	134,446	141,945	167,196
3 to 12 months	2,592	18,876	32,418	28,707
Over 1 year	1,410	867	817	1,764
	88,914	154,189	175,180	197,667

As of June 30, 2026, approximately RMB158.2 million, or 80.0% of our trade payables as of March 31, 2026, had been settled.

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Other Payables and Accruals

Our other payables and accruals primarily consisted of (i) payroll payable, which primarily represented the salaries payable to our employees; (ii) other payables, primarily representing expenditures incurred in the ordinary course of our business operations, such as office rental expenses, employee travel reimbursements and general office expenses; (iii) payables for non-current assets, primarily relating to property, plant and equipment for our expansion of manufacturing center in Changzhou; (iv) other tax payables, which primarily represented value-added taxes and stamp duties; and (v) accrued listing expenses. The table below sets forth a breakdown of our other payables and accruals as of the dates indicated:

	As of December 31,			As of
	2023	2024	2025	March 31, 2026
	<i>(RMB in thousands)</i>			
Payroll payable	97,849	96,487	111,549	67,950
Other payables	45,522	64,988	61,187	53,979
Payables for non-current assets	30,016	44,378	15,202	11,742
Other tax payables	15,096	11,390	17,359	17,513
Accrued listing expenses	732	5,867	8,084	10,169
	189,215	223,110	213,381	161,353

Our other payables and accruals increased from RMB189.2 million as of December 31, 2023 to RMB223.1 million as of December 31, 2024, primarily due to an increase in payables for property, plant and equipment arising from our construction of the new R&D and manufacturing center in Changzhou.

Our other payables and accruals then decreased to RMB213.4 million as of December 31, 2025, primarily due to a decrease in payables for non-current assets as we made milestone payments based on the construction progress of our new R&D and manufacturing center.

Our other payables and accruals decreased to RMB161.4 million as of March 31, 2026, primarily due to the settlement of payroll payable and other payables in the ordinary course of business.

As of June 30, 2026, approximately RMB94.5 million, or 58.5% of our other payables and accruals as of March 31, 2026, had been subsequently settled.

Contract Liabilities

Our contract liabilities increased from RMB110.7 million as of December 31, 2023 to RMB159.3 million as of December 31, 2024, and then to RMB184.6 million as of December 31, 2025, primarily driven by an increase in customer advances reflecting strong demand for our products. Our contract liabilities remained relatively stable at RMB183.3 million as of March 31, 2026.

As of June 30, 2026, approximately RMB47.9 million, or 26.1% of our contract liabilities as of March 31, 2026, had been subsequently recognized as revenue.

Financial Liabilities Measured at FVTPL

As of December 31, 2023, 2024 and 2025 and March 31, 2026, our financial liabilities measured at FVTPL amounted to RMB18.4 million, RMB1.0 million, RMB0.2 million and nil, respectively. Our financial liabilities measured at FVTPL were primarily contingent consideration in relation to our acquisition of Penlon.

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Share Capital

Our share capital amounted to RMB476.6 million, RMB499.7 million, RMB499.7 million and RMB499.7 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively. Pursuant to the agreements entered into from February 2016 to March 2019 (collectively, the “**Agreements**”), our Company issued 140,800,000 ordinary shares to the Series A Investors, Series B Investors and the Series C Investors (collectively the “**Relevant Pre-IPO Investors**”) for a total net cash proceeds of approximately RMB359,800,000 (collectively the “**Relevant Pre-IPO Investments**”). Pursuant to the Agreements, the Relevant Pre-IPO Investors were granted by our Company with certain special rights which included redemption rights, anti-dilution rights and liquidation rights (the “**Relevant Special Rights**”). There was no exercise of the Relevant Special Rights granted by our Company throughout the Track Record Period.

On June 26, 2025, our Company and the Relevant Pre-IPO Investors subsequently entered into a supplemental agreement, agreeing that the redemption rights granted and certain deemed liquidation events beyond our control by our Company to Relevant Pre-IPO investors have been irrecoverably terminated and shall be void ab initio. Taking into account the legal and regulatory framework of our Company’s jurisdiction and the governing law of the supplemental agreement, our Directors considered that it is appropriate to present the Relevant Pre-IPO Investments as equity throughout the Track Record Period.

Had the Relevant Special Rights granted by our Company to the Relevant Pre-IPO Investors been accounted for as financial liabilities measured at the present value of the redemption amount prior to entering into the supplemental agreements:

- (i) the redemption financial liabilities, total current liabilities, total non-current liabilities and net assets would have been:

	As of December 31,			As of March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Redemption financial liabilities . . .	(512,713)	(545,877)	N/A (note 1)	(553,073)	N/A (note 1)
Total current liabilities	(1,009,499)	(1,088,545)		(1,182,007)	
Total non-current liabilities	(558,491)	(511,079)		(387,685)	
Net current liabilities	(187,410)	(239,713)		(334,809)	
Net assets	1,187,573	1,205,337		1,218,238	

- (ii) the finance costs associated with the redemption financial liabilities, the net (losses)/profit for the years, basic and dilutive (losses)/earnings per share attributable to ordinary equity holders of the parent would have been:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Financial costs associated with the redemption financial liabilities .	(35,797)	(33,164)	(14,392)	(7,196)	N/A (note 1)
Total net (loss)/profit attributable to ordinary equity holders of the parent	(99,506)	(129,564)	34,494	(2,173)	
Basic and diluted (losses)/earnings per share	(0.21)	(0.26)	0.07	(0.01)	

Note:

- (1) As the Relevant Special Rights were terminated on June 26, 2025, the relevant disclosure does not apply to the consolidated statement of financial position as at December 31, 2025 and March 31, 2026, as well as the consolidated statements of profit or loss and other comprehensive income for the three months ended March 31, 2026.

For details, please refer to Note 34 to the Accountants’ Report in the Appendix I to this prospectus.

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LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash are to fund the daily operations of our business. During the Track Record Period, we financed our capital expenditures and working capital requirements principally with cash generated from our operations, bank borrowings and other financing activities. Going forward, we believe that our liquidity requirements will be satisfied with a combination of cash flows generated from our operating activities, bank loans and other borrowings, net proceeds from the Global Offering and other funds raised from the capital markets from time to time. Any significant decrease in demand for, or market prices of, our medical devices, or a significant decrease in the availability of bank loans or other financing may adversely impact our liquidity. As of December 31, 2023, 2024 and 2025 and March 31, 2026, we had cash and bank balances of RMB262.3 million, RMB284.0 million, RMB301.3 million and RMB321.2 million, respectively. As of June 30, 2026, we had cash and bank balances of RMB246.0 million, and wealth management products and pledged deposits of RMB145.7 million.

Net Current Assets

	As of December 31,			As of	As of
	2023	2024	2025	March 31, 2026	June 30, 2026
	(RMB in thousands)				
	(Unaudited)				
Current assets					
Inventories	236,957	230,212	263,438	253,818	265,702
Trade and bills receivables	104,775	133,073	168,234	170,517	200,768
Prepayments, other receivables and other assets	36,858	43,073	57,437	59,534	64,218
Financial assets at FVTPL	156,106	132,488	145,219	157,381	124,478
Financial assets at FVOCI	21,189	21,863	–	–	–
Pledged deposits	3,937	4,135	654	2,535	21,248
Cash and bank balances	262,267	283,988	301,259	321,227	246,049
Total current assets	822,089	848,832	936,241	965,012	922,463
Current liabilities					
Trade payables	88,914	154,189	175,180	197,667	226,985
Other payables and accruals	189,215	223,110	213,381	161,353	178,098
Contract liabilities	50,726	61,654	77,947	79,624	81,170
Interest-bearing bank borrowings	114,409	74,261	84,125	124,601	82,226
Lease liabilities	26,946	19,974	22,897	18,616	16,149
Deferred income	331	261	223	223	223
Tax payables	8,657	8,422	5,505	5,169	6,785
Financial liabilities at FVTPL	17,588	797	160	–	–
Total current liabilities	496,786	542,668	579,418	587,253	591,636
Net current assets	325,303	306,164	356,823	377,759	330,827

Our net current assets decreased from RMB325.3 million as of December 31, 2023 to RMB306.2 million as of December 31, 2024, primarily due to (i) an increase of RMB65.3 million in trade payables, (ii) an increase of RMB33.9 million in other payables and accruals, and (iii) a decrease of RMB23.6 million in financial assets at FVTPL; partially offset by (i) a decrease of RMB40.1 million in interest-bearing bank borrowings; (ii) an increase of RMB28.3 million in trade and bills receivables; and (iii) a decrease of RMB16.8 million in financial liabilities measured at FVTPL.

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Our net current assets increased from RMB306.2 million as of December 31, 2024 to RMB356.8 million as of December 31, 2025, primarily due to (i) an increase of RMB35.2 million in trade and bills receivables, and (ii) an increase of RMB33.2 million in inventories; partially offset by (i) a decrease of RMB21.9 million in financial assets at FVOCI; and (ii) an increase of RMB21.0 million in trade payables.

Our net current assets increased to RMB377.8 million as of March 31, 2026, primarily due to (i) a decrease in other payables and accruals of RMB52.0 million, (ii) an increase in cash and bank balances of RMB20.0 million, (iii) an increase in financial assets at FVTPL of RMB12.2 million, and (iv) an increase in trade and bills receivables of RMB2.3 million, partially offset by an increase in trade payables of RMB22.5 million and interest-bearing bank borrowings of RMB40.5 million.

Our net current assets decreased from RMB377.8 million as of March 31, 2026 to RMB330.8 million as of June 30, 2026, primarily due to the redemption of certain financial assets at FVTPL and the repayment of long-term loans.

Taking into account our net current assets status, the financial resources available to us, including cash flows from operating activities, cash and cash equivalents at the end of the Track Record Period and the estimated net proceeds of the Global Offering, the Directors are of the view that we will have sufficient funds to meet our working capital requirements and financial requirements for capital expenditure for at least the next 12 months from the date of this prospectus.

Cash Flows

The following table sets forth our cash flows for the periods indicated:

	For the Year ended December 31,			For the Three Months Ended March 31,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
	(Unaudited)				
Net cash flows from/(used in)					
operating activities	64,845	183,350	203,794	(15,210)	38,047
Net cash flows used in					
investing activities	(260,424)	(118,345)	(89,775)	(94,925)	(34,080)
Net cash flows from/(used in)					
financing activities	127,272	(46,922)	(99,065)	31,999	24,743
Net (decrease)/increase in cash					
and cash equivalents	(68,307)	18,083	14,954	(78,136)	28,710
Cash and cash equivalents at					
beginning of the period	317,350	262,267	283,988	283,988	301,259
Effect of foreign exchange rate					
changes, net	13,224	3,638	2,317	2,233	(8,742)
Cash and cash equivalents at					
end of the period	262,267	283,988	301,259	208,085	321,227

Net Cash Flows Generated From/Used in Operating Activities

For the three months ended March 31, 2026, net cash generated from our operating activities was RMB38.0 million while our profit before tax was RMB3.3 million. The difference between our profit before tax and our net cash generated from operating activities was primarily attributable to adding back non-cash items, including equity-settled share-based payments of RMB25.1 million, amortization of intangible assets of RMB13.5 million, depreciation of property, plant and equipment of RMB11.2 million and depreciation of right-of-use assets of RMB7.7 million. The amount was further adjusted by (i) changes in working capital, including an increase in trade and bills receivables of RMB2.5 million, a decrease in inventories of RMB8.2 million, a decrease in contract liabilities of RMB1.2 million and an increase in trade payables of RMB22.5 million; and (ii) a payment of RMB7.8 million in income tax.

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In 2025, net cash generated from our operating activities was RMB203.8 million while our profit before tax was RMB78.7 million. The difference between our profit before tax and our net cash generated from operating activities was primarily attributable to adding back non-cash items, including equity-settled share-based payments of RMB67.9 million, amortization of intangible assets of RMB52.8 million, depreciation of property, plant and equipment of RMB38.2 million and depreciation of right-of-use assets of RMB28.7 million. The amount was further adjusted by (i) changes in working capital, including an increase in trade and bills receivables of RMB34.0 million, and an increase in inventories of RMB26.7 million, partially offset by an increase in contract liabilities of RMB17.3 million and an increase in trade payables of RMB14.9 million; and (ii) a payment of RMB39.9 million in income tax.

In 2024, net cash generated from our operating activities was RMB183.4 million while our loss before tax was RMB70.5 million. The difference between our loss before tax and our net cash generated from operating activities was primarily attributable to adding back non-cash items, including equity-settled share-based payments of RMB53.8 million, amortization of intangible assets of RMB52.5 million, depreciation of property, plant and equipment of RMB38.8 million and depreciation of right-of-use assets of RMB31.0 million. Furthermore, additional working capital was released from an increase in trade payables of RMB65.3 million and an increase in contract liabilities of RMB48.6 million, partially offset by an increase of RMB30.1 million in trade and bills receivables. The amount was further adjusted by a payment of RMB35.0 million in income tax.

In 2023, net cash generated from our operating activities was RMB64.8 million while our loss before tax was RMB49.8 million. The difference between our loss before tax and our net cash generated from operating activities was primarily attributable to adding back non-cash items, including equity-settled share-based payments of RMB64.1 million, amortization of intangible assets of RMB48.9 million, depreciation of property, plant and equipment of RMB37.6 million, and depreciation of right-of-use assets of RMB29.3 million and finance costs of RMB21.4 million, partially offset by the net foreign exchange gains of RMB10.9 million. The amount was further adjusted by changes in working capital, including a decrease in other payables and accruals of RMB24.4 million and a decrease in contract liabilities of RMB18.9 million. The amount was further adjusted by a payment of RMB19.7 million in income tax.

Net Cash Flows Used in Investing Activities

For the three months ended March 31, 2026, net cash used in investing activities was RMB34.1 million, primarily attributable to purchase of financial assets at FVTPL of RMB100.0 million, and purchase of items of property, plant and equipment of RMB21.3 million, partially offset by proceeds from the disposal of financial assets at FVTPL of RMB88.4 million.

In 2025, net cash used in investing activities was RMB89.8 million, primarily attributable to purchase of financial assets at FVTPL of RMB945.5 million, and purchase of items of property, plant and equipment of RMB90.7 million, partially offset by proceeds from the disposal of financial assets at FVTPL of RMB937.6 million.

In 2024, net cash used in investing activities was RMB118.3 million, primarily attributable to purchase of financial assets at FVTPL of RMB1,005.0 million, and purchase of items of property, plant and equipment of RMB120.1 million, partially offset by proceeds from the disposal of financial assets at FVTPL of RMB1,031.2 million.

In 2023, net cash used in investing activities was RMB260.4 million, primarily attributable to purchase of financial assets at FVTPL of RMB1,037.5 million, partially offset by proceeds from the disposal of financial assets at FVTPL of RMB884.5 million.

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Net Cash Flows Generated From/Used in Financing Activities

For the three months ended March 31, 2026, net cash generated from financing activities was RMB24.7 million, primarily attributable to proceeds from new bank loans of RMB100.0 million, partially offset by repayment of bank loans of RMB61.9 million.

In 2025, net cash used in financing activities was RMB99.1 million, primarily attributable to repayment of bank loans of RMB229.9 million and principal portion of lease payments of RMB26.6 million, partially offset by proceeds from new bank loans of RMB177.5 million.

In 2024, net cash used in financing activities was RMB46.9 million, primarily attributable to repayment of bank loans of RMB178.9 million and principal portion of lease payments of RMB27.9 million, partially offset by proceeds from issue of shares of RMB92.4 million and new bank loans of RMB87.6 million.

In 2023, net cash generated from financing activities was RMB127.3 million, primarily attributable to new bank loans of RMB188.7 million and the proceeds of RMB155.1 million from the issuance of shares, partially offset by repayment of bank loans of RMB166.8 million.

INDEBTEDNESS

Our Directors confirm that as of the Latest Practicable Date, there were no material covenants on any of our outstanding debt, and there was no breach of any covenant during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that we did not experience any difficulty in obtaining bank loans and other borrowings, default in payment of bank loans and other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

As of June 30, 2026, being the most recent practicable date for purposes of the indebtedness disclosures in this prospectus, except as otherwise disclosed in this prospectus, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or other material contingent liabilities. Since June 30, 2026, and up to the date of this prospectus, there had been no material change to our indebtedness. The following table sets forth the breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of	As of
	2023	2024	2025	March 31, 2026	June 30, 2026
	(RMB in thousands)				(Unaudited)
Interest-bearing bank borrowings					
Current:	114,409	74,261	84,125	124,601	82,226
Non-current:	321,654	270,309	207,925	205,516	123,630
Lease liabilities					
Current:	26,946	19,974	22,897	18,616	16,149
Non-current:	85,743	67,279	93,241	87,086	83,633
	548,752	431,823	408,188	435,819	305,638

Interest-bearing Bank Borrowings

Our interest-bearing bank borrowings during the Track Record Period were primarily used for business development and working capital purposes. During the Track Record Period, the effective interest rates of our interest-bearing bank borrowings ranged from LPR minus 80 basis points to LPR plus 210 basis points. Certain of our interest-bearing bank borrowings were secured by

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mortgages over our buildings, with a net carrying values of RMB14.5 million, RMB13.8 million, RMB222.3 million and RMB220.2 million, respectively, at the end of each period during the Track Record Period. For more details, see Note 30 to the Accountants' Report in Appendix I to this prospectus. As of June 30, 2026, we had interest-bearing bank borrowings of RMB205.9 million, and we had committed unutilized banking facilities of RMB422.0 million.

Lease Liabilities

Our lease liabilities amounted to RMB112.7 million, RMB87.3 million, RMB116.1 million and RMB105.7 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively, which were primarily in relation to the properties we leased for our R&D, manufacturing and office premises. Our lease liabilities decreased by 3.2% from RMB105.7 million as of March 31, 2026 to RMB99.8 million as of June 30, 2026, mainly due to our lease payments.

CAPITAL EXPENDITURES

We regularly incur capital expenditures to expand our operations, upgrade our facilities, enhance our development capabilities and increase our operating efficiency. Our capital expenditures primarily consisted of expenditures on purchases of property, plant and equipment and intangible assets during the Track Record Period. In 2023, 2024 and 2025 and for the three months ended March 31, 2026, we incurred capital expenditure payments of RMB90.2 million, RMB134.9 million, RMB98.5 million and RMB22.7 million, respectively. The following table sets forth our capital expenditures for the periods indicated:

	For the Year ended December 31,			For the Three Months Ended March 31,	
	2023	2024	2025	2025	2026
	<i>(RMB in thousands)</i>			<i>(Unaudited)</i>	
Purchases of property, plant and equipment	79,648	120,140	90,735	34,638	21,264
Purchase of intangible assets	10,586	14,749	7,718	2,913	1,424
	90,234	134,889	98,453	37,551	22,688

CAPITAL COMMITMENTS

As of December 31, 2023, 2024 and 2025 and March 31, 2026, we had capital commitments of RMB13.3 million, RMB8.1 million, nil and nil, respectively, primarily in connection with our purchase of property, plant and equipment.

CONTINGENT LIABILITIES

As of March 31, 2026, we did not have any material contingent liabilities. We confirm that as of the Latest Practicable Date, there had been no material changes in, or arrangements to, our contingent liabilities.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

FINANCIAL INFORMATION

KEY FINANCIAL RATIOS

The table below sets forth the key financial ratios of our Group for the periods or as of the dates indicated:

	For the Year ended/As of December 31,			For the Three Months Ended/As of March 31,
	2023	2024	2025	2026
Current ratio ⁽¹⁾	1.65	1.56	1.62	1.64
Quick ratio ⁽²⁾	1.18	1.14	1.16	1.21
Adjusted profit/(loss) margin (non-IFRS measure) (%) ⁽³⁾ . .	0.1	(1.8)	7.9	8.3
Adjusted EBITDA margin (non-IFRS measure) (%) ⁽⁴⁾ . .	11.4	9.5	17.9	17.8

Notes:

- (1) Current ratio represents current assets divided by current liabilities as of the same date.
- (2) Quick ratio represents current assets less inventories, divided by total current liabilities as of the same date.
- (3) Adjusted profit/(loss) margin (non-IFRS measure) is calculated by dividing the adjusted profit/(loss) for the period (non-IFRS measure) by total revenue. We define adjusted profit/(loss) for the period (non-IFRS measure) as the profit/(loss) for the period excluding share-based payment expenses and listing expenses.
- (4) Adjusted EBITDA margin (non-IFRS measure) is calculated by dividing the adjusted EBITDA (non-IFRS measure) by total revenue. We define adjusted EBITDA (non-IFRS measure) as the adjusted profit/(loss) for the period (non-IFRS measure), adding back net finance costs and income tax expense or subtracting income tax benefits, and further adding back depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. Our Directors are of the view that each of the related party transactions set out in Note 41 to the Accountants' Report included in Appendix I to this prospectus was conducted in the ordinary course of business on an arm's length basis and on normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

As of December 31, 2023, 2024 and 2025 and March 31, 2026, our outstanding balances due from related parties that were trade in nature were nil, nil and nil, respectively. For details of the related party transactions, see Note 41 to the Accountants' Report included in Appendix I to this prospectus.

MARKET RISK DISCLOSURE

Our principal financial instruments mainly comprise cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's operations. We have various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from our operations. The main risks arising from our financial instruments are foreign currency risk, credit risk and liquidity risk. The Directors review and agree policies for managing each of these risks. See Note 44 to the Accountants' Report included in Appendix I to this prospectus.

FINANCIAL INFORMATION

DIVIDEND

No dividend has been paid or declared by us during the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. Any future determination to pay dividends will be made at the discretion of our Directors subject to our Articles of Association and the PRC Company Law, and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our Directors may deem relevant. As advised by our PRC Legal Advisor, no dividend shall be declared or payable, unless we have profits and reserves lawfully available for distribution.

Under PRC law, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

DISTRIBUTABLE RESERVES

As of March 31, 2026, we did not have any distributable reserves.

LISTING EXPENSES

Our listing expenses mainly include (i) underwriting-related expenses, such as underwriting fees and commissions, and (ii) non-underwriting-related expenses, comprising professional fees paid to our legal advisers, Reporting Accountants and other professional parties for their services rendered in relation to the Listing and the Global Offering, and other fees and expenses. Listing expenses in relation to the Global Offering are estimated to be approximately RMB89.7 million (HK\$103.8 million) (including underwriting commission), at the Offer Price of HK\$15.42 per H Share. As of March 31, 2026, we had incurred a total of RMB46.0 million (HK\$53.2 million) in listing expenses, of which RMB41.8 million was recognized in our consolidated statements of profit or loss, and RMB4.2 million was recognized in the consolidated statement of financial position to be accounted for as a deduction from equity upon Listing. We estimate that additional listing expenses of approximately RMB43.7 million (HK\$50.7 million) (including underwriting commissions and incentives of approximately RMB25.9 million (HK\$30.0 million), based on the Offer Price of HK\$15.42 per H Share) will be incurred by our Company, approximately RMB21.9 million (HK\$25.4 million) of which is expected to be charged to our consolidated statements of profit or loss, and approximately RMB21.8 million (HK\$25.2 million) of which is attributable to the issue of shares and will be deducted from equity upon Listing. Our listing expenses as a percentage of gross proceeds is 17.3%, at an Offer Price of HK\$15.42 per H Share. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

See “Unaudited Pro Forma Financial Information” in Appendix II to this Prospectus for details.

FINANCIAL INFORMATION

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that up to the date of this prospectus, there had been no material adverse change in our financial or operational position or prospects since March 31, 2026, being the latest balance sheet date of our consolidated financial statements as set out in the Accountants' Report included in Appendix I to this prospectus.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors have confirmed that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Upon Listing, our Board will consist of nine Directors, including three executive Directors, three non-executive Directors and three independent non-executive Directors. The following table provides certain information about our Directors:

Name	Age	Position(s)	Date of joining our Group	Date of appointment as Director	Roles and responsibilities
Mr. LIU Jie ⁽¹⁾ . . .	57	Executive Director, chairman of our Board and general manager	July 2014	March 2016	Overall management, development strategy and oversight of the research and development, and sales and marketing of our Group
Mr. ZHONG Yaoqi (鍾要齊).	49	Executive Director, vice chairman of our Board and deputy general manager	August 2013	April 2014	Overall management, development strategy and oversight of sales and marketing our Group
Mr. YAN Renzhong (顏仁仲).	44	Executive Director, board secretary and joint company secretary	May 2020	November 2020	Overall management, development strategy and investor relations
Ms. LI Hui (李輝) ⁽¹⁾	54	Non-executive Director	November 2015	November 2015	Providing advice to our Board and reviewing overall strategy, policies and operations of our Group
Mr. ZHANG Jiecheng (張劫鉞).	36	Non-executive Director	November 2020	November 2020	Providing advice to our Board and reviewing overall strategy, policies and operations of our Group
Dr. ZHOU Yi (周伊)	45	Non-executive Director	February 2016	February 2016	Providing advice to our Board and reviewing overall strategy, policies and operations of our Group
Dr. SHAO Liyang (邵理陽).	46	Independent Non-executive Director	November 2020	November 2020	Supervising and providing independent judgment to our Board

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Position(s)	Date of joining our Group	Date of appointment as Director	Roles and responsibilities
Mr. ZHANG Hanbin (張漢斌)	60	Independent Non-executive Director	November 2020	November 2020	Supervising and providing independent judgment to our Board
Mr. TAM Man Hong (譚文康) . .	49	Independent Non-executive Director	April 2026	April 2026	Supervising and providing independent judgment to our Board

Note:

1. Mr. LIU Jie and Ms. LI Hui are spouses.

Executive Directors

Mr. LIU Jie, aged 57, joined our Company in July 2014 as general manager and has been our Director and chairman of our Board since March 2016. Mr. Liu has also been our general manager since November 2020 and has been re-designated as an executive Director with effect from the Listing Date. In addition, Mr. Liu is currently a director of a number of our subsidiaries, including Medcaptain HK, Intermed and Penlon. Mr. Liu is responsible for the overall management, development strategy and oversight of the research and development of our Group. Mr. Liu is the spouse of Ms. Li Hui, our non-executive Director.

Mr. Liu has over 20 years of experience in the medical and healthcare industry. Prior to joining Shenzhen Mindray Bio-Medical Electronics Co., Ltd. (“**Mindray**”) (a company listed on the Shenzhen Stock Exchange (stock code: 300760.SZ)) in June 2005, Mr. Liu had worked at Johnson & Johnson. During his tenure at Mindray, Mr. Liu initially held positions as a vice president and an executive vice president of international sales and marketing, and was promoted to the role of chief operation officer from August 2008 to April 2014. Mr. Liu also previously served as the chief financial officer. At both senior managerial roles at Mindray, Mr. Liu was in charge of overall financial planning and management, sales and marketing, and focused on enhancing the operations of the key departments across Mindray, as well as working with other senior management in providing strategic guidance, implementation procedures and budget planning.

Mr. Liu joined our Group in 2014 and subsequently took positions as our Director and chairman of our Board. His deep understanding of the healthcare industry and extensive management expertise as the chief operating officer of a listed medical device company steered the continuous growth of our Company’s business and the shift in our Company’s strategy towards an integrated medical device solutions provider. Benefiting from the leadership, insight and vision of Mr. Liu throughout the years, our Group focuses on its long pursuit of innovation and our highly diversified pipeline now spans across life support, minimally invasive intervention and in vitro diagnostics.

Mr. Liu obtained his Bachelor of Engineering in Optical Instrumentation from Zhejiang University (浙江大學) in July 1991. He obtained a Master of Science in Optics from Anhui Institute of Optics and Fine Mechanics of the Chinese Academy of Sciences (中國科學院安徽光學精密機械研究所) in the PRC in June 1994 and a Master of Business Administration from Stephen M. Ross School of Business, the University of Michigan in the U.S. in April 2002.

DIRECTORS AND SENIOR MANAGEMENT

Mr. ZHONG Yaoqi (鍾要齊), aged 49, joined our Company in August 2013 as a vice president and has been appointed as a Director since April 2014, a deputy general manager since November 2020 and the vice-chairman of our Board since March 2021. Mr. Zhong has been re-designated as an executive Director with effect from the Listing Date. In addition, Mr. Zhong is currently a director of a number of our subsidiaries, including Mabsky, Intermed, Penlon and Medcaptain UK. Mr. Zhong is responsible for the overall management and development strategy of our Group and oversight of sales and marketing of our Group, including the after-sales segment and our mergers and acquisitions projects.

Mr. Zhong has over 24 years of experience in the medical and healthcare industry. Mr. Zhong worked at Mindray from December 2000 to August 2013, where he successively served as, amongst others, a senior vice president of international sales and marketing and vice president of the strategic development department. During his tenure at Mindray, Mr. Zhong was in charge of the international sales, marketing and mergers and acquisitions of Mindray and gained in-depth exposure to medical and healthcare industry.

Mr. Zhong joined our Company and started participating in our management and operations in August 2013. Mr. Zhong has been assisting Mr. Liu in overseeing our sales and marketing strategies and expanding our product offerings and sales network. Under the leadership of Mr. Zhong, we have completed our acquisition of Runpu Biotech, Mabsky Bio-Tech, Vedkang Medical and Penlon in recent years, thereby growing our global sales footprint to customers in over 140 countries as of the Latest Practicable Date.

Mr. Zhong obtained his bachelor's degree in biomedical engineering from Southeast University (東南大學) in the PRC in June 2000. He obtained an Executive Master of Business Administration from the China Europe International Business School (CEIBS) in September 2013.

Mr. YAN Renzhong (顏仁仲), aged 44, has been our board secretary since May 2020, a Director since November 2020 and a joint company secretary with effect on the Listing Date. Mr. Yan has been re-designated as an executive Director with effect from the Listing Date. Mr. Yan is responsible for the overall management, development strategy and oversight of investor relations of our Group.

Mr. YAN has over 19 years of experience in corporate management, investor relations and company secretarial work. Mr. Yan was a service marketing and planning manager at China Mobile Group Guangdong Co., Ltd. (中國移動通信集團廣東有限公司), from July 2006 to September 2010. Mr. Yan subsequently worked at Huatai Securities Co., Ltd. (華泰證券股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 6886) and the Shanghai Stock Exchange (stock code: 601688), from September 2010 to July 2012. Mr. Yan was an assistant to the general manager of the brokerage department of Goldstate Securities Co., Ltd. (金元證券股份有限公司), from June 2012 to June 2016. He took up the positions of the general manager, legal representative and executive director of Beijing Yingtai Fengshun Asset Management Co., Ltd. (北京盈泰豐順資產管理有限公司), from June 2016 to March 2019. Mr. Yan was appointed as a board secretary of Guangdong King-Strong Technology Co., Ltd. (廣東新勁剛科技股份有限公司) (formerly known as Guangdong King-Strong New Materials Technology Co., Ltd. (廣東新勁剛新材料科技股份有限公司)), a company listed on the Shenzhen Stock Exchange (stock code: 300629), from March 2019 to May 2020, where he oversaw corporate governance of the company.

Mr. Yan graduated from Wuhan University (武漢大學) in the PRC with a bachelor's degree in computer science and technology in June 2003. He obtained a master's degree in computer software and theory from the Chinese Academy of Sciences (中國科學院) in the PRC in July 2006.

DIRECTORS AND SENIOR MANAGEMENT

Non-executive Directors

Ms. LI Hui (李輝), aged 54, was appointed as a Director in November 2015 and has been re-designated as a non-executive Director with effect from the Listing Date. Ms. Li is primarily responsible for providing advice to our Board and reviewing overall strategy, policies and operations of our Company. Ms. Li is the spouse of Mr. Liu, an executive Director, the chairman of our Board and the general manager of our Company.

Prior to joining our Group in 2015, Ms. Li was a merchandising manager at Lenovo Information Products (Shenzhen) Co., Ltd. (聯想信息產品(深圳)有限公司), a subsidiary of Lenovo Group Limited (a company listed on the Main Board of the Stock Exchange (stock code: 992)), from February 2006 to March 2011.

Ms. Li graduated from Zhengzhou University of Aeronautics (鄭州航空工業管理學院) in the PRC with her Bachelor in Materials Management Engineering in July 1994 and the College of William & Mary in the U.S. with her Master of Business Administration in May 2005.

Mr. ZHANG Jiecheng (張劫鍼), aged 36, was appointed as a Director in November 2020 and has been re-designated as a non-executive Director with effect from the Listing Date. Mr. Zhang is primarily responsible for providing advice to our Board and reviewing the overall strategy, policies and operations of our Company.

Mr. Zhang has over 10 years of working experience in investment management industry. Mr. Zhang joined Hillhouse Investment in June 2015 and is currently serving as managing director of Zhuhai Gao Ling Private Fund Management Co., Ltd. (珠海高瓴私募基金管理有限公司). He was also a non-executive director of Suzhou Basecare Medical Corporation Limited, a company listed on the Main Board of the Stock Exchange (stock code: 2170), from July 2020 to January 2023.

Mr. Zhang received his bachelor's degree in management from Shanghai University of Finance and Economics (上海財經大學) in the PRC in July 2012.

Dr. ZHOU Yi (周伊), aged 45, was appointed as a Director in February 2016 and has been re-designated as a non-executive Director with effect from the Listing Date. Dr. Zhou is primarily responsible for providing advice to our Board and reviewing the overall strategy, policies and operations of our Company.

Dr. Zhou has around 13 years of research and working experience in the chemistry, pharmaceutical and biotechnology industries. Dr. Zhou worked at Century Securities Co., Ltd. (世紀證券有限責任公司) between September 2011 and May 2012. He then joined Shenzhen Capital Group Co., Ltd. in May 2012 and is currently the general manager of healthcare investment sector at Shenzhen Capital Group Co., Ltd.. Dr. Zhou was (i) a director of Shenzhen YHLO Biotech Co., Ltd. (深圳市亞輝龍生物科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688575), from December 2016 to December 2022, and (ii) a non-executive director of Akeso, Inc., a company listed on the Main Board of the Stock Exchange (stock code: 9926), from November 2019 to June 2024. Dr. Zhou has been a non-executive director of OrbusNeich Medical Group Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 6929), since September 2021.

Dr. Zhou obtained his bachelor's degree in chemistry from Hengyang Normal University (衡陽師範學院) in Hunan, the PRC in June 2003, his master's degree in organic chemistry from Hunan Normal University (湖南師範大學) in Hunan, the PRC in June 2007, and his Ph.D. degree in medicinal chemistry from Peking University (北京大學) in the PRC in July 2011.

DIRECTORS AND SENIOR MANAGEMENT

Independent Non-executive Directors

Dr. SHAO Liyang (邵理陽), aged 46, was appointed as an independent Director in November 2020 and has been re-designated as an independent non-executive Director with effect from the Listing Date. He is primarily responsible for supervising and providing independent judgment to our Board and serving as the chairman and members of certain committees of our Board.

Dr. Shao has over 19 years of experience in intelligent distributed fiber optic sensing technology and engineering applications, fiber lasers and their sensing applications, optical and medical detection applications, smart ocean integrated perception and system equipment. Dr. Shao has a broad range of working experience at various domestic and overseas universities. He served as (i) a visiting scholar at the Hong Kong Polytechnic University from August 2006 to June 2009, (ii) a post-doctorate researcher at Carleton University in Canada from August 2009 to August 2011, (iii) a post-doctorate visiting scholar at the Hong Kong Polytechnic University from August 2011 to July 2013, (iv) a senior visiting scholar at the University of Sydney in Australia from March 2012 to September 2012, (v) a professor at the school of computer science and technology at Southwest Jiaotong University (西南交通大學) in the PRC from September 2013 to July 2019, (vi) a visiting professor at the School of Electrical Engineering and Computer Science at the University of Ottawa in Canada from July 2015 to August 2017, and (vii) a visiting professor at University of Technology Sydney in Australia from August 2018 to September 2018. Dr. Shao was also an independent director of Refond Optoelectronics Co., Ltd. (深圳市瑞豐光電子股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300241), from January 2023 to November 2023. Dr. Shao has taken up his current role at the Southern University of Science and Technology (南方科技大學) in the PRC as a researcher at the department of electronic and electrical engineering since August 2017 and the associate dean of the school of innovation and entrepreneurship since August 2018. Dr. Shao has been appointed as a corresponding member of the National Academy of Artificial Intelligence (“NAAI”) of USA and an executive vice president of the NAAI Asia Research Institute since February 2025.

Dr. Shao obtained his bachelor’s degree in optoelectronic information science and engineering and his Ph.D. degree in optical engineering from Zhejiang University (浙江大學) in the PRC in June 2001 and June 2008, respectively.

Mr. ZHANG Hanbin (張漢斌), aged 60, was appointed as an independent Director in November 2020 and has been re-designated as an independent non-executive Director with effect from the Listing Date. He is primarily responsible for supervising and providing independent judgment to our Board and serving as the chairman and members of certain committees of our Board.

Mr. Zhang has over 38 years of experience in accounting and auditing. Mr. Zhang worked at Tianqin Accounting Firm (天勤會計師事務所) (previously known as Shekou Zhonghua Accounting Firm (蛇口中華會計師事務所)) from July 1987 to March 2000, where he consecutively served as an auditor, a project manager, an assistant to manager, department manager and a salary partner. He subsequently worked at Shenzhen Institute of Certified Public Accountants (深圳市註冊會計師協會) from April 2000 to May 2004, where he was responsible for regulatory matters and professional development of the accounting industry in Shenzhen. Mr. Zhang has been a chief partner at Shenzhen Mingding Accounting Firm (深圳銘鼎會計師事務所) since June 2004, and an independent director of (i) Shenzhen Leaguer Co., Ltd (深圳市力合科創股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002243.SZ), since September 2019, (ii) Sinosun Technology Co., Ltd. (深圳兆日科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300333.SZ), since May 2020, (iii) Shennan Circuits Co., Ltd. (深南電路股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002916.SZ), since October 2022, and (iv) Kexing Biopharm Co., Ltd. (科興生物製藥股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688136.SH), since August 2025. Mr. Zhang was previously an independent director of (i) OFILM Group Co., Ltd. (歐菲光集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002456.SZ), from September 2017

DIRECTORS AND SENIOR MANAGEMENT

to October 2023, and (ii) Shenzhen Keanda Electronic Technology Corp., Ltd (深圳科安達電子科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002972.SZ), from April 2023 to December 2023.

Mr. Zhang completed his undergraduate course in Financial Accounting at Shenzhen University in July 1991, a Master of Economics from the Party School of Guangdong Committee of C.P.C. (中共廣東省委黨校) in July 1998 and a Master of Arts in International Accounting from the City University of Hong Kong in November 2007. Mr. Zhang is qualified as a Certified Public Accountant in the PRC and an overseas member of The Society of Chinese Accountants & Auditors in Hong Kong.

Mr. TAM Man Hong (譚文康), aged 49, has been appointed as an independent Director in April 2026 and has been re-designated as an independent non-executive Director with effect from the Listing Date. He is primarily responsible for supervising and providing independent judgment to our Board and serving as the chairman and members of certain committees of our Board.

Mr. Tam has over 28 years of experience in finance and banking across the Asia-Pacific region. Prior to joining our Company, from August 2007 to September 2011, Mr. Tam served as executive director at UBS AG Hong Kong Branch. From December 2011 to November 2015, Mr. Tam served at Jefferies Hong Kong Limited, with his last position held as managing director. From February 2016 to January 2017, Mr. Tam served at Guosen Securities (HK) Financial Holdings Co., Ltd, with his last position held as managing director. From February 2017 to May 2018, he served at BOSC International Company Limited, with his last position held as managing director. He served at UBS AG Hong Kong Branch from June 2018 to July 2020, with his last position held as managing director. Mr. Tam also served as Chief Financial Officer of HUYA Bioscience International, LLC from October 2020 to November 2020. Mr. Tam was the chief financial officer of XtalPi Holdings Limited (“XtalPi”, formerly known as QuantumPharm Inc.), a company listed on the Main Board of the Stock Exchange (stock code: 2228), from December 2020 to December 2025, and was the joint company secretary of XtalPi from November 2023 to December 2024. He has also served as the Hong Kong and international development advisor of XtalPi, and as a non-executive director of LCC Technologies, a subsidiary of XtalPi, since January 2026. Mr. Tam has been an independent non-executive director of Imagi International Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 585), since August 2026.

Mr. Tam obtained his bachelor’s degree in commerce from the University of Auckland in New Zealand in December 1997. He obtained his master’s degree in sustainability leadership from the University of Cambridge in England in July 2020. He was certified as a CFA charterholder by the CFA Institute (formerly the Association for Investment Management and Research) in September 2002. He was admitted as a fellow of CPA Australia in February 2016 and a member of the Hong Kong Institute of Certified Public Accountants in January 2003, respectively.

Confirmations by our Directors

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on August 8, 2025 or April 21, 2026 and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules. Each of our independent non-executive Directors has confirmed (i) his independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he has no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his independence at the time of his appointments. As of the Latest Practicable Date and save as disclosed above, there is no other material matter relating to our Directors that needs to be brought to the attention of our Shareholders or the Stock Exchange or shall be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules in all material aspects.

DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

The following table provides information about members of the senior management of our Company:

Name	Age	Position(s)	Date of joining our Group	Roles and responsibilities
Mr. LIU Jie	57	Executive Director, chairman of our Board and general manager	July 2014	Overall management, development strategy and oversight of the research and development, and sales and marketing of our Group
Mr. ZHONG Yaoqi (鍾要齊)	49	Executive Director, vice chairman of our Board and deputy general manager	August 2013	Overall management, development strategy and oversight of sales and marketing of our Group
Mr. YAN Renzhong (顏仁仲)	44	Executive Director, board secretary and joint company secretary	May 2020	Overall management, development strategy and investor relations
Mr. YUAN Jia (袁加)	47	Chief financial officer	September 2023	Overall financial management and corporate development of our Group
Mr. LIU Qisong (劉奇松)	50	Deputy general manager	April 2015	Research and development department of our headquarters and Vedkang Medical
Mr. WANG Bin (王斌)	52	Deputy general manager	June 2015	Production and supply chain management of our headquarters and Vedkang Medical
Mr. LUO Jun (羅軍)	46	Deputy general manager	January 2016	Sales of our life support and IVD products in the PRC

Mr. LIU Jie, aged 57, is our executive Director, chairman of our Board and general manager. For details of his biography, see “— Board of Directors — Executive Director” in this section.

Mr. ZHONG Yaoqi (鍾要齊), aged 49, is our executive Director, vice chairman of our Board and deputy general manager. For details of his biography, see “— Board of Directors — Executive Director” in this section.

Mr. YAN Renzhong (顏仁仲), aged 44, is our executive Director, board secretary and (with effect from the Listing Date) joint company secretary. For details of his biography, see “— Board of Directors — Executive Director” in this section.

DIRECTORS AND SENIOR MANAGEMENT

Mr. YUAN Jia (袁加), aged 47, joined our Group as the chief financial officer in September 2023. He is primarily responsible for overseeing the overall financial management and corporate development of our Group.

Mr. Yuan has over 24 years of experience in accounting and finance. Mr. Yuan worked as a senior financial manager at JDS Uniphase Shenzhen Limited (捷迪訊光電(深圳)有限公司) from November 2000 to February 2008. Mr. Yuan was a financial manager of SmartDrive Systems (Shenzhen) Co., Ltd.* (思瑪特智馳科技(深圳)有限公司) from March 2008 to February 2011, during which he was in charge financial management. He then worked as the vice president of finance at Innofidei, Inc. (北京創毅訊聯科技股份有限公司) from February 2011 to August 2014 managing its finance, commerce and procurement departments. From August 2014 to September 2016, Mr. Yuan worked as the head of finance APAC at Premium Sound Solutions (Shenzhen) Co., Ltd (普瑞姆揚聲器系統(深圳)有限公司), overseeing its financial planning, budgeting, auditing, financial and cash management and accounts management. Mr. Yuan subsequently served as the chief financial officer at Funde Holding Group Co., Ltd. (富德控股(集團)有限公司) from September 2016 to August 2023, where he was in charge of the overall financial management of its group companies.

Mr. Yuan obtained a bachelor's degree in economics, majoring in the specialization of certified public accountants, from Wuhan University (武漢大學) in the PRC in July 1999. He subsequently obtained a Master of Business Administration, majoring in financial management, from the Chinese University of Hong Kong in November 2015. Mr. Yuan is also a non-practicing member of Chinese Institute of Certified Public Accountants (中國註冊會計師協會) and a Fellow of the Association of Chartered Certified Accountants (ACCA).

Mr. LIU Qisong (劉奇松), aged 50, joined our Group in April 2015 and is currently our deputy general manager and a director of Vedkang Medical and certain of its subsidiaries. He is in charge of the research and development department of our headquarters and Vedkang Medical.

Mr. Liu has over 21 years of experience in engineering and research and development of medical devices. Mr. Liu joined Mindray as a product systems engineer in July 2004, until he joined our Group in April 2015.

Mr. Liu obtained a bachelor's degree in engineering, majoring in mechanical design and manufacturing, from Qingdao Institute of Architectural Engineering (青島建築工程學院) (now renamed as Qingdao University of Technology (青島理工大學)) in the PRC in July 1998.

Mr. WANG Bin (王斌), aged 52, joined our Group in June 2015 and is currently our deputy general manager and a supervisor of Vedkang Medical and certain of its subsidiaries. He is in charge of the production and supply chain management of our headquarters and Vedkang Medical.

Mr. Wang has over 22 years of experience in factory management. Mr. Wang worked at Mindray from April 2003 to June 2015, with his last position as a senior manager of the machining department.

Mr. Wang obtained a bachelor's degree in engineering, majoring in mechatronics, from Sichuan University of Science and Technology (四川工業學院) (currently known as Xihua University (西華大學)) in the PRC in July 1999.

Mr. LUO Jun (羅軍), aged 46, joined our Group in January 2016 and is currently our deputy general manager in charge of the sales of our life support and IVD products in the PRC.

Mr. Luo has around 19 years of experience in sales marketing. Mr. Luo subsequently served as the deputy director of international marketing for IVD products at Mindray from September 2006 to January 2016, where he gained broad experience in international sales of medical devices and pipeline management.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Luo obtained a bachelor's degree in engineering, majoring in computer science and technology, from Hunan Normal University (湖南師範大學) in the PRC in June 2002.

OTHER INFORMATION

Save as disclosed above, (i) none of our Directors holds any other directorships in public companies, the securities of which are listed on any securities market in Hong Kong or overseas during the three years immediately preceding the date of this prospectus; (ii) none of our Directors and members of senior management are related to other Directors, members of senior management, substantial shareholders or controlling shareholders of our Company; (iii) none of our members of senior management holds or has held other positions in our Company and/or any other members of our Group as at the Latest Practicable Date; and (iv) none of our Directors or members of senior management completed his/her respective education programs as disclosed in this section by way of attendance of long distance learning or online courses.

See “Statutory and General Information” in Appendix IV to this prospectus for further information about our Directors, including the particulars of their service contracts and remuneration, and details of the interests of our Directors in our Shares (within the meaning of Part XV of the SFO).

JOINT COMPANY SECRETARIES

Mr. YAN Renzhong (顏仁仲), aged 43, is our executive Director, board secretary and (with effect from the Listing Date) joint company secretary. For details of his biography, see “— Board of Directors — Executive Director” in this section.

Ms. SIOW Yuet Chew Grace (蕭月秋) has more than 20 years of experience in the company secretary profession. She currently serves as a director of corporate services of Tricor Services Limited. Ms. Siow has been providing corporate secretarial and compliance services to Hong Kong listed companies as well as multinational, private and offshore companies.

Ms. Siow is a chartered secretary, a chartered governance professional and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

MANAGEMENT AND CORPORATE GOVERNANCE

Board Committees

Our Company has established the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy and ESG Committee in compliance with the Listing Rules. These committees operate in accordance with their respective terms of reference established by our Board.

Audit Committee

We have established the Audit Committee (with effect from the Listing) with written terms of reference. The primary duties of the Audit Committee include, but not limited to, proposing the appointment or change of external auditors to our Board; monitoring the independence of external auditors and evaluating their performance; reviewing and supervising our financial reporting progress and the internal control system of our Group; reviewing and advising on connected transactions; managing risk, performing internal audit, providing advice and comments to our Board; and performing other duties and responsibilities as may be assigned by our Board. The Audit Committee consists of three members, namely Mr. TAM Man Hong, Dr. SHAO Liyang and Mr.

DIRECTORS AND SENIOR MANAGEMENT

ZHANG Hanbin. The chairman of the Audit Committee is Mr. TAM Man Hong, who is an independent non-executive Director with the appropriate accounting and related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules.

Remuneration and Appraisal Committee

We have established the Remuneration and Appraisal Committee (with effect from the Listing) with written terms of reference. The primary duties of the Remuneration and Appraisal Committee include, but not limited to, establishing, reviewing and providing advice to our Board on the structure of remuneration of our Directors and senior management and on the establishment of a formal and transparent procedure for developing policies concerning remuneration; making recommendation to our Board on the terms of the specific remuneration package for executive Directors and certain members of our senior management; reviewing and recommending the remuneration of our management by reference to corporate goals and objectives resolved by our Directors from time to time; and dealing with other matters that are authorized by our Board. The Remuneration and Appraisal Committee comprises three members, namely Mr. LIU Jie, Mr. ZHANG Hanbin and Mr. TAM Man Hong. The chairman of the Remuneration and Appraisal Committee is Mr. ZHANG Hanbin.

Nomination Committee

We have established the Nomination Committee with written terms of reference. The primary duties of the Nomination Committee include, but not limited to, reviewing the structure, size and composition of our Board on a regular basis and making recommendations to our Board regarding any proposed changes to the composition of our Board; ensuring the diversity of our Board members; assessing the independence of our independent non-executive Directors; researching and developing standards and procedures for the election of our Board members, general managers and other senior management, and making recommendations to our Board on relevant matters relating to the appointment, reappointment and removal of our Directors and succession planning for our Directors; conducting extensive search and providing to our Board suitable candidates for Directors, general managers and other members of the senior management; and dealing with other matters that are authorized by our Board. The Nomination Committee comprises three members, namely Dr. SHAO Liyang, Mr. ZHANG Hanbin and Ms. LI Hui. The chairman of the Nomination Committee is Dr. SHAO Liyang.

Strategy and ESG Committee

We have established a Strategy and ESG Committee, whose primary duties comprises of considering, advising and making recommendations on the long-term strategy and major investment, financing and capital plans of our Group; assisting our Board and our management in formulating ESG practices and evaluating ESG performance; identifying and monitoring ESG-related risks and opportunities, and providing guidance to the management on taking appropriate responses to ESG risks and opportunities. The Strategy and ESG Committee comprises three members, namely Mr. LIU Jie, Mr. ZHONG Yaoqi and Dr. SHAO Liyang. The chairman of the Strategy and ESG Committee is Mr. LIU Jie.

Corporate Governance Code

We aim to achieve high standards of corporate governance which are crucial to our development and safeguard the interests of our Shareholders, and expect to comply with the Corporate Governance Code set out in Appendix C1 of the Listing Rules after the Listing save for the below.

Code provision C.2.1 of Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules recommends, but does not require, that the roles of chairman and chief executive should be separate and should not be performed by the same person. Our Company

DIRECTORS AND SENIOR MANAGEMENT

deviates from this provision as Mr. Liu performs both the roles of the chairman of our Board and the general manager of our Company. Given Mr. Liu is one of the founders of our current business and has extensive experience in the operations and management of our Group, our Board believes that Mr. Liu serving as both the chairman of our Board and the general manager could ensure consistent leadership within our Group and enable effective and efficient overall strategic planning. This structure will enable our Company to make and implement decisions promptly and effectively. Our Board considers that the balance of power and authority will not be impaired due to this arrangement. Further, our Company has put in place an appropriate check-and-balance mechanism through our Board, including through the appointment of three independent non-executive Directors. Our independent non-executive Directors are able to retain independence in terms of character and judgment and are able to express their views without undue constraint. In addition, our Board also consists of two other executive Directors, namely Mr. ZHONG Yaoqi and Mr. YAN Renzhong, who are familiar with the day-to-day business of our Company. In addition, all major decisions are made in consultation with members of our Board, including the relevant Board committees, three non-executive Directors and three independent non-executive Directors. Our Board will reassess the division of the roles of chairman and general manager from time-to-time, and may recommend dividing the two roles between different people in the future, taking into account the circumstances of our Group as a whole.

DISCLOSURE UNDER RULE 8.10 OF THE LISTING RULES

Each of our executive and non-executive Directors confirms that as of the Latest Practicable Date, he/she did not have any interest in a business which competes or is likely to compete, directly or indirectly, with our business that would require disclosure under Rule 8.10 of the Listing Rules.

BOARD DIVERSITY POLICY

Our Company has adopted a board diversity policy which sets out the approach to achieve diversity of our Board. Our Company recognizes the benefits of having a diverse Board and sees increasing diversity at the Board level, including gender diversity, as an essential element in maintaining our Company's competitive advantage. Pursuant to the board diversity policy, in reviewing and assessing suitable candidates to serve as a Director, the Nomination Committee will consider a number of factors, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry experience, and will discuss periodically and when necessary, agree on the measurable objectives for achieving diversity, including gender diversity, on our Board and recommend them to our Board for formal adoption.

We recognize the particular importance of gender diversity. Our Board currently comprises nine Directors, including one female Director. We have taken and will continue to take steps to promote and enhance gender diversity at all levels of our Company, including but not limited to at our Board and senior management levels. We will also ensure that there is gender diversity when recruiting staff at mid to senior level, as well as engaging more resources in training more female staff with the aim of providing a pipeline of female senior management and potential successors to our Board going forward. It is our objective to maintain an appropriate balance of gender diversity in our Board and our Group companies with reference to the stakeholders' expectation and international and local recommended best practices.

COMPENSATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The remuneration of our Directors are paid in the form of salaries, allowances, benefits in kind, pension scheme contributions and share-based compensation. The aggregate amount of remuneration (including wages, salaries, bonuses, pension costs, other employee benefits) for our Directors for the years ended December 31, 2023, 2024 and 2025 and for the three months ended March 31, 2026 were RMB10.26 million, RMB21.91 million, RMB32.71 million and RMB6.42 million, respectively.

DIRECTORS AND SENIOR MANAGEMENT

For the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026, the aggregate amount of emolument (including wages, salaries, bonuses, pension costs and other employee benefits) for the five highest paid individuals of our Group (excluding one, four, three and three Director(s)) were RMB12.33 million, RMB1.98 million, RMB7.98 million and RMB2.05 million, respectively.

We estimate the remuneration and benefits-in-kind of our Directors in respect of the year ending December 31, 2026 to be approximately RMB39.18 million in aggregate.

During the Track Record Period, no remuneration was paid to, or receivable by, any Director or any of the five highest paid individuals of our Group as an inducement to join or upon joining our Company or as a compensation for loss of office in the Track Record Period. None of our Directors waived any emolument during the Track Record Period. Save as disclosed above, no other payments have been paid or are payable by our Company to our Directors or the five highest paid individuals of our Company during the Track Record Period. For further details, please see Notes 9 and 10 in the Accountants' Report in Appendix I to this prospectus.

COMPLIANCE ADVISOR

We have appointed UOB Kay Hian (Hong Kong) Limited as the compliance advisor (the “**Compliance Advisor**”) pursuant to Rule 3A.19 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the requirements under the Listing Rules and applicable Hong Kong laws. Pursuant to Rules 3A.23 of the Listing Rules, the Compliance Advisor will advise our Company, among others, in the following circumstances:

- (i) before the publication of any regulatory announcement, circular, or financial report;
- (ii) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- (iii) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where the business activities, development or results of our Company deviate from any forecast, estimate or other information in this prospectus; and
- (iv) where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

The term of appointment of the Compliance Advisor shall commence on the Listing Date and end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of the financial results for the first full financial year commencing after the Listing Date and such appointment shall be subject to extension by mutual agreement.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

OUR CONTROLLING SHAREHOLDERS

As at the Latest Practicable Date, our Company has adopted a WVR voting structure pursuant to our existing Articles, and the shareholding and voting control of our Controlling Shareholders as at the Latest Practicable Date are as follows:

- (i) Mr. Liu, Mr. Zhong and Ms. Li beneficially own a total of 105,336,000 Class A Shares, which represents approximately 21.08% of our total issued share capital and 72.76% of voting rights in our Company;
- (ii) (1) Mr. Zhong controlled through Ruixin Kangzhong LP as the sole general partner, 1,928,812 Class B Shares; and (2) Ms. Li controlled through Juxian Kangzhong LP, Ruisen Kangzhong LP, Ruikun Kangzhong LP, Jucai Kangzhong, Ruiqian Kangzhong LP and Ruiyu Kangzhong LP as the sole general partner a total of 90,385,000 Class B Shares, representing in aggregate 92,313,812 Class B Shares and approximately 18.47% of our total issued share capital and 6.38% of voting rights in our Company; and
- (iii) Mr. Liu, Mr. Zhong and Ms. Li entered into the Concert Party Agreement on November 18, 2020 to confirm their acting-in-concert relationship with respect to our Company.

Therefore, as at the Latest Practicable Date, our Controlling Shareholders were interested in approximately 39.55% of our total issued share capital and were entitled to exercise a total of approximately 79.14% of the voting rights in our Company (save and except for the Reserved Matters).

Upon completion of the Global Offering, our Company will unwind the WVR structure and each issued Class A Share and Class B Share will be re-designated to one H Share or Unlisted Share, as the case may be. Immediately following the unwinding of the WVR structure, the Conversion of the Unlisted Shares into H Shares and the completion of the Global Offering (assuming the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding), (i) Mr. Liu will hold 54,450,000 Shares; (ii) Mr. Zhong will hold 28,600,000 Shares and be interested in and control 1,928,812 Shares held by Ruixin Kangzhong LP; and (iii) Ms. Li will hold 22,286,000 Shares, and be interested in and control (1) 63,685,000 Shares held by Juxian Kangzhong LP; (2) 8,950,000 Shares held by Ruisen Kangzhong LP; (3) 5,650,000 Shares held by Ruikun Kangzhong LP; (4) 4,400,000 Shares held by Jucai Kangzhong LP; (5) 4,400,000 Shares held by Ruiqian Kangzhong LP; and (6) 3,300,000 Shares held by Ruiyu Kangzhong LP.

Therefore, immediately following the unwinding of the WVR structure, the Conversion of the Unlisted Shares into H Shares and the completion of the Global Offering, (i) Mr. Liu, Mr. Zhong and Ms. Li; and (ii) their respective controlled corporations, namely, Ruixin Kangzhong LP, Juxian Kangzhong LP, Ruisen Kangzhong LP, Ruikun Kangzhong LP, Jucai Kangzhong LP, Ruiqian Kangzhong LP and Ruiyu Kangzhong LP (all of which being our Employees Incentive Platforms), will continue to control the exercise of the voting rights of 197,649,812 Shares, which represents approximately 36.70% of our total issued share capital (assuming that the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding), and accordingly, will be considered as a group of Controlling Shareholders of our Company upon Listing under the Listing Rules.

Our Controlling Shareholders may, from time to time, make minority investments or hold non-executive board positions in entities that operate in, or have subsidiaries that operate in, the broader industries in which our business segments also operate. As our Controlling Shareholders and/or Directors have no executive or shareholding control over any of these entities, and these entities have separate businesses with separate management and shareholder bases that control their entities, our Controlling Shareholders will not inject any of their interested entities into our Group; and to the extent our Directors hold non-executive board positions or make minority investments in these entities, we believe that this strengthens the experience and diversity of our Directors, as a group, and signifies their passion for the industries in which we operate.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

DISCLOSURE UNDER RULE 8.10 OF THE LISTING RULES

Our Controlling Shareholders confirm that, as of the Latest Practicable Date, they did not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business that would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independently from our Controlling Shareholders and their close associates after the Listing.

Management Independence

Our business is managed and conducted by our Board and senior management. Upon Listing, our Board will consist of nine Directors comprising three executive Directors, three non-executive Directors and three independent non-executive Directors. For more information, see “Directors and Senior Management”. Our Directors consider that our Board as a whole and together with our senior management are able to perform the managerial role independently of our Controlling Shareholders because:

- (i) each Director is aware of his/her fiduciary duties as a Director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests;
- (ii) our daily management and operations are carried out by a senior management team with substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Group;
- (iii) we have three independent non-executive Directors and certain matters of our Company must always be referred to the independent non-executive Directors for review; and
- (iv) if potential conflict of interest arises out of any transaction to be entered into between our Group and our Directors or their respective associates, the interested Director(s) is required to declare the nature of such interest before voting at the relevant Board meetings of our Company in respect of such transactions. We have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Controlling Shareholders which would support our independent management.

Operational Independence

We have full rights to make business decisions and to carry out our business independently from our Controlling Shareholders and their respective associates. In particular, we hold all relevant licenses material to the operation of our business and all relevant intellectual properties and research and development facilities necessary to carry out our business, we have independent access to our customers and suppliers, and we have sufficient capital, facilities, equipment and employees to operate our business independently. In addition, we have our own administrative and corporate governance infrastructure, including our own accounting, legal and human resources departments. None of our Controlling Shareholders or their respective associates have any interests in any business which competes or is likely to compete with the business of our Group. Accordingly, our Directors consider that our Company will continue to be operationally independent from our Controlling Shareholders and their respective associates after the Listing.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Financial Independence

We have independent internal control and accounting systems. We also have an independent finance department responsible for discharging the treasury function. Moreover, our Group opens and manages bank accounts independently, and has never shared any bank account with our Controlling Shareholders. Our Group has independent taxation registration according to the relevant laws, and makes tax payments independently according to the applicable PRC taxation laws and regulations. Our Group has never made any tax payment jointly with our Controlling Shareholders or any other entities controlled by them. No loans or guarantees provided by, or granted to, our Controlling Shareholders or their respective associates will be outstanding as of the Listing Date. We are capable of obtaining financing from third parties, if necessary, without reliance on our Controlling Shareholders. We had received the Pre-IPO Investments from various third-party investors independently. Based on the above, our Directors are of the view that they and our senior management are capable of carrying on our business independently of, and do not place undue reliance on, our Controlling Shareholders and their respective close associates after the Listing.

CORPORATE GOVERNANCE MEASURES

Under the Articles of Association, extraordinary general meetings of our Company may be convened on the written requisition of any one or more members holding, as of the date of deposit of the requisition, in aggregate not less than one-tenth of the issued shares of our Company. In addition, pursuant to the Shareholder communication policy to be adopted by our Company upon Listing, Shareholders are encouraged to put governance related matters to our Directors and to our Company directly in writing. We have adopted the following measures to ensure good corporate governance standards and to avoid potential conflicts of interest between our Group and our Controlling Shareholders:

- (i) where a Shareholders' meeting is to be held for considering proposed transactions in which our Controlling Shareholders or any of their associates has a material interest, the Controlling Shareholders or associates will not vote on the relevant resolutions;
- (ii) our Company has established internal control mechanisms to identify connected transactions;
- (iii) the independent non-executive Directors will review, on an annual basis, whether there are any conflicts of interests between our Group and our Controlling Shareholders and provide impartial advice to protect the interests of our minority Shareholders. Our Controlling Shareholders will undertake to provide all information necessary, including all relevant financial, operational and market information and any other information as required by the independent non-executive Directors for the purpose of their annual review. Our Company will disclose decisions on matters reviewed by the independent non-executive Directors either in its annual reports or by way of announcements as required by the Listing Rules;
- (iv) where our Directors reasonably request the advice of independent professionals, such as financial advisers, the appointment of such independent professionals will be made at our Company's expense;
- (v) we have appointed UOB Kay Hian (Hong Kong) Limited as our compliance advisor to provide advice and guidance to us in respect of compliance with the applicable laws and regulations, as well as the Listing Rules, including various requirements relating to corporate governance; and
- (vi) we have established our audit committee, remuneration and appraisal committee and nomination committee with written terms of reference in compliance with the Listing Rules and the Code on Corporate Governance and Corporate Governance Report in Appendix C1 to the Listing Rules.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest that may arise between our Group and our Controlling Shareholders, and to protect our minority Shareholders' interests after the Listing.

SUBSTANTIAL SHAREHOLDERS

SUBSTANTIAL SHAREHOLDERS

Save as disclosed below, our Directors are not aware of any other person who will, immediately following the unwinding of the WVR structure, the Conversion of the Unlisted Shares into H Shares and upon completion of the Global Offering and without taking into account the Offer Shares that may be taken up under the Global Offering, have interests and/or short positions (as applicable) in the Shares or underlying shares of our Company that (i) would fall to be disclosed to our Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, (ii) will be, directly or indirectly, interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company:

Name of substantial shareholder	Capacity/Nature of interest	Shares held as of the Latest Practicable Date		Shares held immediately following the completion of the Global Offering ⁽²⁾		
		Number and description of Shares held	Approximate percentage of shareholding in the total share capital of our Company	Number and description of Shares held ⁽¹⁾	Approximate percentage of shareholding of H Shares/ Unlisted Shares in our Company	Approximate percentage of shareholding in the total share capital of our Company
Mr. Liu	Beneficial owner ⁽³⁾	54,450,000 Class A Shares	10.90%	57,660,000 H Shares ⁽⁴⁾	12.03%	10.71%
	Interest of spouse and held jointly with another person ⁽³⁾	50,886,000 Class A Shares and 92,313,812 Class B Shares	28.66%	145,699,812 H Shares ⁽⁴⁾	30.40%	27.05%
Ms. Li	Beneficial owner	22,286,000 Class A Shares	4.46%	22,286,000 H Shares	4.65%	4.14%
	Interest of controlled corporations ⁽³⁾	90,385,000 Class B Shares	18.09%	90,385,000 H Shares	18.86%	16.78%
	Interests of spouse and held jointly with another person ⁽³⁾	83,050,000 Class A Shares and 1,928,812 Class B Shares	17.01%	90,688,812 H Shares ⁽⁴⁾	18.92%	16.84%
Mr. Zhong	Beneficial owner ⁽³⁾	28,600,000 Class A Shares	5.72%	31,100,000 H Shares ⁽⁴⁾	6.49%	5.77%
	Interest of controlled corporations ⁽³⁾	1,928,812 Class B Shares	0.39%	1,928,812 H Shares	0.40%	0.36%
	Interests held jointly with another person ⁽³⁾	76,736,000 Class A Shares and 90,385,000 Class B Shares	33.44%	170,331,000 H Shares ⁽⁴⁾	35.54%	31.62%
ZHUANG Xiaojin (莊小金)	Beneficial owner	34,664,062 Class B Shares	6.94%	34,664,062 H Shares	7.23%	6.44%
	Interest of controlled corporations ⁽⁵⁾	6,906,250 Class B Shares	1.38%	6,906,250 H Shares	1.44%	1.28%
Zhuhai Gao Ling Fund Management .	Interest of controlled corporations ⁽⁶⁾	103,900,000 Class B Shares	20.79%	51,950,000 H Shares	10.84%	9.64%
				51,950,000 Unlisted Shares	87.45%	9.64%

SUBSTANTIAL SHAREHOLDERS

Name of substantial shareholder	Capacity/Nature of interest	Shares held as of the Latest Practicable Date		Shares held immediately following the completion of the Global Offering ⁽²⁾		
		Number and description of Shares held	Approximate percentage of shareholding in the total share capital of our Company	Number and description of Shares held ⁽¹⁾	Approximate percentage of shareholding of H Shares/ Unlisted Shares in our Company	Approximate percentage of shareholding in the total share capital of our Company
Shenzhen Capital Group	Beneficial owner	10,544,885 Class B Shares	2.11%	10,544,885 H Shares	2.20%	1.96%
	Interest of controlled corporations ⁽⁷⁾	32,125,115 Class B Shares	6.43%	32,125,115 H Shares	6.70%	5.96%
Linkway Lingxin	Interest of controlled corporations ⁽⁸⁾	5,125,000 Class B Shares	1.03%	5,125,000 Unlisted Shares	8.63%	0.95%

Notes:

- (1) All interests stated are long positions.
- (2) Calculated based on the total number of 538,626,686 Shares in issue immediately following the unwinding of WVR structure, the Conversion of Unlisted Shares into H Shares and upon completion of the Global Offering and without taking into account any H Shares that may be issued pursuant to the exercise of Options which have been granted under the Pre-IPO Share Option Scheme.
- (3) Mr. Liu, Ms. Li and Mr. Zhong are directly interested in 54,450,000, 22,286,000 and 28,600,000 H Shares, respectively. Mr. Liu and Ms. Li are spouses. Mr. Liu, Mr. Zhong and Ms. Li are parties acting in concert pursuant to the acting-in-concert agreement dated 18 November 2020. See “History, Development and Corporate Structure — Concert Party Arrangement” for further information of such arrangement. In addition, the Concert Parties are also deemed to control and be interested in Shares held by certain of our Employee Share Incentive Platforms: (i) Ms. LI is the general partner of Juxian Kangzhong LP, Ruisen Kangzhong LP, Jucai Kangzhong LP, Ruiyu Kangzhong LP, Ruqian Kangzhong LP and Ruikun Kangzhong LP; and (ii) Mr. Zhong is the general partner of Ruixin Kangzhong LP. Accordingly, the Concert Parties are deemed to be interested in and have control over Shares held by the aforesaid Employee Share Incentive Platforms pursuant to the SFO.
- (4) Further, Mr. Liu and Mr. Zhong were granted share options under the Pre-IPO Share Option Scheme to subscribe for 3,210,000 and 2,500,000 H Shares, respectively, subject to the conditions (including exercise conditions) of those options. For details, please refer to the subsection headed “Statutory and General Information — 5. Pre-IPO Share Option Scheme” in Appendix IV to this prospectus. As such, the Concert Parties are also deemed to be interested in the underlying H Shares of such share options.
- (5) ZHUANG Xiaojin is the general partner of Changzhou Zixi and Changzhou Zijing, which are two of our Employee Share Incentive Platforms. Accordingly, Shares held by the aforesaid Employee Share Incentive Platforms are also deemed to be interested in and controlled by ZHUANG Xiaojin pursuant to the SFO.
- (6) Each of Zhuhai Gao Ling and Suzhou Gao Ling are private equity funds managed by Zhuhai Gao Ling Fund Management. Tianjin Zhenying and Zhuhai Aiheng are limited partnerships established in the PRC, of which the limited partners are all private equity funds managed by Zhuhai Gao Ling Fund Management. Accordingly, Zhuhai Gao Ling Fund Management is deemed to be interested in the Shares held by Zhuhai Gao Ling, Suzhou Gao Ling, Tianjin Zhenying and Zhuhai Aiheng. See “History, Development and Corporate Structure — Pre-IPO Investments — Information about the Pre-IPO Investors” in this prospectus for details of the relationship between Zhuhai Gao Ling Fund Management and the aforesaid entities.
- (7) Hongtu Healthcare, Guangdong Hongtu, Hongtu Peacock and Shenzhen Pingshan Hongtu are controlled by Shenzhen Capital Group. Accordingly, Shenzhen Capital Group is deemed to be interested in the Shares held by each of the aforesaid entities under the SFO. See “History, Development and Corporate Structure — Pre-IPO Investments — Information about the Pre-IPO Investors” in this prospectus for details of Shenzhen Capital Group and the aforesaid entities.
- (8) Lingxin Cornerstone is the general partner of Linkway Cornerstone and is therefore deemed to be interested in the Shares held by Linkway Cornerstone. See “History, Development and Corporate Structure — Pre-IPO Investments — Information about the Pre-IPO Investors” in this prospectus for details of the relationship between Linkway Cornerstone and Lingxin Cornerstone.

SHARE CAPITAL

This section presents certain information regarding our share capital prior to and upon the completion of the Global Offering.

BEFORE THE GLOBAL OFFERING

Our Company has adopted the WVR structure under which our Company's share capital comprises Class A Shares and Class B Shares. As of the Latest Practicable Date, the registered share capital of our Company was RMB499,716,086 comprising (i) 105,336,000 Class A Shares; and (ii) 394,380,086 Class B Shares, with a nominal value of RMB1.00 each.

Upon completion of the Global Offering, our Company will unwind the WVR structure and each issued Class A Share and Class B Share will be re-designated to one H Share or Unlisted Share, as the case may be. After the re-designation, all the issued Shares of our Company will entitle their holders to one vote per Share at a general meeting of our Company.

UPON COMPLETION OF THE GLOBAL OFFERING

Immediately following the unwinding of the WVR structure, the Conversion of the Unlisted Shares into H Shares and the completion of the Global Offering, assuming the share options granted under the Pre-IPO Share Option Scheme have not been exercised and remain outstanding, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Percentage of issued share capital
Unlisted Shares		
Unlisted Shares in issue that are not converted into		
H Shares	59,405,000	11.03%
H Shares		
H Shares to be converted from Unlisted Shares ^(Note) .	440,311,086	81.75%
H Shares to be issued pursuant to the		
Global Offering	38,910,600	7.22%
Total	538,626,686	100.00%

Note: For details of the identities of the Shareholders whose Unlisted Shares will be converted into H Shares upon Listing, see "History, Development and Corporate Structure — Public Float and Free Float" and "History, Development and Corporate Structure — Capitalization of our Company".

SHARE CLASSES

Our Company's share capital comprises two classes of shares, being the Class A Shares and the Class B Shares as of the Latest Practicable Date.

Following the unwinding of the WVR structure, the Conversion of the Unlisted Shares into H Shares and the completion of the Global Offering, our Company would have Unlisted Shares and H Shares (comprise of Unlisted Shares converted into H Shares and H Shares to be issued pursuant to the Global Offering). The Unlisted Shares are currently not listed or traded on any stock exchange or authorized trading facility. Apart from certain qualified domestic institutional investors in the PRC, certain qualified PRC investors under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities, H Shares generally cannot be subscribed by or traded among legal and natural persons of the PRC.

SHARE CAPITAL

Unlisted Shares and H Shares are regarded as one class of Shares under our Articles of Association and the rights attached to all classes of Shares are identical. Our Unlisted Shares and H Shares will rank equally for all dividends or distributions declared, paid or made after the date of this prospectus. All dividends in respect of our H Shares are to be paid by us in Hong Kong dollars or in the form of H Shares. For further information about the rights, preferences, privileges and restrictions of the Unlisted Shares and H Shares, see “Summary of Articles of Association — Shareholders and Shareholders’ General Meetings” in Appendix III to this prospectus.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

According to the regulations by the securities regulatory authorities of the State Council and our Articles of Association, the Unlisted Shares may be converted into H Shares, and such converted Shares may be listed and traded on an overseas stock exchange provided that the conversion, listing and trading of such converted Shares have been filed by the securities regulatory authorities of the State Council. In addition, such conversion, trading and listing shall complete any requisite internal approval process and in all respects comply with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

If any of the Unlisted Shares are to be converted, listed and traded as H Shares on the Stock Exchange, such conversion, listing and trading will need the approval of the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange. Based on the procedures for the conversion of Unlisted Shares into H Shares as described below, we may apply for the listing of all or any portion of the Unlisted Shares on the Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of Shares for entry on the H Share register. As any listing of additional Shares after our listing on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it does not require such prior application for listing at the time of our listing in Hong Kong. Class shareholder voting is not required for the conversion of such Shares or the listing and trading of such converted Shares on an overseas stock exchange. Any application for listing of the converted shares on the Stock Exchange after our initial listing is subject to prior notification by way of announcement to inform our Shareholders and the public of any proposed conversion.

After all the requisite approvals have been obtained, the following procedure will need to be completed in order to effect the conversion: the relevant Unlisted Shares will be withdrawn from the Unlisted Shares register and we will re-register such Shares on our H Share register maintained in Hong Kong and instruct the H Share Registrar to issue H Share certificates. Registration on our H Share register will be conditional on (i) our H Share Registrar lodging with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register of members and the due dispatch of H Share certificates; and (ii) the admission of the H Shares to trade on the Stock Exchange in compliance with the Listing Rules, the General Rules of HKSCC and the HKSCC Operational Procedures in force from time to time. Until the converted shares are re-registered on our H Share register, such Shares would not be listed as H Shares.

SHARE CAPITAL

RESTRICTIONS OF SHARE TRANSFER

In accordance with the PRC Company Law, the shares issued prior to any public offering of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. As such, the Shares issued by our Company prior to the issue of H Shares pursuant to the Global Offering will be subject to such statutory restriction on transfer within a period of one year from the Listing Date.

Our Directors and members of the senior management of our Company shall declare their shareholdings in our Company and any changes in their shareholdings. Shares transferred by our Directors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company. The Shares that the aforementioned persons held in our Company cannot be transferred within one year from the date on which the H Shares are listed and traded, nor within half a year after they leave their positions in our Company. The Articles of Association may contain other restrictions on the transfer of the Shares held by our Directors and members of senior management of our Company.

RESTRICTIONS ON SHARES NOT LISTED ON THE OVERSEAS STOCK EXCHANGE

According to the Notice on Adjustment of Business Acceptance of Registration and Depository of Non-Overseas Listed Shares of Overseas Listed Companies (《關於境外上市公司非境外上市股份登記存管業務受理調整的通知》) and Business Guidelines for the Registration and Depository of Non-Overseas Listed Shares of Overseas Listed Companies (《境外上市公司非境外上市股份登記存管業務指南》) our Company is required to register and deposit our Shares that are not listed on the overseas stock exchange with the China Securities Depository and Clearing Corporation Limited after the Listing.

FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

See “Business — Our Strategies” in this prospectus for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK\$496.2 million, assuming an Offer Price of HK\$15.42 per Share, after deducting the underwriting commissions and estimated expenses paid or payable by us in connection with the Global Offering.

In line with our strategies, we intend to apply the net proceeds from the Global Offering for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- approximately 35.0%, or HK\$173.7 million, will be used for ongoing and planned R&D to further enrich our product lines to build a competitive portfolio from 2026 to 2028:
 - approximately 10.0%, or HK\$49.6 million, will be used for the R&D of our life support products, including: (i) the R&D of our medication delivery products; (ii) the R&D of our anesthesia machines and airway management products; (iii) the R&D of our rehabilitation products; and (iv) the R&D of life support consumable products;
 - approximately 15.0%, or HK\$74.4 million, will be used for the R&D of our minimally invasive interventional products, including (i) the development of our endoscope products; and (ii) the development of our minimally invasive interventional products for digestive and urological systems;
 - approximately 10.0%, or HK\$49.6 million, will be used for the R&D of our IVD products, including the R&D of our IVD equipment products and the development of our IVD reagents and test kits;

The following table sets forth a breakdown of our implementation plan for ongoing and planned R&D from 2026 to 2028, based on our current estimates, which is subject to changes based on our actual needs and market conditions at the relevant time.

	For the year ending December 31,		
	2026	2027	2028
	<i>(HK\$ in millions)</i>		
R&D of life support products	15.0	16.5	18.1
Infusion equipment, VTE prevention equipment, monitors and related consumables	7.7	8.4	9.2
Anesthesia machines, vaporizers, pulmonary function instrument and related consumables	7.4	8.1	8.8
R&D of minimally invasive interventional products	23.5	25.1	25.8
Endoscopic product, including disposable endoscopes and reusable endoscopes.	5.7	6.4	7.2

FUTURE PLANS AND USE OF PROCEEDS

	For the year ending December 31,		
	2026	2027	2028
	<i>(HK\$ in millions)</i>		
Minimally invasive interventional surgical consumables used for the diagnosis and treatment of diseases of the digestive and urinary systems	17.8	18.6	18.6
R&D of IVD products	15.0	16.6	18.0
IVD equipment, including equipment for blood grouping, chemiluminescence, coagulation testing, and molecular diagnostic	7.2	7.9	8.6
IVD consumables, including blood grouping, chemiluminescence, coagulation testing, molecular diagnostic reagents and consumables	7.9	8.7	9.4
Total	53.5	58.2	61.9

(1) Each of the above planned R&D involves development of new products as well as improvements on existing products.

- approximately 20.0%, or HK\$99.2 million, will be used to develop our manufacturing centers to expand our production capacity, including investments in production facilities and upgrades of production lines from 2027 to 2029. This expansion aims at optimizing and integrating production lines and increasing production capacity, thereby further propelling our continuous growth. In particular, we intend to allocate the net proceeds as follows:
 - approximately 14.0%, or HK\$69.5 million, will be used to support the development of our new R&D and manufacturing center in Changzhou, including among others, procurement of production equipment, upgrades to intelligent manufacturing lines, and construction of supporting facilities;
 - approximately 6.0%, or HK\$29.8 million, will be used for production line upgrades and capacity optimization at our other manufacturing facilities, including equipment replacement and procurement, upgrades to intelligent production lines, as well as plant renovation and supporting infrastructure improvements;

The following table sets forth a breakdown of our implementation plan for production capacity expansion from 2027 to 2029, based on our current estimates, which is subject to changes based on our actual needs and market conditions at the relevant time.

	For the year ending December 31,		
	2027	2028	2029
	<i>(HK\$ in millions)</i>		
New R&D and manufacturing center in Changzhou	6.9	41.7	20.8
Other manufacturing facilities	17.9	11.9	–
Total	24.8	53.6	20.8

FUTURE PLANS AND USE OF PROCEEDS

- approximately 20.0%, or HK\$99.2 million, will be used to further enhance our sales and marketing capabilities to support scalable business growth from 2026 to 2028:
 - approximately 15.0%, or HK\$74.4 million, will be used for the sales and marketing activities in overseas markets, including (i) deepening our current presence in key regions such as Europe, Asia and Latin America and (ii) expanding into markets that align with our existing resources, including the United Kingdom, the Netherlands, India, Colombia, Mexico, Brazil, Turkey, Thailand and Indonesia, where all the relevant licenses necessary for selling our products have been obtained, either by us or by our third-party distributors; and
 - approximately 5.0%, or HK\$24.8 million, will be used for our domestic sales and marketing activities in China, including key regions such as the Yangtze River Delta, Pearl River Delta, Beijing-Tianjin-Hebei region, Central China and Southwest China, on the basis of our existing coverage across 31 provinces. In particular, we will continue to strengthen sales coverage and customer reach in core cities including Shanghai, Beijing, Guangzhou, Shenzhen, Nanjing, Wuhan, Zhengzhou, Chengdu, Chongqing, Changsha, Hefei, Xi'an, Jinan, Shenyang, Kunming and Changzhou;

We intend to hire around 40 new staff, primarily to support our sales, marketing, customer service and business development functions. These prospective staff are generally expected to possess over three years of relevant work experience, with professional backgrounds in the healthcare industry, specifically in sectors such as minimally invasive intervention, anesthesia and respiratory solutions, or in vitro diagnostics, with proficiency in English and relevant local languages required. The remuneration packages for these additional personnel will be determined based on their specific job functions, qualifications, seniority, geographic location and prevailing market conditions. We also plan to launch marketing campaigns in the next five years, including participating in domestic and overseas industry exhibitions and academic conferences, holding product launch events, carrying out academic promotion, organizing clinical training and seminars, conducting brand promotion, advancing distributor recruitment, and strengthening coverage of hospitals and key customers. The following table sets forth a breakdown of our implementation plan for sales and marketing enhancement from 2026 to 2028, based on our current estimates, which is subject to changes based on our actual needs and market conditions at the relevant time.

	For the year ending December 31,		
	2026	2027	2028
	<i>(HK\$ in millions)</i>		
Overseas sales and marketing	21.4	24.7	28.3
Domestic sales and marketing	7.1	8.2	9.5
Total	28.5	32.9	37.8

- approximately 10.0%, or HK\$49.6 million, will be used to fund potential strategic investments and acquisitions globally that could complement and expand our product portfolio and technologies, and in turn further drive our business growth. For details, see “Business — Our Strategies” in this prospectus. We plan to prudently evaluate and consider a wide array of potential investments in emerging businesses that are expected to have synergetic effects on our business. Specifically, we will consider relevant criteria including: (i) medical device companies of moderate size; (ii) businesses that are complementary to our existing business units; and (iii) businesses with industry know-how in the verticals in which we intend to increase the penetration in the future. According to CIC, there were ample potential acquisition and investment targets in the

FUTURE PLANS AND USE OF PROCEEDS

medical product industry or upstream and downstream industries in China as of the Latest Practicable Date, which could meet our selection criteria. According to CIC, there were 35,758 certified medical device companies in China in 2025 and approximately 95% of M&A transactions in China's medical device sector over the past two years had a valuation of less than RMB1 billion. As of the Latest Practicable Date, we had not identified any investment or acquisition targets in this regard but will prioritize targets with annual revenue of more than RMB10 million in the life support sector and the minimally invasive interventional sector and also actively monitor and evaluate potential targets in other related or complementary areas, with a focus on targets located in China, Europe and Latin America, among others. The primary focus of our development strategy is to leverage our strengths, deepen our presence in the medical device industry, continuously expand our market penetration, and increase our average customer spending.

- approximately 5.0%, or HK\$24.8 million, will be used to upgrade our IT infrastructure and digital platform; and

The following table sets forth a breakdown of our implementation plan for upgrading IT infrastructure and digital platform from 2026 to 2028, based on our current estimates, which is subject to changes based on our actual needs and market conditions at the relevant time.

	For the year ending December 31,		
	2026	2027	2028
	<i>(HK\$ in millions)</i>		
Annual usage fees, maintenance fees, and development fees for various existing software	4.6	4.2	4.6
IT assets, including office equipment, network equipment, management and operation software	3.4	3.8	4.2
Total	8.0	8.0	8.8

- approximately 10.0%, or HK\$49.6 million, will be used for our working capital and other general corporate purposes.

To the extent that the net proceeds from the Global Offering are not immediately required for the above purposes and to the extent permitted by applicable laws and regulations or if we are unable to put into effect any part of our development plan as intended, we will only hold such funds in short-term interest-bearing deposits with authorized financial institutions as defined under SFO or applicable laws and regulations in other jurisdictions and/or licensed banks so long as it is deemed to be in the best interests of our Company.

If any part of our plans does not proceed as planned for reasons such as changes in government policies that would render any of our plans not viable, or the occurrence of force majeure events, our Directors will carefully evaluate the situation and may reallocate the net proceeds from the Global Offering. We will issue an appropriate announcement if there is any material change to the above proposed use of proceeds.

UNDERWRITING

HONG KONG UNDERWRITERS

Morgan Stanley Asia Limited
Huatai Financial Holdings (Hong Kong) Limited
BNP Paribas Securities (Asia) Limited
Celestial Securities Limited
Eddid Securities and Futures Limited
Futu Securities International (Hong Kong) Limited
Huaifu International Securities Limited
Jinluo Securities Limited
SBI China Capital Financial Services Limited
TradeGo Markets Limited
UOB Kay Hian (Hong Kong) Limited
Yuet Sheung International Securities Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

The Hong Kong Underwriting Agreement was entered into on August 26, 2026. As described in the Hong Kong Underwriting Agreement, we are offering the Hong Kong Offer Shares for subscription on and subject to the terms and conditions of this prospectus and the Hong Kong Underwriting Agreement at the Offer Price. Subject to the Listing Committee granting the listing of, and permission to deal in, our H Shares in issue and to be issued pursuant to the Global Offering as mentioned herein and the listing and permission not having been revoked and to certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally (but not jointly) to subscribe or procure subscribers for their applicable proportion of the Hong Kong Offer Shares which are now being offered but are not taken up under the Hong Kong Public Offering on and subject to the terms and conditions of this prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional upon and subject to, among other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), in their sole and absolute discretion, shall have the right by giving notice in writing to our Company to terminate the Hong Kong Underwriting Agreement with immediate effect if, at any time prior to 8:00 a.m. on the Listing Date.

- (a) there develops, occurs, exists or comes into force:
 - (i) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent authority in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof) or other jurisdictions relevant to the Group or the Global Offering (each a “Relevant Jurisdiction” and collectively, the “Relevant Jurisdictions”); or

UNDERWRITING

- (ii) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions, taxation, equity securities or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions; or
- (iii) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed)) in or affecting any of the Relevant Jurisdictions; or
- (iv) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or
- (v) the imposition or declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or
- (vi) other than with the prior written consent of the Sponsor-Overall Coordinators, the issue or requirement to issue by our Company of a supplement or amendment to this prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or
- (vii) the commencement by any authority or other regulatory or political body or organization of any public action or investigation against a member of the Group or a director of any member of the Group or a senior management member as named in this prospectus or announcing an intention to take any such action; or
- (viii) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any member of the Group or the Controlling Shareholders or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

UNDERWRITING

- (ix) any valid demand by creditors for payment or repayment of indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity; or
- (x) any non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the CSRC filings or any aspect of the Global Offering with the Listing Rules or any other applicable laws; or
- (xi) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of the Group or the Controlling Shareholders or any Director or senior management members as named in this prospectus; or
- (xii) any contravention by any member of the Group or any Director of the Listing Rules or applicable laws; or
- (xiii) an order or petition is presented for the winding-up or liquidation of any member of the Group (other than our Company), or any member of the Group (other than our Company) makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the Group (other than our Company) or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group (other than our Company) or anything analogous thereto occurs in respect of any member of the Group (other than our Company); or
- (xiv) any change or prospective change, or a materialization of, any of the risks set out in the section headed “Risk Factors” in this prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters): (i) has or will or may have a material adverse effect, whether directly or indirectly, on the assets, liabilities, business, general affairs, management, prospects, shareholders’ equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of our Company or the Group as a whole; (ii) has or will or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or (iii) makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering, or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents (as defined in the Hong Kong Underwriting Agreement); or (iv) has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

- (b) there has come to the notice of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:
 - (i) any statement contained in any of the Offering Documents, the CSRC filings and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the

UNDERWRITING

Hong Kong Public Offering (including any supplement or amendment thereto) (the “**Offering Related Documents**”) was, when it was issued, or has become untrue, incorrect or inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

- (ii) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission or misstatement in any Offering Related Document; or
- (iii) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by our Company or the Controlling Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or
- (iv) any event, act or omission which gives rise or is likely to give rise to any liability of any of the indemnifying parties pursuant to the indemnities in the Hong Kong Underwriting Agreement; or
- (v) any breach of any of the obligations or undertakings imposed upon our Company or the Controlling Shareholders to the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or
- (vi) there is any change or development involving a prospective change, constituting or having a Material Adverse Effect (as defined in the Hong Kong Underwriting Agreement); or
- (vii) the Chairman of the Board, any Director or any member of senior management of our Company named in the this prospectus seeks to retire, or is removed from office or vacating his/her office; or
- (viii) any Director or any member of senior management of our Company named in this prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or
- (ix) our Company withdraws this prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or
- (x) the approval by the Listing Committee of the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or
- (xi) any person (other than any of the Joint Sponsors) has withdrawn its consent to the issue of this prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or
- (xii) any prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering; or

UNDERWRITING

- (xiii) any person (other than the Joint Sponsors and the Sponsor-Overall Coordinators) has withdrawn or sought to withdraw its consent to being named in any of the Offering Documents or to the issue of any of the Offering Documents; or
- (xiv) an order or petition is presented for the winding-up or liquidation of our Company, or our Company makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of our Company or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of our Company or anything analogous thereto occurs in respect of our Company; or
 - (A) the notice of acceptance of the CSRC filings issued by the CSRC and/or the results of the CSRC filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or
 - (B) any non-compliance of the CSRC filings with the Trial Measures for the Administration on Overseas Securities Offering and Listing by Domestic Companies, the Provisions on Strengthening the Confidentiality and Archives Administration Related to Overseas Securities Offering and Listing by Domestic Enterprises or any other applicable laws; or
- (xv) a material portion of the orders placed or confirmed in the bookbuilding process have been withdrawn, terminated or cancelled, or with respect to which the payment of the relevant orders and/or investment commitment has not been received or settled in the stipulated time and manner or otherwise.

Undertakings to the Stock Exchange Pursuant to the Listing Rules

Undertakings by our Company

Pursuant to Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that, no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) may be issued or form the subject of any agreement to such an issue within six months from the Listing Date (whether or not such issue of H Shares or securities will be completed within six months from the Listing Date), except for the issuance of H Shares or securities pursuant to the Global Offering or the Pre-IPO Share Option Scheme, or for circumstances permitted under Rule 10.08 of the Listing Rules.

Undertakings by our Controlling Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, each of our Controlling Shareholders has undertaken to the Stock Exchange, the Joint Sponsors and to our Company that, save as disclosed in this prospectus and except pursuant to the Global Offering, he/she/it will not, and will procure the registered holder(s) will not:

- (a) in the period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares of the Company in respect of which he/she/it is shown in this prospectus to be the beneficial owner.
- (b) in the period of six months commencing on the date on which the period referred to in paragraph (a) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests, or encumbrances in respect of, any of the Shares referred to in paragraph (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he/she/it would cease to be a controlling shareholder of our Company (as defined in the Listing Rules).

UNDERWRITING

Note (3) to Rule 10.07(2) of the Listing Rules provides that the foregoing shall not prevent the Controlling Shareholders from using securities of the Company beneficially owned by them as security (including a charge or a pledge) in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan.

Each of our Controlling Shareholders has further undertaken to the Stock Exchange and to our Company that, within the period commencing on the date by reference to which disclosure of the shareholding of them is made in this prospectus and ending on the date which is 12 months from the date on which dealings in the H Shares commence on the Stock Exchange, he/she/it will:

- (a) when he/she/it pledges or charges any Shares beneficially owned by him/her/it in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) pursuant to Note (2) to Rule 10.07(2) of the Listing Rules, immediately inform our Company of such pledge/charge together with the number of Shares so pledged/charged; and
- (b) when he/she/it receives indications, either verbal or written, from the pledgee/chargee that any of the pledged/charged Shares will be disposed of, immediately inform our Company of such indications.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company and our Controlling Shareholders in respect of our Company

Our Company has undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the CMI, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that except pursuant to the Global Offering and the exercise of outstanding options under the Pre-IPO Share Option Scheme, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the “**First Six Month Period**”), it will not, without the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

- (a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other equity securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other equity securities of our Company, as applicable), or deposit any share capital or other equity securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts; or
- (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the Shares or any other equity securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares); or

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- (c) enter into any transaction with the same economic effect as any transaction described in paragraph (a) or (b) above; or
- (d) offer to or agree to do any of the foregoing specified in paragraph (a), (b) or (c) above or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or such other equity securities, in cash or otherwise (whether or not the issue of such share capital or other equity securities will be completed within the First Six Month Period).

Our Company further agreed that, in the event our Company is allowed to enter into any of the transactions described in paragraph (a), (b) or (c) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six Month Period expires (the “**Second Six Month Period**”), it will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of our Company will, create a disorderly or false market for any Shares or other securities of our Company.

Our Controlling Shareholders have undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the CMIs, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters to procure our Company to comply with the above undertakings.

Undertakings by our Controlling Shareholders in respect of themselves

Each of our Controlling Shareholders has undertaken to each of our Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the CMIs, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, without the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

- (a) he/she/it will not, and will procure that the relevant registered holder(s), any nominee or trustee holding on trust for him/her/it and the companies controlled by him/her/it will not, at any time during the First Six Month Period, (i) sell, offer to sell, accept subscription for, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other equity securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing), or deposit any Shares or other equity securities of our Company with a depository in connection with the issue of depository receipts, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing), or (iii) enter into any transaction with the same economic effect as any transaction specified in paragraph (a)(i) or (ii) above, or (iv) offer to or agree to or announce any intention to effect any transaction specified in paragraph (a)(i), (ii) or (iii) above, in each case, whether any of the transactions specified in paragraph (a)(i), (ii) or (iii) above is to be settled by delivery of Shares or other equity securities of our Company or in cash or otherwise, and whether or not the transactions will be completed within the First Six Month Period; and

UNDERWRITING

- (b) he/she/it will not, during the Second Six Month Period, enter into any of the transactions specified in paragraph (a)(i), (ii) or (iii) above or offer to or agree to contract to or publicly announce any intention to effect any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or encumbrance pursuant to such transaction, he/she/it will cease to be a “controlling shareholder” (as defined in the Listing Rules) of our Company or a member of a group of “controlling shareholders” (as defined in the Listing Rules) of our Company or would together with the other Controlling Shareholders cease to be “controlling shareholders” (as defined in the Listing Rules) of our Company; and
- (c) until the expiry of the Second Six Month Period, in the event that he/she/it enters into any of the transactions specified in paragraph (a)(i), (ii) or (iii) or offer to or agrees to or contract to or publicly announce any intention to effect any such transaction, he/she/it will take all reasonable steps to ensure that such a disposal will not create a disorderly or false market in the securities of our Company.

The restrictions above shall not prevent our Controlling Shareholders from (i) purchasing additional Shares or other securities of our Company and disposing of such additional Shares or securities of our Company in accordance with the Listing Rules, provided that any such purchase or disposal does not contravene the lock-up arrangements with our Controlling Shareholders referred to above or the compliance by our Company with the minimum public float requirement under the Listing Rules, and (ii) using the Shares or other securities of our Company or any interest therein beneficially owned by them as security (including a charge or a pledge) in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan, provided that (a) our Controlling Shareholders will immediately inform our Company and the Sponsor-Overall Coordinators in writing of such pledge or charge together with the number of Shares or other securities of our Company so pledged or charged if and when it/he/she or the relevant registered holder(s) pledges or charges any Shares or other securities of our Company beneficially owned by it/him/her, and (b) when our Controlling Shareholders receive indications, either verbal or written, from the pledgee or chargee of any Shares that any of the pledged or charged Shares or other securities of our Company will be disposed of, it/he/she will immediately inform our Company and the Sponsor-Overall Coordinators of such indications. Our Company has undertaken to the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the CMIs, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that upon receiving such information in writing from our Controlling Shareholders, it will, as soon as practicable and if required pursuant to the Listing Rules, the SFO and/or any other applicable Law, notify the Stock Exchange and/or other relevant authorities, and make a public disclosure in relation to such information by way of an announcement.

The International Offering

International Underwriting Agreement

In connection with the International Offering, it is expected that the Company will enter into the International Underwriting Agreement with, among others, the Sponsor-Overall Coordinators and the International Underwriters. Under the International Underwriting Agreement, the International Underwriters would, subject to certain conditions set out therein, severally and not jointly, agree to purchase the International Offer Shares being offered pursuant to the International Offering or procure subscribers or purchasers for such International Offer Shares.

It is expected that the International Underwriting Agreement may be terminated on similar ground as the Hong Kong Underwriting Agreement. Potential investors shall be reminded that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed.

UNDERWRITING

Commission and Expenses

The Capital Market Intermediaries will receive an underwriting commission of 3.5% of the aggregate Offer Price of all the Offer Shares, out of which they will pay any sub-underwriting commissions and other fees.

The Capital Market Intermediaries may receive a discretionary incentive fee of up to 1.5% of the aggregate Offer Price of all the Offer Shares to be issued by our Company under the Global Offering.

Assuming full payment of the discretionary incentive fee, the fixed fees and the discretionary fees payable to the Underwriters represent approximately 57.31% and 42.69%, respectively, of the aggregate fees payable to the Capital Market Intermediaries in total in connection with the Global Offering.

For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, the underwriting commission will not be paid to the Hong Kong Underwriters but will instead be paid, at the rate applicable to the International Offering, to the relevant International Underwriters.

The aggregate underwriting commissions payable to the Capital Market Intermediaries in relation to the Global Offering (assuming (i) an offer price of HK\$15.42 per Offer Share and (ii) the full payment of the discretionary incentive fee) will be approximately HK\$22.2 million.

The aggregate underwriting commissions and fees together with the Stock Exchange listing fees, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy, legal and other professional fees and printing and all other expenses relating to the Global Offering are estimated to be approximately HK\$103.8 million (assuming (i) an offer price of HK\$15.42 per Offer Share and (ii) the full payment of the discretionary incentive fee) and will be paid by our Company.

Indemnity

The Company has agreed to indemnify the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries for certain losses which they may suffer, including, among others, losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement and any breach by our Company and our Controlling Shareholders of the Hong Kong Underwriting Agreement.

Hong Kong Underwriters' Interests in the Company

Save for its obligations under the Hong Kong Underwriting Agreement or as otherwise disclosed in this prospectus, none of the Hong Kong Underwriters is interested legally or beneficially in any shares of the Company or has any right or option (whether legally enforceable or not) to subscribe for or purchase or nominate persons to subscribe for or purchase securities of the Company in the Global Offering.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their obligations under the Hong Kong Underwriting Agreement.

UNDERWRITING

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the “**Syndicate Members**”) and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, fund management, trading, hedging, investing and other activities for their own account and for the account of others. In relation to the H Shares, those activities could include acting as agent for buyers and sellers of the H Shares, entering into transactions with those buyers and sellers in a principal capacity, securities investment and trading in the H Shares, and entering into over the counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the H Shares. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the H Shares. All such activity could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the H Shares, in baskets of securities or indices including the H Shares, in units of funds that may purchase the H Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the Stock Exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the H Shares in most cases.

No stabilizing manager will be appointed, and it is anticipated that no stabilization activities will be carried out in relation to the Global Offering. Such activities may affect the market price or value of the H Shares, the liquidity or trading volume in the H Shares and the volatility of the price of the H Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the followings:

- (a) the Syndicate Members and their respective affiliates must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and
- (b) the Syndicate Members and their respective affiliates must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to the Company and each of their affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

In addition, the Syndicate Members or their respective affiliates may provide financing to investors to finance their subscriptions of Offer Shares in the Global Offering.

STRUCTURE OF THE GLOBAL OFFERING

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering. The Global Offering comprises:

- (a) the Hong Kong Public Offering of 3,891,100 H Shares (subject to adjustment as mentioned below) in Hong Kong as described below in the section headed “The Hong Kong Public Offering”; and
- (b) the International Offering of an aggregate of 35,019,500 H Shares in the United States to QIBs in reliance on Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and outside the United States in offshore transactions in accordance with Regulation S.

Investors may apply for Hong Kong Offer Shares under the Hong Kong Public Offering or apply for or indicate an interest for International Offer Shares under the International Offering, but may not do both.

The Offer Shares will represent approximately 7.2% of the enlarged issued share capital of the Company immediately after completion of the Global Offering.

References in this prospectus to applications, application monies or the procedure for application relate solely to the Hong Kong Public Offering.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares Initially Offered

We are initially offering 3,891,100 H Shares for subscription by the public in Hong Kong at the Offer Price, representing approximately 10.0% of the total number of Offer Shares initially available under the Global Offering. Subject to the reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, the Hong Kong Offer Shares will represent approximately 0.72% of the Company’s enlarged issued share capital immediately after completion of the Global Offering.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set out in “— Conditions of the Global Offering.”

Applications

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offer Shares under the International Offering, and such applicant’s application under International Offering is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

STRUCTURE OF THE GLOBAL OFFERING

The listing of the H Shares on the Stock Exchange is sponsored by the Joint Sponsors. Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the Offer Price of HK\$15.42 per Hong Kong Offer Share in addition to the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable on each Hong Kong Offer Share. For further details, see “How to Apply for Hong Kong Offer Shares” in this prospectus.

Conditions of the Global Offering

Acceptance of all applications for Offer Shares will be conditional on:

- (a) the Listing Committee granting approval for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering and the approval for such listing and permission not subsequently having been revoked prior to the Listing Date;
- (b) the execution and delivery of the International Underwriting Agreement on or before Wednesday, September 2, 2026; and
- (c) the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the Hong Kong Underwriting Agreement or the International Underwriting Agreement (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than 8:00 a.m. on Wednesday, September 2, 2026.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with their respective terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published on the website of the Company (<https://www.medcaptain.com>) and the website of the Stock Exchange (www.hkexnews.hk) on the next day following such lapse. In such eventuality, all application monies will be returned, without interest, on the terms set out in the section headed “How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies” in this prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving banks or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

STRUCTURE OF THE GLOBAL OFFERING

THE INTERNATIONAL OFFERING

The International Offering will consist of an initial offering of 35,019,500 Offer Shares, representing approximately 90.0% of the total number of Offer Shares initially available under the Global Offering and approximately 6.5% of the Company's enlarged issued share capital immediately after completion of the Global Offering.

The Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering, to provide sufficient information to the Sponsor-Overall Coordinators so as to allow it to identify the relevant applications under the International Offering and to ensure that they are excluded from any application of Offer Shares under the International Offering.

Any investor who has been offered Offer Shares and has made an application under the Hong Kong Public Offering shall provide sufficient information to the Sponsor-Overall Coordinators so as to allow it to identify the relevant applications under the Hong Kong Public Offering and to ensure that such investor will not apply for any Offer Shares under the Hong Kong Public Offering.

PRICING AND ALLOCATION

Pricing

The Offer Price will be HK\$15.42 per Offer Share, unless otherwise announced, as further explained below. Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the Offer Price plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%, amounting to a total of HK\$1,557.55 for one board lot of 100 Offer Shares.

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building", is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

The Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective professional, institutional and other investors during the book-building process, and with the consent of the Company, reduce the number of Offer Shares or the Offer Price below that stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, the Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, cause there to be published on the website of the Company (<https://www.medcaptain.com>) and the website of the Stock Exchange (www.hkexnews.hk) notices of the reduction in the number of Offer Shares or the Offer Price. Upon issue of such a notice, the revised number of Offer Shares and/or the Offer Price will be final and conclusive.

Supplemental listing documents will also be issued by the Company in the event of a reduction in the number of Offer Shares or the Offer Price. Such supplemental listing documents will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as currently set out in this prospectus, and any other financial information which may change as a result of any such reduction. In the absence of any such notice so published, the number of Offer Shares and/or the Offer Price will not be reduced.

STRUCTURE OF THE GLOBAL OFFERING

The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental listing documents. Upon the issue of such a notice and supplemental listing documents, the revised number of Offer Shares and/or the Offer Price will be final and conclusive and the Offer Price, if agreed upon by the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, will be fixed at such revised Offer Price.

If the number of Offer Shares being offered under the Global Offering or the Offer Price is so reduced, applicants who have already submitted an application will be notified that they are required to confirm their applications. All applicants who have already submitted an application need to confirm their applications in accordance with the procedures set out in the announcement and all unconfirmed applications will not be valid.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares or the Offer Price may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. Such notice will also include such information as agreed with the Stock Exchange which may change materially as a result of any such reduction. In the absence of any such notice of reduction published as described in this paragraph, the number of Offer Shares will not be reduced and/or the Offer Price will be HK\$15.42 per Offer Share.

The level of indications of interest in the Global Offering, the level of applications and the basis of allotment of Hong Kong Offer Shares available under the Hong Kong Public Offering, are expected to be announced on Friday, September 4, 2026 on the website of the Company (<https://www.medcaptain.com>) and the website of the Stock Exchange (www.hkexnews.hk).

Allocation

Allocation Under the Hong Kong Public Offering

Allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

The total number of Hong Kong Offer Shares available under the Hong Kong Public Offering (subject to the reallocation of the Offer Shares between the Hong Kong Public Offering and the International Offering referred to below) is to be divided equally into two pools (to the nearest board lot) for allocation purposes (with any odd board lots being allocated to pool A): pool A and pool B. The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value of pool B.

STRUCTURE OF THE GLOBAL OFFERING

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If Hong Kong Offer Shares in one (but not both) of the pools are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of this paragraph only, the “price” for Hong Kong Offer Shares means the price payable on application therefor. Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications and any application for more than 1,945,500 Offer Shares, being the number of Hong Kong Offer Shares initially allocated to each pool and representing approximately 50% of the 3,891,100 Hong Kong Offer Shares initially available under the Hong Kong Public Offering, are to be rejected.

Allocation Under the International Offering

The International Offering will include selective marketing of International Offer Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for such International Offer Shares in the United States to QIBs in reliance on Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Allocation of International Offer Shares pursuant to the International Offering will be effected in accordance with the “book-building” process described in “— Pricing and Allocation” above and based on a number of factors, including the level and timing of demand, the total size of the relevant investor’s invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to hold or sell its H Shares, after the Listing. Such allocation is intended to result in a distribution of our H Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base for the benefit of the Company and its Shareholders as a whole.

The Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered International Offer Shares under the International Offering, and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Sponsor-Overall Coordinators so as to allow it to identify the relevant application under the International Offering and to ensure that it is excluded from any application of Hong Kong Offer Shares under the International Offering.

Reallocation

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Sponsor-Overall Coordinators. Subject to the allocation cap described in the subsequent paragraph, the Sponsor-Overall Coordinators may in their discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Sponsor-Overall Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as they deem appropriate.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Sponsor-Overall Coordinators deem appropriate. In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering in the circumstances where (a) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times; or (b) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or

STRUCTURE OF THE GLOBAL OFFERING

oversubscribed irrespective of the number of times, then up to 1,945,400 Offer Shares may be reallocated from the International Offering to the Hong Kong Public Offering, so that the total number of Offer Shares available for subscription under the Hong Kong Public Offering will increase up to 5,836,500 Offer Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering in accordance with Chapter 4.14 of the Guide for New Listing Applicants. In the circumstance where the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are undersubscribed, there will be no reallocation from the International Offering to the Hong Kong Public Offering, and no over-allocation of H Shares to the Hong Kong Public Offering.

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows Mechanism B set out under paragraph 2 of Chapter 4.14 of the Guide and the provision of Paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Details of any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the results announcement of the Global Offering, which is expected to be published on Friday, September 4, 2026.

Where the International Offer Shares are undersubscribed, if the Hong Kong Offer Shares are also undersubscribed, the Global Offering will not proceed unless the Underwriters would subscribe or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this Prospectus and the Underwriting Agreements.

DEALING ARRANGEMENT

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Monday, September 7, 2026, it is expected that dealings in our H Shares on the Stock Exchange will commence at 9:00 a.m. on Monday, September 7, 2026. Our H Shares will be traded in board lots of 100 H Shares each. The stock code of the H Shares is 2041.

H Share certificates issued in respect of the Offer Shares will only become valid evidence of title at 8:00 a.m. on Monday, September 7, 2026 provided that (i) the Global Offering has become unconditional in all respects and (ii) the right of termination as described in the section headed “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination” in this prospectus has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.

HOW TO APPLY FOR HONG KONG OFFER SHARES

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the “HKEXnews > New Listings > New Listing Information” section, and our website at <https://www.medcaptain.com>.

The contents of this prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older;
- have a Hong Kong address (*for the **HK eIPO White Form** service only*); and
- are outside the United States (within the meaning of Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S.

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to our Company, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or his/her/its close associates; or
- are a Director or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Friday, August 28, 2026 and end at 12:00 noon on Wednesday, September 2, 2026 (Hong Kong time).

HOW TO APPLY FOR HONG KONG OFFER SHARES

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service	www.hkeipo.hk	Investors who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Friday, August 28, 2026 to 11:30 a.m. on Wednesday, September 2, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Wednesday, September 2, 2026, Hong Kong time.
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.	Investors who would <u>not</u> like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **HK eIPO White Form** service and the HKSCC EIPO channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the **electronic application instructions** are given, you shall be deemed to have declared that only one set of **electronic application instructions** has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of **electronic application instructions** for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

HOW TO APPLY FOR HONG KONG OFFER SHARES

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different payment reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the HKSCC EIPO Channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this prospectus and any supplement to it.

For those applying through HKSCC EIPO channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual Applicants	For Corporate Applicants
• Full name(s)² as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority: i. HKID card; or ii. National identification document; or iii. Passport; and • Identity document number	• Full name(s)² as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority: i. LEI registration document; or ii. Certificate of incorporation; or iii. Business registration certificate; or iv. Other equivalent document; and • Identity document number

HOW TO APPLY FOR HONG KONG OFFER SHARES

Notes:

1. If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.
2. The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for shares in a public offer. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.
3. If the applicant is a trustee, the client identification data ("CID") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.
4. The maximum number of joint account holders on FINI is capped at 4¹ in accordance with market practice.
5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.
6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through HKSCC EIPO channel, and making an application under a power of attorney, we and the Overall Coordinators, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

¹ Subject to change, if the Company's Articles of Incorporation and applicable company law prescribe a lower cap.

HOW TO APPLY FOR HONG KONG OFFER SHARES

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size : 100 H Shares

Permitted number of Hong Kong Offer Shares for application and amount payable on application/successful allotment : Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below.

The Offer Price is HK\$15.42 per H Share.

If you are applying through the HKSCC EIPO channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the HKSCC EIPO channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the final Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated Bank for your broker or custodian.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of H Shares you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer Shares.

No. of Hong Kong Offer Shares applied for	Amount payable ⁽²⁾ on application/successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable ⁽²⁾ on application/successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable ⁽²⁾ on application/successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable ⁽²⁾ on application/successful allotment
	HK\$		HK\$		HK\$		HK\$
100	1,557.55	2,500	38,938.78	30,000	467,265.32	600,000	9,345,306.42
200	3,115.09	3,000	46,726.53	40,000	623,020.43	700,000	10,902,857.49
300	4,672.65	3,500	54,514.29	50,000	778,775.54	800,000	12,460,408.55
400	6,230.21	4,000	62,302.04	60,000	934,530.64	900,000	14,017,959.64
500	7,787.76	4,500	70,089.79	70,000	1,090,285.75	1,000,000	15,575,510.70
600	9,345.30	5,000	77,877.56	80,000	1,246,040.86	1,500,000	23,363,266.06
700	10,902.86	6,000	93,453.07	90,000	1,401,795.96	1,945,500 ⁽¹⁾	30,302,156.07
800	12,460.41	7,000	109,028.57	100,000	1,557,551.06		
900	14,017.95	8,000	124,604.09	200,000	3,115,102.15		
1,000	15,575.51	9,000	140,179.60	300,000	4,672,653.21		
1,500	23,363.26	10,000	155,755.10	400,000	6,230,204.28		
2,000	31,151.02	20,000	311,510.21	500,000	7,787,755.36		

HOW TO APPLY FOR HONG KONG OFFER SHARES

Notes:

- (1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.
- (2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed “— A. *Application for Hong Kong Offer Shares* — 3. *Information Required to Apply.*” If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) HKSCC EIPO channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or HKSCC EIPO channel, you or the person(s) for whose benefit you have made the application shall not apply further for any Offer Shares in the Global Offering.

The H Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications (“**Best Practice Note**”) issued by the Federation of Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or HKSCC EIPO channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

- (i) undertake to execute all relevant documents and instruct and authorize us and/or the Overall Coordinators, as our agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the HKSCC EIPO channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant’s stock account on your behalf;
- (ii) confirm that you have read and understand the terms and conditions and application procedures set out in this prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;
- (iii) (if you are applying through the HKSCC EIPO channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

HOW TO APPLY FOR HONG KONG OFFER SHARES

- (iv) confirm that you are aware of the restrictions on offers and sales of shares set out in this prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;
- (v) confirm that you have read this prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;
- (vi) agree that the Relevant Persons, the H Share Registrar and HKSCC will not be liable for any information and representations not in this prospectus and any supplement to it;
- (vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the H Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed “— G. Personal Data — 3. Purposes” and “— G. Personal Data — 4. Transfer of personal data”;
- (viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees’ application) has been accepted) that you will not rescind it because of an innocent misrepresentation;
- (ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the H Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed “— B. Publication of Results”;
- (x) confirm that you are aware of the situations specified in the paragraph headed “— C. Circumstances In Which You Will Not Be Allocated Hong Kong Offer Shares”;
- (xi) agree that your application or HKSCC Nominees’ application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;
- (xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus;
- (xiii) confirm that (a) your application or HKSCC Nominees’ application on your behalf is not financed directly or indirectly by the Company, any of the directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from the Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in your name or otherwise held by you;
- (xiv) warrant that the information you have provided is true and accurate;

HOW TO APPLY FOR HONG KONG OFFER SHARES

- (xv) confirm that you understand that we and the Overall Coordinators will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;
- (xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;
- (xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;
- (xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving **electronic application instructions** to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by any one as your agent or by any other person; and
- (xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving **electronic application instructions** to HKSCC or to the **HK eIPO White Form** Service Provider and (2) you have due authority to give **electronic application instructions** on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform	Date/Time

Applying through the **HK eIPO White Form** service or HKSCC EIPO channel:

Website . . .	From the “Allotment Results” page at www.hkeipo.hk/IPOResult (or www.tricor.com.hk/ipo/result) with a “search by ID” function	24 hours, from 11:00 p.m. on Friday, September 4, 2026 to 12:00 midnight on Thursday, September 10, 2026 (Hong Kong time)

The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and HKSCC EIPO channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at www.hkeipo.hk/IPOResult or www.tricor.com.hk/ipo/result

The Stock Exchange’s website at www.hkexnews.hk and our website at (<https://www.medcaptain.com>) which will provide links to the above mentioned websites of the H Share Registrar

No later than 11:00 p.m. on Friday, September 4, 2026

HOW TO APPLY FOR HONG KONG OFFER SHARES

Platform	Date/Time
Telephone . . +852 3691 8488 — the allocation results telephone enquiry line provided by the H Share Registrar	between 9:00 a.m. and 6:00 p.m., from Monday, September 7, 2026 to Thursday, September 10, 2026 (Hong Kong time) on a business day

For those applying through HKSCC EIPO channel, you may also check with your broker or custodian from 6:00 p.m. on Thursday, September 3, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Thursday, September 3, 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the results of the final Offer Price, the level of indications of interest in the Global Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at www.hkexnews.hk and our website at (<https://www.medcaptain.com>) by no later than 11:00 p.m. on Friday, September 4, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Overall Coordinators, the H Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

HOW TO APPLY FOR HONG KONG OFFER SHARES

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed “— A. Application for Hong Kong Offer Shares — 5. Multiple Applications Prohibited” on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted H Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their Designated Bank before balloting. After balloting of Hong Kong Offer Shares, the Receiving Bank will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Offer Share allotment from their Designated Bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its Designated Bank), who is acting on your behalf in settling payment for your allotted shares, HKSCC will contact the defaulting HKSCC Participant and its Designated Bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the Global Offering. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the H Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. DESPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one H Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the HKSCC EIPO channel where the H Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the H Shares. No receipt will be issued for sums paid on application.

H Share certificates will only become valid at 8:00 a.m. on Monday, September 7, 2026 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the section headed “Underwriting” in this prospectus has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid do so entirely at their own risk.

The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

HOW TO APPLY FOR HONG KONG OFFER SHARES

The following sets out the relevant procedures and time:

	HK eIPO White Form service	HKSCC EIPO channel
Despatch/collection of H Share certificate¹		
For application of 1,000,000 Hong Kong Offer Shares or more .	Collection in person at the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong	H Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant's stock account
	Time: 9:00 a.m. to 1:00 p.m. on Monday, September 7, 2026 (Hong Kong time)	No action by you is required
	If you are an individual, you must not authorise any other person to collect for you. If you are a corporate applicant, your authorised representative must bear a letter of authorization from your corporation stamped with your corporation's chop	
	Both individuals and authorised representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar	
	Note: If you do not collect your H Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk	
For application of less than 1,000,000 Hong Kong Offer Shares . . .	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk	
	Date: Friday, September 4, 2026	

(1) Except in the event of a tropical cyclone warning signal number 8 or above, a black rainstorm warning and/or an "extreme conditions" announcement issued after a super typhoon in force in Hong Kong in the morning on Friday, September 4, 2026 rendering it impossible for the relevant H Share certificates to be dispatched to HKSCC in a timely manner, the Company shall procure the H Share Registrar to arrange for delivery of the supporting documents and H Share certificates in accordance with the contingency arrangements as agreed between them. See "— E. Bad Weather Arrangements."

HOW TO APPLY FOR HONG KONG OFFER SHARES

	HK eIPO White Form service	HKSCC EIPO channel
Refund mechanism for surplus application monies paid by you		
Date	Monday, September 7, 2026	Subject to the arrangement between you and your broker or custodian
Responsible party	H Share Registrar	Your broker or custodian
Application monies paid through single bank account.	HK eIPO White Form e-Auto Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

E. BAD WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Wednesday, September 2, 2026 if, there is:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- Extreme Conditions, (collectively, “**Bad Weather Signals**”),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Wednesday, September 2, 2026.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have **Bad Weather Signals** in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the listing date. Should there be any changes to the dates mentioned in the section headed “Expected Timetable” in this prospectus, an announcement will be made and published on the Stock Exchange’s website at www.hkexnews.hk and our website at <https://www.medcaptain.com> of the revised timetable.

If a **Bad Weather Signal** is hoisted on Friday, September 4, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to the CCASS Depository’s service counter so that they would be available for trading on Monday, September 7, 2026.

If a **Bad Weather Signal** is hoisted on Friday, September 4, 2026, for the application of less than 1,000,000 Hong Kong Offer Shares, the despatch of physical H Share certificates will be made by ordinary post when the post office re-opens after the Bad Weather Signal is lowered or cancelled (e.g. in the afternoon of Friday, September 4, 2026 or on Monday, September 7, 2026).

HOW TO APPLY FOR HONG KONG OFFER SHARES

If a **Bad Weather Signal** is hoisted on Monday, September 7, 2026, for the application of 1,000,000 Hong Kong Offer Shares or more, physical H Share certificates will be available for collection in person at the H Share Registrar's office after the Bad Weather Signal is lowered or canceled (e.g. in the afternoon of Monday, September 7, 2026 or on Tuesday, September 8, 2026).

Prospective investors should be aware that if they choose to receive physical H Share certificates issued in their own name, there may be a delay in receiving the H Share certificates.

F. ADMISSION OF THE H SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by the Company, the H Share Registrar, the receiving banks and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of the Company and the H Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to the Company or its agents and the H Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the H Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of the Company or the H Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of H Share certificate(s) to which you are entitled.

HOW TO APPLY FOR HONG KONG OFFER SHARES

It is important that applicants for and holders of Hong Kong Offer Shares inform the Company and the H Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the H Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of the Company;
- verifying identities of applicants for and holders of the Shares and identifying any duplicate applications for the Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from the Company and its subsidiaries;
- compiling statistical information and profiles of the holder of the H Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable the Company and the H Share Registrar to discharge their obligations to applicants and holders of the H Shares and/or regulators and/or any other purposes to which applicants and holders of the H Shares may from time to time agree.

4. Transfer of personal data

Personal data held by the Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the H Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- the Company's appointed agents such as financial advisers, receiving banks and overseas principal share registrar;
- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the H Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);

HOW TO APPLY FOR HONG KONG OFFER SHARES

- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to the Company or the H Share Registrar in connection with their respective business operation;
- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

The Company and the H Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfill the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether the Company or the H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the H Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to the Company and the H Share Registrar, at their registered address disclosed in the section headed "Corporate information" in this prospectus or as notified from time to time, for the attention of the company secretary, or the H Share Registrar for the attention of the privacy compliance officer.

The following is the text of a report received from the Company's reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Prospectus.



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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF MEDCAPTAIN MEDICAL TECHNOLOGY CO., LTD., MORGAN STANLEY ASIA LIMITED AND HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Medcaptain Medical Technology Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-4 to I-105, which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended December 31, 2023, 2024, 2025 and three months ended March 31, 2026 (the "Relevant Periods"), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at December 31, 2023, 2024, 2025 and March 31, 2026 and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-4 to I-105 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated August 28, 2026 (the "Prospectus") in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public

Accountants (“HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the financial position of the Group and the Company as at December 31, 2023, 2024, 2025 and March 31, 2026 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information.

Review of interim comparative financial information

We have reviewed the interim comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group for the three months ended March 31, 2025 and other explanatory information (the “Interim Comparative Financial Information”).

The directors of the Company are responsible for the preparation of the Interim Comparative Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not

express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 12 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods and three months ended March 31, 2025.

Ernst & Young
Certified Public Accountants
Hong Kong

August 28, 2026

I HISTORICAL FINANCIAL INFORMATION**Preparation of Historical Financial Information**

Set out below are the Historical Financial Information which form an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "Underlying Financial Statements").

The Historical Financial Information are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

	<i>Notes</i>	Year ended December 31,			Three months ended March 31,	
		2023	2024	2025	2025	2026
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
REVENUE	5	1,313,297	1,399,361	1,619,152	354,743	422,322
Cost of sales		(661,861)	(704,289)	(749,492)	(172,948)	(193,118)
Gross profit		<u>651,436</u>	<u>695,072</u>	<u>869,660</u>	<u>181,795</u>	<u>229,204</u>
Other income and gains	5	82,417	56,331	46,546	8,449	7,160
Selling and marketing expenses		(328,322)	(332,538)	(353,667)	(78,118)	(95,425)
Administrative expenses		(145,950)	(177,003)	(187,665)	(35,692)	(59,471)
Research and development expenses		(281,099)	(290,508)	(274,194)	(61,726)	(68,211)
Impairment on financial assets, net	7	(96)	(1,761)	(1,542)	(218)	(244)
Other expenses	6	(5,517)	(3,201)	(2,092)	(756)	(6,143)
Finance costs	8	(21,419)	(15,998)	(18,331)	(3,455)	(3,539)
Share of loss of an associate	18	(1,274)	(896)	—	—	—
(LOSS)/PROFIT BEFORE TAX	7	(49,824)	(70,502)	78,715	10,279	3,331
Income tax expense	11	(14,684)	(26,115)	(27,977)	(5,056)	(5,858)
(LOSS)/PROFIT FOR THE YEAR/PERIOD		<u>(64,508)</u>	<u>(96,617)</u>	<u>50,738</u>	<u>5,223</u>	<u>(2,527)</u>
Attributable to:						
Owners of the parent		(63,709)	(96,400)	48,886	5,023	(3,100)
Non-controlling interests		(799)	(217)	1,852	200	573
		<u>(64,508)</u>	<u>(96,617)</u>	<u>50,738</u>	<u>5,223</u>	<u>(2,527)</u>
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted (RMB)	13	<u>(0.14)</u>	<u>(0.20)</u>	<u>0.10</u>	<u>0.01</u>	<u>(0.01)</u>

Notes	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	12,836	1,852	6,957	6,680	(6,542)
Financial assets at fair value through other comprehensive income ("FVOCI")					
Changes in fair value	145	674	(819)	(819)	–
	12,981	2,526	6,138	5,861	(6,542)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR/PERIOD, NET OF TAX	<u>12,981</u>	<u>2,526</u>	<u>6,138</u>	<u>5,861</u>	<u>(6,542)</u>
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE YEAR/PERIOD	<u>(51,527)</u>	<u>(94,091)</u>	<u>56,876</u>	<u>11,084</u>	<u>(9,069)</u>
Attributable to:					
Owners of the parent	(50,590)	(94,040)	55,024	10,884	(9,642)
Non-controlling interests	(937)	(51)	1,852	200	573
	<u>(51,527)</u>	<u>(94,091)</u>	<u>56,876</u>	<u>11,084</u>	<u>(9,069)</u>

For the details of pre-IPO investments, please refer to Note 34 to the Historical Financial Information.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		December 31,			March 31,
	Notes	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment.	14	231,255	342,733	371,360	376,680
Intangible assets.	15	597,431	550,169	515,144	499,283
Right-of-use assets	16	166,925	138,802	166,305	157,487
Goodwill	17	905,474	905,517	928,225	927,755
Investment in an associate	18	7,300	—	—	—
Equity investments designated at					
FVOCI	19	645	645	645	645
Other non-current assets	20	24,444	18,263	13,164	14,529
Total non-current assets		1,933,474	1,956,129	1,994,843	1,976,379
CURRENT ASSETS					
Inventories	21	236,957	230,212	263,438	253,818
Trade and bills receivables	22	104,775	133,073	168,234	170,517
Prepayments, other receivables and					
other assets	23	36,858	43,073	57,437	59,534
Financial assets at fair value through					
profit or loss (“FVTPL”)	24	156,106	132,488	145,219	157,381
Financial assets at FVOCI	25	21,189	21,863	—	—
Pledged deposits	26	3,937	4,135	654	2,535
Cash and bank balances	26	262,267	283,988	301,259	321,227
Total current assets		822,089	848,832	936,241	965,012
CURRENT LIABILITIES					
Trade payables.	27	88,914	154,189	175,180	197,667
Other payables and accruals	28	189,215	223,110	213,381	161,353
Contract liabilities	29	50,726	61,654	77,947	79,624
Interest-bearing bank borrowings	30	114,409	74,261	84,125	124,601
Lease liabilities	16	26,946	19,974	22,897	18,616
Deferred income	31	331	261	223	223
Tax payables		8,657	8,422	5,505	5,169
Financial liabilities at FVTPL	32	17,588	797	160	—
Total current liabilities		496,786	542,668	579,418	587,253
NET CURRENT ASSETS		325,303	306,164	356,823	377,759
TOTAL ASSETS LESS CURRENT					
LIABILITIES		2,258,777	2,262,293	2,351,666	2,354,138

		December 31,			March 31,
	Notes	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT LIABILITIES					
Contract liabilities	29	59,976	97,612	106,631	103,712
Interest-bearing bank borrowings	30	321,654	270,309	207,925	205,516
Deferred income	31	7,300	799	647	599
Lease liabilities	16	85,743	67,279	93,241	87,086
Financial liabilities at FVTPL	32	805	201	–	–
Deferred tax liabilities	33	83,013	74,879	67,250	65,257
Total non-current liabilities		558,491	511,079	475,694	462,170
Net assets		1,700,286	1,751,214	1,875,972	1,891,968
EQUITY					
Equity attributable to owners of the parent					
Share capital	34	476,624	499,716	499,716	499,716
Other reserves	35	1,229,183	1,253,816	1,376,722	1,392,145
		1,705,807	1,753,532	1,876,438	1,891,861
Non-controlling interests		(5,521)	(2,318)	(466)	107
Total equity		1,700,286	1,751,214	1,875,972	1,891,968

For the details of pre-IPO investments, please refer to Note 34 to the Historical Financial Information.

Year ended December 31, 2023

Attributable to owners of the parent									
	Share capital	Share premium*	Share-based payment reserve*	Accumulated losses*	Exchange fluctuation reserve*	Fair value reserve of financial assets at FVOCI*	Subtotal	Non-controlling interests	Total
	RMB'000 (Note 34)	RMB'000 (Note 35)	RMB'000 (Note 37)	RMB'000 (Note 35)	RMB'000 (Note 35)	RMB'000 (Note 35)	RMB'000	RMB'000	RMB'000
At January 1, 2023	454,662	1,463,615	502,841	(875,368)	(8,552)	–	1,537,198	(4,584)	1,532,614
Loss for the year	–	–	–	(63,709)	–	–	(63,709)	(799)	(64,508)
Other comprehensive income for the year:									
Changes in fair value of financial assets									
at FVOCI	–	–	–	–	–	145	145	–	145
Exchange differences on translation of foreign operations	–	–	–	–	12,974	–	12,974	(138)	12,836
Total comprehensive loss for the year	–	–	–	(63,709)	12,974	145	(50,590)	(937)	(51,527)
Issue of shares	21,962	133,118	–	–	–	–	155,080	–	155,080
Equity-settled share-based payments									
(Note 37)	–	–	64,119	–	–	–	64,119	–	64,119
At December 31, 2023	476,624	1,596,733	566,960	(939,077)	4,422	145	1,705,807	(5,521)	1,700,286

Year ended December 31, 2024

	Attributable to owners of the parent								
	Share capital	Share premium*	Share-based payment reserve*	Accumulated losses*	Exchange fluctuation reserve*	Fair value reserve of financial assets at FVOCI*			
	RMB'000 (Note 34)	RMB'000 (Note 35)	RMB'000 (Note 37)	RMB'000 (Note 35)	RMB'000 (Note 35)	RMB'000 (Note 35)			
At January 1, 2024	476,624	1,596,733	566,960	(939,077)	4,422	145	1,705,807	(5,521)	1,700,286
Loss for the year	–	–	–	(96,400)	–	–	–	(96,400)	(217)
Other comprehensive income for the year:									
Changes in fair value of financial assets									
at FVOCI	–	–	–	–	–	674	674	–	674
Exchange differences on translation of foreign operations	–	–	–	–	1,686	–	1,686	166	1,852
Total comprehensive loss for the year	–	–	–	(96,400)	1,686	674	(94,040)	(51)	(94,091)
Issue of shares	23,092	69,277	–	–	–	–	92,369	–	92,369
Acquisition of non-controlling interests of a subsidiary	–	–	–	(4,426)	–	–	(4,426)	3,254	(1,172)
Equity-settled share-based payments									
(Note 37)	–	–	53,822	–	–	–	53,822	–	53,822
At December 31, 2024	499,716	1,666,010	620,782	(1,039,903)	6,108	819	1,753,532	(2,318)	1,751,214

Year ended December 31, 2025

	Attributable to owners of the parent					Fair value reserve of financial assets at FVOCI*			Non-controlling interests		Total
	Share capital	Share premium*	Share-based payment reserve*	Accumulated losses*	Exchange fluctuation reserve*				Subtotal		
	RMB'000 (Note 34)	RMB'000 (Note 35)	RMB'000 (Note 37)	RMB'000 (Note 35)	RMB'000 (Note 35)				RMB'000	RMB'000	RMB'000
At January 1, 2025	499,716	1,666,010	620,782	(1,039,903)	6,108	819	1,753,532	(2,318)	1,751,214		
Profit for the year	—	—	—	48,886	—	—	—	1,852	50,738		
Other comprehensive income for the year:											
Changes in fair value of financial assets											
at FVOCI	—	—	—	—	—	(819)	(819)	—	(819)		
Exchange differences on translation of foreign operations	—	—	—	—	6,957	—	6,957	—	6,957		
Total comprehensive profit for the year	—	—	—	48,886	6,957	(819)	55,024	1,852	56,876		
Equity-settled share-based payments											
(Note 37)	—	—	67,882	—	—	—	67,882	—	67,882		
At December 31, 2025	499,716	1,666,010	688,664	(991,017)	13,065	—	1,876,438	(466)	1,875,972		

Three months ended March 31, 2026

	Attributable to owners of the parent					
	Share capital	Share premium*	Share-based payment reserve*	Accumulated losses*	Exchange fluctuation reserve*	Non-controlling interests
	RMB'000 (Note 34)	RMB'000 (Note 35)	RMB'000 (Note 37)	RMB'000 (Note 35)	RMB'000 (Note 35)	RMB'000
						Total RMB'000
At January 1, 2026	499,716	1,666,010	688,664	(991,017)	13,065	1,876,438
Profit for the period	—	—	—	(3,100)	—	(466)
Other comprehensive income for the period:						
Exchange differences on translation of foreign operations	—	—	—	—	(6,542)	573
Total comprehensive profit for the period	—	—	—	(3,100)	(6,542)	(466)
Equity-settled share-based payments (Note 37)	—	—	25,065	—	—	—
At March 31, 2026	499,716	1,666,010	713,729	(994,117)	6,523	1,891,968

* These reserve accounts comprised the consolidated other reserves of, RMB1,229,183,000, RMB1,253,816,000, RMB1,376,722,000 and RMB1,392,145,000 in the consolidated statements of financial position as at December 31, 2023, 2024, 2025 and March 31, 2026, respectively.

Three months ended March 31, 2025

Attributable to owners of the parent									
	Share capital	Share premium*	Share-based payment reserve*	Accumulated losses*	Exchange fluctuation reserve*	Fair value reserve of financial assets at FVOCI*			
	RMB'000 (Note 34)	RMB'000 (Note 35)	RMB'000 (Note 37)	RMB'000 (Note 35)	RMB'000 (Note 35)	RMB'000 (Note 35)			
					Subtotal	Non-controlling interests			
						Total			
						RMB'000			
At January 1, 2025	499,716	1,666,010	620,782	(1,039,903)	6,108	819	1,753,532	(2,318)	1,751,214
Profit for the year	–	–	–	5,023	–	–	5,023	200	5,223
Other comprehensive income for the period:									
Changes in fair value of financial assets at FVOCI	–	–	–	–	–	(819)	(819)	–	(819)
Exchange differences on translation of foreign operations	–	–	–	–	6,680	–	6,680	–	6,680
Total comprehensive profit for the period	–	–	–	5,023	6,680	(819)	10,884	200	11,084
Equity-settled share-based payments (Note 37)	–	–	9,013	–	–	–	9,013	–	9,013
At March 31, 2025	499,716	1,666,010	629,795	(1,034,880)	12,788	–	1,773,429	(2,118)	1,771,311

CONSOLIDATED STATEMENTS OF CASH FLOWS

	<i>Notes</i>	Year ended December 31,			Three months ended March 31,	
		2023	2024	2025	2025	2026
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
					<i>(unaudited)</i>	
CASH FLOWS FROM OPERATING ACTIVITIES						
(Loss)/profit before tax		(49,824)	(70,502)	78,715	10,279	3,331
Adjustments for:						
Finance costs	8	21,419	15,998	18,331	3,455	3,539
Interest income	5	(2,974)	(6,122)	(4,675)	(795)	(1,472)
(Gain)/Loss on disposal of items of property, plant and equipment . . .	5/6	(265)	(202)	970	495	216
Loss/(gain) on termination of leases .	6/5	63	(353)	(948)	–	–
Depreciation of property, plant and equipment	14	37,628	38,786	38,229	9,073	11,178
Amortisation of intangible assets . . .	15	48,900	52,522	52,816	13,660	13,479
Depreciation of right-of-use assets . .	16	29,300	30,971	28,652	6,561	7,670
Investment income on other investments classified as financial assets at FVTPL	5	(1,940)	(1,163)	(4,568)	(599)	(439)
Fair value gains on other investments classified as financial assets at FVTPL	5	(1,106)	(1,382)	(219)	(758)	(162)
Fair value losses on financial liabilities at FVTPL	6	2,956	1,623	472	182	187
Share of losses of an associate	18	1,274	896	–	–	–
Impairment on inventories, net	7	(2,083)	10,415	7,725	744	1,404
Impairment on financial assets, net . .		96	1,761	1,542	218	244
Government grants recognised from deferred income.		(671)	(331)	(190)	(48)	(48)
Foreign exchange (gains)/losses, net .	5/6	(10,918)	(1,733)	(2,097)	28	5,740
Equity-settled share-based payments .	37	64,119	53,822	67,882	9,013	25,065
		<u>185,798</u>	<u>195,508</u>	<u>203,922</u>	<u>41,229</u>	<u>66,601</u>

APPENDIX I

ACCOUNTANTS' REPORT

Notes	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
(Increase)/decrease in inventories	(8,505)	(3,670)	(26,701)	(123)	8,216
(Increase)/decrease in pledged deposits .	(2,146)	(198)	3,481	3,598	(1,881)
Increase in trade and bills receivables .	(4,412)	(30,059)	(33,950)	(18,244)	(2,527)
Decrease/(increase) in other non-current assets	804	1,111	3,702	(908)	(706)
Decrease in amounts due from a related party	1,086	–	–	–	–
Increase in prepayments, other receivables and other assets	(2,416)	(6,215)	(10,857)	(1,044)	(1,107)
(Decrease)/increase in trade payables . .	(1,764)	65,275	14,945	(9,561)	22,487
(Decrease)/increase in other payables and accruals	(24,422)	12,420	(11,555)	(43,311)	(48,760)
(Decrease)/increase in contract liabilities	(18,854)	48,564	17,314	11,660	(1,242)
Increase in deferred income	6,240	–	–	–	–
Cash generated from/(used in) operating activities	81,585	212,234	239,016	(6,425)	44,412
Interest received	2,974	6,122	4,675	795	1,472
Income tax paid	(19,714)	(35,006)	(39,897)	(9,580)	(7,837)
Net cash flows from/(used in) operating activities	64,845	183,350	203,794	(15,210)	38,047
CASH FLOWS USED IN INVESTING ACTIVITIES					
Purchases of items of property, plant and equipment	(79,648)	(120,140)	(90,735)	(34,638)	(21,264)
Purchase of intangible assets	(10,586)	(14,749)	(7,718)	(2,913)	(1,424)
Receipt of government grants for property, plant and equipment	760	–	–	–	–
Payment for acquisition of subsidiaries .	–	(18,096)	(5,760)	–	–
Proceeds from disposal of items of property, plant and equipment	3,144	2,073	372	540	169
Purchase of financial assets at FVTPL .	(1,037,500)	(1,005,000)	(945,500)	(382,523)	(100,000)
Purchase of financial assets at FVOCI .	(21,044)	–	–	–	–
Proceeds from disposal of financial assets at FVTPL	884,450	1,031,163	937,556	302,599	88,439
Proceeds from disposal of financial assets at FVOCI	–	–	22,010	22,010	–
Proceeds from disposal of an associate .	–	6,404	–	–	–
Net cash flows used in investing activities	(260,424)	(118,345)	(89,775)	(94,925)	(34,080)

APPENDIX I

ACCOUNTANTS' REPORT

		Year ended December 31,			Three months ended March 31,	
	Notes	2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
					(unaudited)	
CASH FLOWS FROM/(USED IN)						
FINANCING ACTIVITIES						
Proceeds from issue of shares		155,080	92,369	–	–	–
Listing expenses paid		(206)	(2,763)	(1,651)	(337)	(798)
New bank loans		188,654	87,555	177,484	91,366	100,000
Interest paid for bank loans		(17,476)	(10,638)	(13,288)	(2,338)	(2,177)
Interest paid for lease		(4,800)	(5,508)	(5,154)	(1,130)	(1,366)
Principal portion of lease payments . . .		(27,174)	(27,865)	(26,563)	(6,562)	(8,987)
Repayment of bank loans		(166,806)	(178,900)	(229,893)	(49,000)	(61,929)
Acquisition of non-controlling interests of a subsidiary.		–	(1,172)	–	–	–
Net cash flows from/(used in) financing activities		127,272	(46,922)	(99,065)	31,999	24,743
NET (DECREASE)/INCREASE IN						
CASH AND CASH EQUIVALENTS .		(68,307)	18,083	14,954	(78,136)	28,710
Cash and cash equivalents at beginning of year/period		317,350	262,267	283,988	283,988	301,259
Effect of foreign exchange rate changes, net		13,224	3,638	2,317	2,233	(8,742)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		262,267	283,988	301,259	208,085	321,227
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances as stated in the consolidated statements of financial position.	26	262,267	283,988	301,259	208,085	321,227
TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD						
		262,267	283,988	301,259	208,085	321,227

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		December 31,			March 31,
	Notes	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	14	44,966	47,143	42,185	40,029
Intangible assets	15	21,569	18,296	19,018	18,049
Investments in subsidiaries	1	1,985,605	2,001,989	2,126,550	2,140,398
Right-of-use assets	16	26,597	14,509	26,496	23,694
Other non-current assets	20	12,839	14,237	8,104	10,183
Total non-current assets		2,091,576	2,096,174	2,222,353	2,232,353
CURRENT ASSETS					
Inventories	21	62,616	97,337	92,872	92,299
Trade receivables	22	11,414	5,095	40,104	13,397
Prepayments, other receivables and other assets	23	14,394	13,082	18,500	18,875
Amounts due from subsidiaries	41	131,579	118,178	139,899	143,739
Financial assets at FVTPL	24	–	–	30,134	30,251
Financial assets at FVOCI	25	21,189	21,863	–	–
Cash and bank balances	26	43,933	71,014	34,560	50,853
Total current assets		285,125	326,569	356,069	349,414
CURRENT LIABILITIES					
Trade payables	27	30,222	53,612	65,452	74,048
Other payables and accruals	28	84,441	88,068	85,447	64,165
Contract liabilities	29	15,840	18,388	37,626	36,051
Interest-bearing bank borrowings	30	109,509	49,258	21,582	34,785
Deferred income	31	140	–	–	–
Amounts due to subsidiaries	41	–	270,510	216,338	213,260
Lease liabilities	16	13,863	9,580	11,429	9,008
Total current liabilities		254,015	489,416	437,874	431,317
NET CURRENT ASSETS/ (LIABILITIES)					
		31,110	(162,847)	(81,805)	(81,903)
TOTAL ASSETS LESS CURRENT LIABILITIES					
		2,122,686	1,933,327	2,140,548	2,150,450

		December 31,			March 31,
	Notes	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT LIABILITIES					
Contract liabilities	29	59,976	97,612	106,631	103,712
Interest-bearing bank borrowings	30	300,900	186,900	145,470	180,017
Deferred income	31	6,240	—	—	—
Lease liabilities	16	16,170	7,366	16,486	15,422
Deferred tax liabilities		2,664	1,915	1,251	1,133
Total non-current liabilities		385,950	293,793	269,838	300,284
Net assets		1,736,736	1,639,534	1,870,710	1,850,166
EQUITY					
Share capital	34	476,624	499,716	499,716	499,716
Other reserves	35	1,260,112	1,139,818	1,370,994	1,350,450
Total equity		1,736,736	1,639,534	1,870,710	1,850,166

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Medcaptain Medical Technology Co., Ltd. (the “Company”) is a joint stock company with limited liability established in Shenzhen, People’s Republic of China (“Chinese mainland”) on April 26, 2011. The registered office address of the Company is Room 701, Block A, Building 7, Shenzhen International Innovation Hub, Xili, Nanshan District, Shenzhen, People’s Republic of China (“PRC”).

During the Relevant Periods, the Group was involved in the research and development, manufacturing and sales of life support products, minimally invasive intervention products and in vitro diagnostic medical devices.

As at March 31, 2026, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of which are set out below:

Name	Place and date of incorporation/registration and place of operations	Issued ordinary/registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Medcaptain Life Science Co., Ltd.* (“深圳麥科田生命科學有限公司”) (“Medcaptain Life Science”) (note (b)(g))	Chinese mainland May 2, 2018	RMB60,000,000	100%	–	Research and development and manufacturing and sales of life support products
Medcaptain Software Technology Co., Ltd.* (“深圳麥科田軟件技術有限公司”) (“Medcaptain Software”) (note (a)).	Chinese mainland May 13, 2015	RMB4,500,000	100%	–	Research and development activities
Shanghai Runpu Biotechnology Co., Ltd.* (“上海潤普生物技術有限公司”) (“Runpu Biotech”) (note (b)(g))	Chinese mainland November 16, 2010	RMB28,080,000	100%	–	Research and development and manufacturing and sales of in vitro diagnostic medical devices
Shanghai Runpu Biomedical Technology Co., Ltd.* (“上海潤普生科醫學科技有限公司”) (“Runpu Biomedical”) (note (a))	Chinese mainland June 24, 2015	RMB200,000	–	100%	Manufacturing and sales of in vitro diagnostic medical devices
Changzhou Runpu Electronics Co., Ltd.* (“常州潤樸電子有限公司”) (“Changzhou Runpu”) (note (a))	Chinese mainland September 26, 2022	RMB350,000	–	100%	Manufacturing and sales of medical devices
Mabsky Bio-Tech Co., Ltd.* (“深圳生科原生物有限公司”) (“Mabsky”) (note (b)(g))	Chinese mainland September 13, 2004	RMB26,691,558	100%	–	Research and development and manufacturing and sales of in vitro diagnostic medical devices

Name	Place and date of incorporation/registration and place of operations	Issued ordinary/registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Shenzhen Mabsky Technology Co., Ltd.* (“深圳生科原技術有限公司”) (“Mabsky Technology”) (note (b)(g))	Chinese mainland August 1, 2024	RMB20,000,000	–	100%	Research and development and manufacturing and sales of in vitro diagnostic medical devices
Shenzhen Baiyou Biotechnology Co., Ltd.* (“深圳市百優生物有限公司”) (“Shenzhen Baiyou”) (note (a))	Chinese mainland December 8, 2020	RMB1,000,000	–	100%	Manufacturing and sales of in vitro diagnostic medical devices
Hangzhou Xinghaohui Biotechnology Co., Ltd.* (“杭州興浩暉生物科技股份有限公司”) (“Xinghaohui”) (note (a)(i))	Chinese mainland February 2, 2018	RMB1,360,000	–	100%	Manufacturing and sales of in vitro diagnostic medical devices
Sichuan Medcaptain Medical Technology Co., Ltd.* (“四川麥科田醫療技術有限公司”) (“Sichuan Medcaptain”) (note (a))	Chinese mainland June 17, 2025	RMB50,000,000	100%	–	Sales of medical devices
Jiangsu Vedkang Medical Science and Technology Co., Ltd.* (“江蘇唯德康醫療科技有限公司”) (“Vedkang Medical”) (note (b)(e)(f))	Chinese mainland October 15, 2012	RMB81,880,092	100%	–	Research and development and manufacturing and sales of minimally invasive intervention products
Changzhou Jiuhong Medical Instrument Co., Ltd.* (“常州市久虹醫療器械有限公司”) (“Changzhou Jiuhong”) (note (b)(e))	Chinese mainland July 28, 2003	RMB16,000,000	–	100%	Research and development and manufacturing and sales of minimally invasive intervention products
Changzhou Fortunmed Co., Ltd.* (“常州錦福瑞醫療器械有限公司”) (“Changzhou Fortunmed”) (note (b)(e))	Chinese mainland July 11, 2017	RMB5,000,000	–	100%	Sales of minimally invasive intervention products
Changzhou Hengke Molding Technology Co., Ltd.* (“常州市恆可模塑科技有限公司”) (“Changzhou Hengke”) (note (b)(e))	Chinese mainland June 22, 2021	RMB5,000,000	–	100%	Manufacturing and sales of minimally invasive intervention products

Name	Place and date of incorporation/registration and place of operations	Issued ordinary/registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Hunan Vedkang Medical Science and Technology Co., Ltd.* (“湖南唯德康醫療科技有限公司”) (“Hunan Vedkang”) (note (b)(e))	Chinese mainland January 18, 2022	RMB3,000,000	–	100%	Research and development and manufacturing and sales of minimally invasive intervention products
Jiangsu Tuyun Medical Technology Co., Ltd.* (“江蘇圖雲醫療科技有限公司”) (“Jiangsu Tuyun”) (note (b)(e))	Chinese mainland February 8, 2021	RMB10,000,000	–	80%	Research and development and manufacturing and sales of medical devices
Suzhou Caring Medical Co., Ltd.* (“蘇州國科美潤達醫療技術有限公司”) (“Caring Medical”) (note (j)(k))	Chinese mainland October 23, 2014	RMB52,500,000	–	100%	Research and development and manufacturing and sales of minimally invasive intervention products
Jiangsu Maiketian Medical Technology Co., Ltd.* (“江蘇麥科田醫療技術有限公司”) (“Jiangsu Medcaptain”) (note (a)(k))	Chinese mainland July 15, 2025	RMB30,000,000	100%	–	Research and development and manufacturing and sales of medical devices
VD-JH GmbH (“Vedkang German”) (note (a))	Germany October 5, 2021	EUR50,000	–	100%	Sales of minimally invasive intervention products
Medcaptain Medical Technology (Hong Kong) Limited (“Medcaptain Hong Kong”) (note (c))	Hong Kong June 4, 2015	HKD308,410,000	100%	–	Sales of medical devices
Medcaptain Europe B.V. (“Medcaptain Europe”) (note (a))	Netherlands February 11, 2016	EUR100	–	100%	Sales of medical devices
Medcaptain UK Limited (“Medcaptain UK”) (note (a))	United Kingdom (“UK”) October 22, 2021	GBP26,095,504	–	100%	Investment holding
Intermed Limited (“Intermed”) (note (d))	United Kingdom May 16, 2007	GBP8,907,415	–	100%	Investment holding
Penlon Limited (“Penlon”) (note (d))	United Kingdom July 23, 1996	GBP12,265,340	–	100%	Research and development and manufacturing and sales of life support products

Name	Place and date of incorporation/registration and place of operations	Issued ordinary/registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Penlon Inc. ("Penlon Inc") (note (a)(h))	United States of America ("USA") October 29, 2007	USD1	–	100%	Investment holding
PT Medcaptain Medical Indonesia ("Medcaptain Indonesia") (note (a)).	Indonesia June 9, 2022	RP10,100,000,000	–	99%	Sales of medical devices
Medcaptain Medical Colombia S.A.S ("Medcaptain Colombia") (note (a)).	Colombia March 17, 2023	COB1,000,000,000	–	100%	Sales of medical devices
Medcaptain Medical (Thailand) Co., Ltd. ("Medcaptain Thailand") (note (a)).	Thailand October 4, 2022	THB3,500,000	–	99.99%	Sales of medical devices
Vedefar NV ("Vedefar") (note (a)) . .	Belgium December 27, 1989	EUR74,368.06	–	100%	Distribution of medical devices
MEDCAPTAIN MEDICAL BRAZIL LTDA ("Medcaptain Brazil") (note (a)).	Brazil January 23, 2026	BRL750,000.00	–	100%	Distribution of medical devices

Notes:

- (a) As at the date of this report, no audited financial statements have been prepared for these entities, as they had limited level of business operations and no compulsory local regulatory requirement.
- (b) The statutory financial statements of these entities for the year ended December 31, 2023, prepared in accordance with accepted accounting principles and financial regulations in Chinese mainland were audited by Shenzhen Chenghua CPA Ltd. (深圳誠華會計師事務所有限公司), certified public accountants registered in Chinese mainland.
- (c) The statutory financial statements of this entity for the year ended December 31, 2023 and 2024 prepared in accordance with accepted accounting principles and financial regulations in Hong Kong were audited by Ernst & Young, certified public accountants registered in Hong Kong.
- (d) The statutory financial statements of this entity for the years ended March 31, 2023 and December 31, 2023 prepared in accordance with accepted accounting principles and financial regulations in the United Kingdom were audited by Crowe U.K. LLP, certified public accountants registered in the UK.
- (e) The statutory financial statements of these entities for the year ended December 31, 2024 and 2025 prepared in accordance with accepted accounting principles and financial regulations in Chinese mainland were audited by Jiangsu Huayun CPA Ltd. (華雲(江蘇)會計師事務所有限公司), certified public accountants registered in Chinese mainland.
- (f) 100% of Vedkang Medical's share capital was pledged to secure certain bank borrowings.
- (g) The statutory financial statements of these entities for the year ended December 31, 2024 and 2025 prepared in accordance with accepted accounting principles and financial regulations in Chinese mainland were audited by Shenzhen Huaqin CPA Ltd. (深圳華勤會計師事務所有限公司), certified public accountants registered in Chinese mainland.
- (h) The entity was dissolved on March 31, 2023.

- (i) The entity was dissolved on September 5, 2023.
- (j) The statutory financial statements of these entities for the year ended December 31, 2024 prepared in accordance with accepted accounting principles and financial regulations in Chinese mainland were audited by Suzhou Justice United CPA Ltd. (蘇州市嘉泰聯合會計師事務所), certified public accountants registered in Chinese mainland.
- (k) The statutory financial statements of these entities for the year ended December 31, 2025 prepared in accordance with accepted accounting principles and financial regulations in Chinese mainland were audited by Jiangsu Huayun CPA Ltd. (華雲(江蘇)會計師事務所有限公司), certified public accountants registered in Chinese mainland.
- * The English names of these companies registered in Chinese mainland represent the best effort made by the directors of the Company (the "Directors") to translate the Chinese names as these companies have not been registered with any official English names.

The carrying amounts of the Company's investments in subsidiaries are as follows:

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Investment in subsidiaries, at cost . .	2,230,573	2,251,897	2,380,279	2,395,170
Impairment*	(244,968)	(249,908)	(253,729)	(254,772)
Net carrying amount	1,985,605	2,001,989	2,126,550	2,140,398

* The Company has performed impairment testing for investment in subsidiaries which has impairment indicators as at each reporting periods. The Company has recognised impairment losses on investment in subsidiaries amounted to RMB4,858,000, RMB4,940,000, RMB3,821,000 and RMB1,043,000 as at each reporting periods.

** The Company concluded that there is no indication of impairment for the subsidiaries other than those had been impaired in the above note, and hence no impairment was required due to: (i) the accumulated losses of such subsidiaries are principally driven by the planned and budgeted research and development activities, that are essential for achieving long-term strategic business developments to further contribute to the steadily growth of sales and business scale. (ii) no significant adverse changes in the operating environment, management stability and governance structure of such subsidiaries; and (iii) no plan for the discontinuation, restructuring or disposal of any of such subsidiaries.

2.1 BASIS OF PREPARATION

For ordinary shares issued to pre-IPO investors, pursuant to the supplemental agreements entered into between the Company and the pre-IPO Investors in relation to the termination of certain of special rights granted by the Company, including redemption rights, liquidation preferences, and anti-dilution rights, which are void ab initio as described in Note 34 to the Historical Financial Information, having taking into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the supplementary agreements, the directors considered that it is appropriate to present the pre-IPO Investments as equity throughout the Relevant Periods. For the details of its financial impacts, see Note 34 to the Historical Financial Information.

The Historical Financial Information have been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("IASB"). All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2026, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

The Historical Financial Information have been prepared under the historical cost convention except for certain financial instruments which have been measured at fair value at the end of each reporting periods.

Basis of consolidation

The Historical Financial Information include the financial information of the Group for the Relevant Periods. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial information of the subsidiaries is prepared for the same reporting periods as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and revised IFRSs, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements¹</i>
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures¹</i>
Amendments to IFRS 10 and IFRS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture²</i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency¹</i>

¹ Effective for annual/reporting periods beginning on or after January 1, 2027

² No mandatory effective date yet determined but available for adoption

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss and other comprehensive income, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as IAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 Statement of Cash Flows, IAS 33 Earnings per Share and IAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other IFRS Accounting Standards. The Group is currently analysing the new requirements and assessing the impact of IFRS 18 on the presentation and disclosure of the Group's financial statements. The application of IFRS 18 will have no impact on the consolidated statement of financial position of the Group, but is expected to have impact on the presentation of the consolidated statement of profit or loss and other comprehensive income. Except for IFRS 18, the directors of the Company anticipate that the application of these new and revised IFRS Accounting Standards will have no material impact on the Group's financial performance and financial position in the foreseeable future.

2.3 MATERIAL ACCOUNTING POLICIES

Investment in an associate

An associate is an entity in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investment in an associate is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of an associate is included in the consolidated profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of an associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's investment in the associate, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investment in an associate.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Business combinations and goodwill

Business combinations under common control are accounted for using the pooling of interest method. On the acquisition date, the carrying amounts of the assets and liabilities of the acquiree recognised in the consolidated financial statements of its former parent are reflected in the Group's consolidated financial statements, and no new goodwill is recognised as a result of the combination.

All other business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at December 31. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Fair value measurement

The Group measures certain financial instruments at fair value at the end of each reporting periods. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Historical Financial Information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting periods.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for a non-financial asset is required (other than goodwill and indefinite intangible assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting periods as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

	Shorter of remaining lease terms and estimated useful lives
Leasehold improvements	
Buildings	4.75%
Office equipment	19% to 32%
Plant and machinery	9.5% to 19%
Transportation equipment	19% to 32%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each reporting periods.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Intangible assets with definite useful lives are amortised on the straight-line basis over the following useful economic lives:

Software	2 to 10 years
Patents	10 years
Customer relationship	10 years

Intangible assets with indefinite useful lives are summarised as follows:

Brands

Brands were acquired from business combinations. Acquired brands are stated initially at acquisition date fair value, and are subsequently measured at cost less any impairment losses.

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Where applicable, the cost of a right-of-use asset also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Plant, offices and laboratories	2 to 15 years
Leasehold land	50 years

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office and employee dormitory (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets***Initial recognition and measurement***

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, FVOCI, and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVOCI (debt instruments)

For debt investments at FVOCI, interest income is recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets designated at FVOCI (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at FVOCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting periods, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting periods with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

For debt investments at FVOCI, the Group applies the low credit risk simplification. At each reporting periods, the Group evaluates whether the debt investments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt investments. Debt investments graded in the top investment categories are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk of debt investments since origination, the allowance will be based on the lifetime ECL.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at FVOCI and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 Financial assets that are credit-impaired at the reporting periods (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting periods. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Classification as equity and financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

A financial liability is any liability that is (a) a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity's own equity instruments and is: (i) a non derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, financial liabilities included in other payables and accruals, interest-bearing bank borrowings, and financial liabilities at FVTPL.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss. The net fair value gain or loss recognised in profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to profit or loss. The net fair value gain or loss recognised in profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost (trade and other payables, loans and borrowings)

After initial recognition, trade payables, other payables and accruals and interest-bearing bank borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on weighted average method and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash on hand and at banks.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting periods, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting periods between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries and an associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting periods and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each or the reporting periods and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting periods.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing

component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

Sales of life support products, minimally invasive intervention products and in vitro diagnostic medical devices

Revenue from the sale of life support products, minimally invasive intervention products and in vitro diagnostic medical devices is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products for export sales and acceptance of the products for domestic sales.

Some contracts for the sale of products provide customers with rights of volume rebates, giving rise to variable consideration.

Volume rebates

Retrospective volume rebates may be provided to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against future amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the most likely amount method is used for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The requirements on constraining estimates of variable consideration are applied and a refund liability for the expected future rebates is recognised.

Revenue from other sources

Rental income

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

Share-based payments

The Group operates share award schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions"). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value of share awards meaning the fair value of the underlying ordinary shares of the Company on the respective dates of grant. Further details are included in Note 37 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting periods until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

Other employee benefits***Pension schemes***

The employees of the Group's subsidiaries which operate in Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme. The Group's subsidiaries in the United Kingdom operate a defined contribution pension plan, in which fixed costs are required to be contributed to a separate entity. The contributions are charged to profit or loss as they become payable in accordance with the rules of the defined pension scheme.

Events after the reporting periods

If the Group receives information after the reporting periods, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting periods, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting periods and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting periods, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Foreign currencies

The Historical Financial Information are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each reporting periods. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than the RMB. As at the end of the reporting periods, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting periods and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the average exchange rates of the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's Historical Financial Information require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Historical Financial Information:

Research and development expenses

All research costs are charged to profit or loss as incurred. Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the

asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred. Determining the amounts of development costs to be capitalised requires the use of judgements and estimation.

Recognition of income taxes and deferred tax assets

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

The Group has tax losses of RMB835,953,000, RMB1,261,408,000, RMB1,528,187,000 and RMB1,781,956,000 during the reporting periods carried forward, respectively. These losses related to subsidiaries that have a history of losses, have not expired, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

Revenue from contracts with customers

The Group applied the following judgement that significantly affects the determination of the amount and timing of revenue from contracts with customers:

- (a) Determining the method to estimate variable consideration and assessing the constraint for the sale of life support products, minimally invasive intervention products and in vitro diagnostic medical devices.

Certain contracts for the sale of life support products, minimally invasive intervention products and in vitro diagnostic medical devices include volume rebates that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

In estimating the variable consideration for the sale of products with volume rebates, the Group determined that using the most likely amount method is appropriate. The most likely amount method that better predicts the amount of variable consideration related to volume rebates is primarily driven by a single volume threshold contained in the contract.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting periods, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of goodwill at December 31, 2023, 2024, 2025 and March 31, 2026 were RMB905,474,000, RMB905,517,000, RMB928,225,000 and RMB927,755,000 respectively. Further details are disclosed in Note 17.

Variable consideration for volume rebates

The Group estimates variable consideration to be included in the transaction price for the sale of products with rights of volume rebates.

The Group's most likely volume rebates are analysed on a per customer basis for contracts that are subject to the volume threshold. Determining whether a customer is likely to be entitled to a rebate depends on the customer's historical rebate entitlement and accumulated purchases to date.

The Group updates its assessment of the most likely volume rebates quarterly and the refund liabilities are adjusted accordingly. Estimates of expected volume rebates are sensitive to changes in circumstances and the Group's past experience regarding rebate entitlements may not be representative of customers' actual rebate entitlements in the future.

Leases — Estimating the incremental borrowing rate ("IBR")

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an IBR to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group would have to pay, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Fair value of share options

Estimating the fair value of share options requires the determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires the determination of the most appropriate inputs to the valuation model including the risk-free rate, volatility, and dividend yield.

For the measurement of the fair value of share options with employees at the grant date, the Group uses a binomial model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 37 to the Historical Financial Information.

Provision for expected credit losses on trade and bills receivables

The Group uses a provision matrix to calculate ECLs for trade and bills receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At the end of each reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade and bills receivables is disclosed in Note 22 to the Historical Financial Information.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental

costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

As of December 31, 2023, 2024, 2025 and March 31, 2026, no indications of impairment of non-financial assets (other than goodwill) of the Group were identified, given that (i) such assets of the Group were neither obsolete nor physically damaged, (ii) such assets of the Group were properly used by commercialised products to generate economic benefits, and (iii) such assets of the Group were properly used by R&D projects, which were progressed as planned and the losses incurred did not exceed the respective budgets.

Estimated useful lives and residual values of property, plant and equipment, and patents and customer relationship

The Group's management determines the estimated useful lives, residual values and related depreciation and amortisation charges for the Group's property, plant and equipment, patents and customer relationship with reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets. Management will revise the depreciation and amortisation charges where useful lives are different to that of previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives and actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation and amortisation charges in future periods.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and has three reportable operating segments as follows:

- (a) Life support product segment provides complete integration of advanced infusion equipment, anesthesia equipment, and associated consumables;
- (b) Minimally invasive intervention product segment provides high-tech medical devices designed for endoscopic procedures, boasting superior performance and advanced functionality; and
- (c) In vitro diagnostic ("IVD") medical device segment provides seamlessly integrated cutting-edge medical testing equipment with tailored reagents.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment gross profit.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

There were no separate segment assets and segment liabilities information provided to management, as management does not use this information to allocate resources or to evaluate the performance of the operating segments.

Year ended December 31, 2023

	Life support	Minimally invasive intervention	IVD	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue				
Revenue	564,146	586,545	162,606	1,313,297
Segment results	232,838	324,125	94,473	651,436
Reconciliation:				
Other income and gains				82,417
Selling and marketing expenses				(328,322)
Administrative expenses				(145,950)
Research and development expenses				(281,099)
Impairment on financial assets, net				(96)
Other expenses				(5,517)
Finance costs				(21,419)
Share of losses of an associate				(1,274)
Loss before tax				(49,824)

Year ended December 31, 2024

	Life support	Minimally invasive intervention	IVD	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue				
Revenue	494,057	721,327	183,977	1,399,361
Segment results	172,500	416,078	106,494	695,072
<u>Reconciliation:</u>				
Other income and gains				56,331
Selling and marketing expenses				(332,538)
Administrative expenses				(177,003)
Research and development expenses				(290,508)
Impairment on financial assets, net				(1,761)
Other expenses				(3,201)
Finance costs				(15,998)
Share of losses of an associate				(896)
Loss before tax				(70,502)

Year ended December 31, 2025

	Life support	Minimally invasive intervention	IVD	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue				
Revenue	613,406	812,207	193,539	1,619,152
Segment results	284,428	482,694	102,538	869,660
<u>Reconciliation:</u>				
Other income and gains				46,546
Selling and marketing expenses				(353,667)
Administrative expenses				(187,665)
Research and development expenses				(274,194)
Impairment on financial assets, net				(1,542)
Other expenses				(2,092)
Finance costs				(18,331)
Profit before tax				78,715

Three months ended March 31, 2026

	Life support	Minimally invasive intervention	IVD	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue				
Revenue	161,550	208,619	52,153	422,322
Segment results	72,569	128,858	27,777	229,204
<u>Reconciliation:</u>				
Other income and gains				7,160
Selling and marketing expenses				(95,425)
Administrative expenses				(59,471)
Research and development expenses				(68,211)
Impairment on financial assets, net				(244)
Other expenses				(6,143)
Finance costs				(3,539)
Profit before tax				3,331

Three months ended March 31, 2025 (unaudited)

	Life support	Minimally invasive intervention	IVD	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue				
Revenue	125,950	187,570	41,223	354,743
Segment results	52,544	110,174	19,077	181,795
<u>Reconciliation:</u>				
Other income and gains				8,449
Selling and marketing expenses				(78,118)
Administrative expenses				(35,692)
Research and development expenses				(61,726)
Impairment on financial assets, net				(218)
Other expenses				(756)
Finance costs				(3,455)
Profit before tax				10,279

Geographical information

(a) Revenue from external customers

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Chinese mainland	809,572	769,527	837,783	199,275	226,343
Europe, Middle East and Africa ("EMEA")	247,404	313,911	431,325	67,237	96,527
Asia Pacific Area ("APAC") (excluding Chinese mainland)	154,657	144,653	153,126	39,089	27,520
North America and South America ("AMER")	101,664	171,270	196,918	49,142	71,932
Total	1,313,297	1,399,361	1,619,152	354,743	422,322

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Chinese mainland	1,523,948	1,508,415	1,530,243	1,523,232
EMEA	149,731	184,125	187,674	179,352
APAC	250,092	254,997	268,032	264,195
Total	1,923,771	1,947,537	1,985,949	1,966,779

The non-current asset information above is based on the locations of the assets and excludes financial instruments.

Information about major customers

Since none of the Group's sales to a single customer amounted to 10% or more of the Group's revenue during the Relevant Periods, no major customer information in accordance with IFRS 8 *Operating Segments* is presented.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Revenue from contracts with customers	1,313,297	1,399,361	1,619,152	354,743	422,322

Revenue from contracts with customers

(a) Disaggregated revenue information

Year ended December 31, 2023

	Life support	Minimally invasive intervention	IVD	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Types of goods				
Sale of products	564,146	586,545	162,606	1,313,297
Geographical markets				
Chinese mainland	265,904	400,388	143,280	809,572
EMEA	125,579	115,350	6,475	247,404
APAC	102,316	47,945	4,396	154,657
AMER	70,347	22,862	8,455	101,664
Total revenue from contracts with customers.	564,146	586,545	162,606	1,313,297
Timing of revenue recognition				
Goods transferred at a point in time.	564,146	586,545	162,606	1,313,297

Year ended December 31, 2024

	Life support	Minimally invasive intervention	IVD	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Types of goods				
Sale of products	494,057	721,327	183,977	1,399,361
Geographical markets				
Chinese mainland	122,488	493,697	153,342	769,527
EMEA	147,058	152,480	14,373	313,911
APAC	94,810	43,773	6,070	144,653
AMER	129,701	31,377	10,192	171,270
Total revenue from contracts with customers.	494,057	721,327	183,977	1,399,361
Timing of revenue recognition				
Goods transferred at a point in time.	494,057	721,327	183,977	1,399,361

Year ended December 31, 2025

	Life support	Minimally invasive intervention	IVD	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Types of goods				
Sale of products	613,406	812,207	193,539	1,619,152
Geographical markets				
Chinese mainland	120,205	571,533	146,045	837,783
EMEA	253,390	150,279	27,656	431,325
APAC	100,505	44,464	8,157	153,126
AMER	139,306	45,931	11,681	196,918
Total revenue from contracts with customers.	613,406	812,207	193,539	1,619,152
Timing of revenue recognition				
Goods transferred at a point in time .	613,406	812,207	193,539	1,619,152

Three months ended March 31, 2026

	Life support	Minimally invasive intervention	IVD	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Types of goods				
Sale of products	161,550	208,619	52,153	422,322
Geographical markets				
Chinese mainland	36,196	151,564	38,583	226,343
EMEA	49,806	40,309	6,412	96,527
APAC	18,050	6,420	3,050	27,520
AMER	57,498	10,326	4,108	71,932
Total revenue from contracts with customers.	161,550	208,619	52,153	422,322
Timing of revenue recognition				
Goods transferred at a point in time .	161,550	208,619	52,153	422,322

Three months ended March 31, 2025 (unaudited)

	Life support	Minimally invasive intervention	IVD	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Types of goods				
Sale of products	125,950	187,570	41,223	354,743
Geographical markets				
Chinese mainland	30,585	135,305	33,385	199,275
EMEA	27,398	35,572	4,267	67,237
APAC	27,443	9,634	2,012	39,089
AMER	40,524	7,059	1,559	49,142
Total revenue from contracts with customers.	125,950	187,570	41,223	354,743
Timing of revenue recognition				
Goods transferred at a point in time .	125,950	187,570	41,223	354,743

The following table shows the amounts of revenue recognised in the Relevant Periods that were included in the contract liabilities at the beginning of those periods and recognised from performance obligations satisfied in previous periods:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the year/period:					
Sale of products	114,842	50,726	61,654	43,139	53,320
Total	114,842	50,726	61,654	43,139	53,320

(b) Performance obligations

Information about the Group's performance obligations is summarized below:

Sales of products

The performance obligation is satisfied upon delivery of the products for export sales and acceptance of the products for domestic sales. Payment is generally due within 1 to 3 months from delivery of the products or acceptance of the products based on the type of sales, where payment in advance is required for certain sales. Some contracts provide customers with a right of volume rebates which give rise to variable consideration subject to constraint.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) at December 31, 2023, 2024 and 2025 and March 31, 2025 and 2026 are as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Amounts expected to be recognised as revenue:					
Within one year	50,726	61,654	77,947	65,815	79,624
After one year	59,976	97,612	106,631	105,111	103,712
Total	110,702	159,266	184,578	170,926	183,336

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year mainly relate to advance payments received from a third party for the purchases of goods from the Group. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
<u>Other income</u>					
Government grants income* . . .	64,174	44,600	24,313	5,405	4,801
Bank interest income	2,974	6,122	4,675	795	1,472
Investment income on investments classified as financial assets at FVTPL . . .	1,940	1,163	4,568	599	439
Others	1,040	776	9,726	892	286
Total other income	70,128	52,661	43,282	7,691	6,998
<u>Gains</u>					
Foreign exchange gains, net . . .	10,918	1,733	2,097	–	–
Gain on disposal of property, plant and equipment	265	202	–	–	–
Gain on termination of lease . . .	–	353	948	–	–
Fair value gains on financial assets at FVTPL	1,106	1,382	219	758	162
Total gains	12,289	3,670	3,264	758	162
Total other income and gains . .	82,417	56,331	46,546	8,449	7,160

* The government grants mainly represent subsidies received from the government that are related to both expenses and assets. Government grants were released to profit or loss either over the periods that the expenses for which it is intended to compensate are expensed, or over the expected useful life of the relevant asset, when all attaching conditions and requirements are complied with.

6. OTHER EXPENSES

An analysis of other expenses is as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Fair value losses on financial liabilities at FVTPL	2,956	1,623	472	182	187
Donations	1,792	650	360	51	–
Loss on disposal of property, plant and equipment	–	–	970	495	216
Loss on termination of lease . . .	63	–	–	–	–
Foreign exchange losses, net . . .	–	–	–	28	5,740
Others	706	928	290	–	–
Total	5,517	3,201	2,092	756	6,143

7. (LOSS)/PROFIT BEFORE TAX

The Group's loss/(profit) before tax is arrived at after charging/(crediting):

Notes	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cost of inventory sold*	661,861	704,289	749,492	172,948	193,118
Depreciation of property, plant and equipment	37,628	38,786	38,229	9,073	11,178
Depreciation of right of use assets	29,300	30,971	28,652	6,561	7,670
Amortisation of intangible assets	48,900	52,522	52,816	13,660	13,479
Listing expenses	1,616	17,750	9,899	858	12,485
(Gain)/loss on disposal of property, plant and equipment 5/6	(265)	(202)	970	495	216
Loss/(gain) on termination of lease 6/5	63	(353)	(948)	–	–
Lease payments not included in the measurement of lease liabilities 16(c)	4,536	5,362	8,586	2,838	1,004
Fair value gains on financial assets at FVTPL 5	(1,106)	(1,382)	(219)	(758)	(162)
Fair value losses on financial liabilities at FVTPL 6	2,956	1,623	472	182	187
Government grants income 5	(64,174)	(44,600)	(24,313)	(5,405)	(4,801)
Foreign exchange (gains)/losses, net 5	(10,918)	(1,733)	(2,097)	28	5,740
Investment income on investments classified as financial assets at FVTPL 5	(1,940)	(1,163)	(4,568)	(599)	(439)
Bank interest income 5	(2,974)	(6,122)	(4,675)	(795)	(1,472)
Auditor's remuneration	1,266	1,558	1,190	550	550
Impairment on financial assets, net	96	1,761	1,542	218	244
Impairment on inventories, net	(2,083)	10,415	7,725	744	1,404
Employee benefit expenses (excluding directors' and chief executive's remuneration (Note 9))					
– Salaries, bonuses, allowances and benefits in kind	520,371	550,396	591,751	169,237	176,350
– Pension scheme contributions**	16,975	17,661	22,877	5,962	6,482
– Share-based payment expenses	56,936	35,214	39,231	4,221	19,527
Total employee benefit expenses	594,282	603,271	653,859	179,420	202,359

* Cost of inventories sold include expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets, amortization of intangible assets, impairment on inventories and employee benefit expense, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

8. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Interest on:					
Bank borrowings	16,619	10,490	13,177	2,325	2,173
Lease liabilities	4,800	5,508	5,154	1,130	1,366
Total	21,419	15,998	18,331	3,455	3,539

For the details of pre-IPO investments, please refer to Note 34 to the Historical Financial Information.

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration as recorded during the Relevant Periods and three months ended March 31, 2025 disclosed pursuant to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is set out below:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Fees	288	288	288	72	72
Other emoluments:					
Salaries, bonuses, allowances and benefits in kind	2,709	2,915	3,683	766	785
Pension scheme contributions . .	83	96	90	21	23
Share-based payment expenses .	7,183	18,608	28,651	4,792	5,538
Total other emoluments	9,975	21,619	32,424	5,579	6,346
Total fees and other emoluments	10,263	21,907	32,712	5,651	6,418

During the Relevant Periods and three months ended March 31, 2025, restricted share units were granted to directors, further details of which are included in the disclosures in Note 37 to the Historical Financial Information. The fair value of such awarded shares, which has been recognised in profit or loss, was determined as at the date of grant and the amount included in the Historical Financial Information.

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the Relevant Periods and three months ended March 31, 2025 are as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Mrs. Feng Ruiqing	96	48	–	–	–
Mr. Shao Liyang	96	96	96	24	24
Mr. Zhang Hanbin	96	96	96	24	24
Mr. Law Kwok Tai	–	48	96	24	24
Total	288	288	288	72	72

Mrs. Feng Ruiqing, Mr. Shao Liyang and Mr. Zhang Hanbin were appointed as independent non-executive directors of the Company from November 17, 2020. Mrs. Feng Ruiqing resigned as an independent non-executive director of the Company with effective from June 27, 2024 and Mr. Law Kwok Tai was appointed as an independent non-executive director of the Company from June 28, 2024.

(b) Executive directors, non-executive directors and the chief executive

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended December 31, 2023					
Executive director and chief executive:					
Mr. Liu Jie (<i>note (i)</i>) . . .	–	809	42	4,063	4,914
Executive directors:					
Mr. Zhong Yaoqi (<i>note (iii)</i>)	–	972	18	276	1,266
Mr. Yan Renzhong (<i>note (v)</i>)	–	922	18	1,691	2,631
Non-executive directors:					
Ms. Li Hui (<i>note (ii)</i>) . .	–	6	5	1,153	1,164
Mr. Zhou Yi (<i>note (iv)</i>) .	–	–	–	–	–
Mr. Zhang Jiecheng (<i>note (vi)</i>)	–	–	–	–	–
Total	–	2,709	83	7,183	9,975

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended December 31, 2024					
Executive director and chief executive:					
Mr. Liu Jie (<i>note (i)</i>) . . .	–	877	47	3,000	3,924

APPENDIX I

ACCOUNTANTS' REPORT

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors:					
Mr. Zhong Yaoqi (note (iii))	—	1,214	20	229	1,463
Mr. Yan Renzhong (note (v))	—	824	19	770	1,613
Non-executive directors:					
Ms. Li Hui (note (ii)) . .	—	—	10	14,609	14,619
Mr. Zhou Yi (note (iv)) .	—	—	—	—	—
Mr. Zhang Jiecheng (note (vi))	—	—	—	—	—
Total	—	2,915	96	18,608	21,619

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended December 31, 2025					
Executive director and chief executive:					
Mr. Liu Jie (note (i)). . .	—	1,034	48	13,037	14,119
Executive directors:					
Mr. Zhong Yaoqi (note (iii))	—	1,649	22	2,556	4,227
Mr. Yan Renzhong (note (v))	—	1,000	20	1,209	2,229
Non-executive directors:					
Ms. Li Hui (note (ii)) . .	—	—	—	11,849	11,849
Mr. Zhou Yi (note (iv)) .	—	—	—	—	—
Mr. Zhang Jiecheng (note (vi))	—	—	—	—	—
Total	—	3,683	90	28,651	32,424

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Three months ended March 31, 2026					
Executive director and chief executive:					
Mr. Liu Jie (note (i)). . .	—	214	12	2,769	2,995
Executive directors:					
Mr. Zhong Yaoqi (note (iii))	—	336	6	2,135	2,477
Mr. Yan Renzhong (note (v))	—	235	5	634	874

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Non-executive directors:					
Ms. Li Hui (<i>note (ii)</i>) . .	—	—	—	—	—
Mr. Zhou Yi (<i>note (iv)</i>) .	—	—	—	—	—
Mr. Zhang Jiecheng (<i>note (vi)</i>)	—	—	—	—	—
Total	—	785	23	5,538	6,346

	Fees	Salaries, bonuses, allowances and benefits in kind	Pension scheme contributions	Share-based payment expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Three months ended March 31, 2025 (unaudited)					
Executive director and chief executive:					
Mr. Liu Jie (<i>note (i)</i>) . .	—	209	12	1,534	1,755
Executive directors:					
Mr. Zhong Yaoqi (<i>note (iii)</i>)	—	329	4	63	396
Mr. Yan Renzhong (<i>note (v)</i>)	—	228	5	211	444
Non-executive directors:					
Ms. Li Hui (<i>note (ii)</i>) . .	—	—	—	2,984	2,984
Mr. Zhou Yi (<i>note (iv)</i>) .	—	—	—	—	—
Mr. Zhang Jiecheng (<i>note (vi)</i>)	—	—	—	—	—
Total	—	766	21	4,792	5,579

There was no arrangement under which the directors or the chief executive waived or agreed to waive any remuneration during the Relevant Periods and three months ended March 31, 2025.

Notes:

- (i) Mr. Liu Jie was appointed as an executive director, the chief executive of the Company and the chairman of the Board with effect from October 2016.
- (ii) Ms. Li Hui was appointed as a non-executive director of the Company with effect from December 2015.
- (iii) Mr. Zhong Yaoqi was appointed as an executive director of the Company with effect from October 2014.
- (iv) Mr. Zhou Yi was appointed as a non-executive director of the Company with effect from August 2016.
- (v) Mr. Yan Renzhong was appointed as an executive director of the Company with effect from November 2020.
- (vi) Mr. Zhang Jiecheng was appointed as a non-executive director of the Company with effect from November 2020.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods and three months ended March 31, 2025 included one, four, three, three and three directors, respectively, details of whose remuneration are set out in Note 9 above. Details of the remuneration for the remaining four, one, two, two and two highest paid employees who are neither a director nor chief executive of the Company during the Relevant Periods and three months ended March 31, 2025 are as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				<i>(unaudited)</i>	
Salaries, bonuses, allowances and benefits in kind	5,225	1,781	3,938	777	730
Pension scheme contributions . .	104	35	69	17	24
Share-based payment expenses .	6,999	165	3,977	861	1,293
Total	12,328	1,981	7,984	1,655	2,047

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
				<i>(unaudited)</i>	
HK\$500,001 to HK\$1,000,000 . .	–	–	–	2	1
HK\$1,000,001 to HK\$1,500,000 .	–	–	–	–	1
HK\$1,500,001 to HK\$2,000,000 .	–	–	–	–	–
HK\$2,000,001 to HK\$2,500,000 .	–	1	–	–	–
HK\$3,000,001 to HK\$3,500,000 .	3	–	1	–	–
HK\$3,500,001 to HK\$4,000,000 .	1	–	–	–	–
HK\$4,500,001 to HK\$5,000,000 .	–	–	1	–	–
Total	4	1	2	2	2

During the Relevant Periods and three months ended March 31, 2025, restricted share units were granted to four, one and two non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in Note 37 to the Historical Financial Information. The fair value of such restricted share units, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the Historical Financial Information for the Relevant Periods and three months ended March 31, 2025 is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

11. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

United Kingdom

The subsidiary incorporated in the United Kingdom is subject to income tax at a rate of 19% on the estimated assessable profits.

Netherlands

A subsidiary incorporated in the Netherlands is subject to income tax at a rate of 15% on the estimated assessable profits.

Hong Kong

The subsidiary incorporated in Hong Kong is subject to income tax at a rate of 16.5% on the estimated profits.

Chinese mainland

The provision for corporate income tax in Chinese mainland is based on the statutory rate of 25% of the taxable profits determined in accordance with the Corporate Income Tax Law which was approved and became effective on January 1, 2008, except for the company and certain subsidiaries of the Group in Chinese mainland which are granted tax concession and are taxed at preferential tax rates.

The company, Jiangsu Vedkang Medical Science and Technology Co., Ltd. (江蘇唯德康醫療科技有限公司), Changzhou Jiuhong Medical Instrument Co., Ltd. (常州市久虹醫療器械有限公司), Medcaptain Life Science Co., Ltd. (深圳麥科田生命科學有限公司), Shanghai Runpu Biotechnology Co., Ltd. (上海潤普生物技術有限公司), and Mabsky Biotech Co., Ltd. (深圳生科原生物有限公司) were qualified as High and New Technology Enterprises and entitled to a preferential income tax rate of 15% from 2021 to 2023. The renewal of the above qualifications for 2024 to 2026 was obtained in December 2024. These qualifications are subject to review by the relevant tax authority in Chinese mainland for every three years.

In addition, from 2023 to 2026, certain small and low-profit subsidiaries of the Group in Chinese mainland were entitled to a 75% discount on taxable income between RMB1,000,000 and RMB3,000,000, and total taxable income was taxed at a preferential tax rate of 20%.

The income tax expense of the Group for the Relevant Periods and three months ended March 31, 2025 is analysed as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Current income tax	22,098	34,771	36,980	8,448	7,501
Deferred income tax	(7,414)	(8,656)	(9,003)	(3,392)	(1,643)
Total	14,684	26,115	27,977	5,056	5,858

A reconciliation of the tax expense applicable to (loss)/profit before tax at the preferential tax rate for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the preferential tax rates) to the effective tax rates, are as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
(Loss)/profit before tax	(49,824)	(70,502)	78,715	10,279	3,331
Tax at the preferential tax rate of 15%	(7,474)	(10,575)	11,807	1,542	500
Effect of different tax rates enacted by local authorities	1,959	982	2,539	500	597
Additional deductible allowance for qualified research and development expenses	(34,532)	(40,763)	(38,813)	(8,822)	(9,544)
Deductible temporary difference and tax losses not recognised.	52,275	73,905	51,672	12,649	14,871
Tax losses utilised from previous periods	(3,323)	(1,103)	(2,738)	(1,568)	(906)
Loss attributable to an associate	191	134	—	—	—
Expenses not deductible for tax.	5,588	3,535	3,510	755	340
Tax charge at the Group's effective tax rate	14,684	26,115	27,977	5,056	5,858

12. DIVIDENDS

No dividend was paid or declared by the Company during the Relevant Periods.

13. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT**Basic and diluted (loss)/earnings per share**

The calculation of the basic (loss)/earnings per share amounts is based on the (loss)/profit attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the Relevant Periods and three months ended March 31, 2025.

During the Relevant Periods and three months ended March 31, 2025, no adjustment has been made to basic (loss)/earnings per share amounts in respect of a dilution as there were no potential dilutive shares.

The calculations of basic and diluted (loss)/earnings per share are based on:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
<u>(Loss)/profit</u>					
(Loss)/profit attributable to ordinary equity holders of the parent, used in the basic and diluted (loss)/earnings per share calculation	(63,709)	(96,400)	48,886	5,023	(3,100)

Number of shares

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	'000	'000	'000	'000 (unaudited)	'000
<u>Shares</u>					
Weighted average number of ordinary shares in issue during the year/period, used in the basic and diluted (loss)/earnings per share calculation	464,500	488,170	499,716	499,716	499,716

RMB per share

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
				(unaudited)	
(Loss)/earnings per share (basic and diluted)	(0.14)	(0.20)	0.10	0.01	(0.01)

For the details of pre-IPO investments, please refer to Note 34 to the Historical Financial Information.

14. PROPERTY, PLANT AND EQUIPMENT

The Group

	Buildings	Office equipment	Plant and machinery	Transportation equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
December 31, 2023							
At January 1, 2023:							
Cost	71,916	31,535	116,898	2,868	50,458	3,809	277,484
Accumulated depreciation and impairment	(6,309)	(16,467)	(43,028)	(2,156)	(30,909)	–	(98,869)
Net carrying amount	<u>65,607</u>	<u>15,068</u>	<u>73,870</u>	<u>712</u>	<u>19,549</u>	<u>3,809</u>	<u>178,615</u>
At January 1, 2023, net of accumulated depreciation	65,607	15,068	73,870	712	19,549	3,809	178,615
Additions	–	9,172	12,921	1,137	4,138	65,164	92,532
Transfers	124	–	3,190	–	–	(3,314)	–
Depreciation provided during the year	(5,009)	(8,309)	(16,500)	(400)	(7,410)	–	(37,628)
Disposals	–	(1,856)	(919)	(87)	(17)	–	(2,879)
Exchange realignment	–	185	354	7	69	–	615
At December 31, 2023, net of accumulated depreciation and impairment	<u>60,722</u>	<u>14,260</u>	<u>72,916</u>	<u>1,369</u>	<u>16,329</u>	<u>65,659</u>	<u>231,255</u>
At December 31, 2023:							
Cost	72,040	36,774	130,637	3,874	54,628	65,659	363,612
Accumulated depreciation and impairment	(11,318)	(22,514)	(57,721)	(2,505)	(38,299)	–	(132,357)
Net carrying amount	<u>60,722</u>	<u>14,260</u>	<u>72,916</u>	<u>1,369</u>	<u>16,329</u>	<u>65,659</u>	<u>231,255</u>
	Buildings	Office equipment	Plant and machinery	Transportation equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
December 31, 2024							
At January 1, 2024:							
Cost	72,040	36,774	130,637	3,874	54,628	65,659	363,612
Accumulated depreciation and impairment	(11,318)	(22,514)	(57,721)	(2,505)	(38,299)	–	(132,357)
Net carrying amount	<u>60,722</u>	<u>14,260</u>	<u>72,916</u>	<u>1,369</u>	<u>16,329</u>	<u>65,659</u>	<u>231,255</u>
At January 1, 2024, net of accumulated depreciation and impairment	60,722	14,260	72,916	1,369	16,329	65,659	231,255
Additions	–	7,443	23,028	–	208	121,482	152,161

APPENDIX I

ACCOUNTANTS' REPORT

	Buildings	Office equipment	Plant and machinery	Transportation equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Transfers	–	–	1,001	–	–	(1,001)	–
Depreciation provided during the year	(3,325)	(5,426)	(21,307)	(338)	(8,390)	–	(38,786)
Disposals	–	(389)	(1,480)	–	(2)	–	(1,871)
Exchange realignment	–	22	(13)	(1)	(34)	–	(26)
At December 31, 2024, net of accumulated depreciation and impairment	57,397	15,910	74,145	1,030	8,111	186,140	342,733
At December 31, 2024:							
Cost	72,040	41,547	148,641	3,871	54,688	186,140	506,927
Accumulated depreciation and impairment	(14,643)	(25,637)	(74,496)	(2,841)	(46,577)	–	(164,194)
Net carrying amount	57,397	15,910	74,145	1,030	8,111	186,140	342,733
	Buildings	Office equipment	Plant and machinery	Transportation equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2025							
At January 1, 2025:							
Cost	72,040	41,547	148,641	3,871	54,688	186,140	506,927
Accumulated depreciation and impairment	(14,643)	(25,637)	(74,496)	(2,841)	(46,577)	–	(164,194)
Net carrying amount	57,397	15,910	74,145	1,030	8,111	186,140	342,733
At January 1, 2025, net of accumulated depreciation and impairment	57,397	15,910	74,145	1,030	8,111	186,140	342,733
Additions	–	3,912	21,808	1,164	790	35,319	62,993
Acquisition of subsidiaries	–	1,645	3,269	–	19	–	4,933
Transfers	213,005	–	3,230	–	–	(216,235)	–
Depreciation provided during the year	(6,696)	(5,065)	(20,871)	(380)	(5,217)	–	(38,229)
Disposals	–	(170)	(1,144)	(28)	–	–	(1,342)
Exchange realignment	–	81	159	–	32	–	272
At December 31, 2025, net of accumulated depreciation and impairment	263,706	16,313	80,596	1,786	3,735	5,224	371,360

APPENDIX I

ACCOUNTANTS' REPORT

	Buildings	Office equipment	Plant and machinery	Transportation equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2025							
Cost	285,045	45,831	199,678	4,736	55,713	5,224	596,227
Accumulated depreciation and impairment	(21,339)	(29,518)	(119,082)	(2,950)	(51,978)	–	(224,867)
Net carrying amount .	<u>263,706</u>	<u>16,313</u>	<u>80,596</u>	<u>1,786</u>	<u>3,735</u>	<u>5,224</u>	<u>371,360</u>
	Buildings	Office equipment	Plant and machinery	Transportation equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At March 31, 2026							
At January 1, 2026:							
Cost	285,045	45,831	199,678	4,736	55,713	5,224	596,227
Accumulated depreciation and impairment	(21,339)	(29,518)	(119,082)	(2,950)	(51,978)	–	(224,867)
Net carrying amount .	<u>263,706</u>	<u>16,313</u>	<u>80,596</u>	<u>1,786</u>	<u>3,735</u>	<u>5,224</u>	<u>371,360</u>
At January 1, 2026, net of accumulated depreciation and impairment	263,706	16,313	80,596	1,786	3,735	5,224	371,360
Additions	–	745	9,127	–	–	7,273	17,145
Transfers	688	–	–	–	–	(688)	–
Depreciation provided during the year	(3,381)	(1,203)	(5,663)	(142)	(789)	–	(11,178)
Disposals	–	(61)	(324)	–	–	–	(385)
Exchange realignment	–	(106)	(154)	–	(2)	–	(262)
At March 31, 2026, net of accumulated depreciation and impairment	<u>261,013</u>	<u>15,688</u>	<u>83,582</u>	<u>1,644</u>	<u>2,944</u>	<u>11,809</u>	<u>376,680</u>
At March 31, 2026							
Cost	285,733	45,641	207,057	4,736	54,315	11,809	609,291
Accumulated depreciation and impairment	(24,720)	(29,953)	(123,475)	(3,092)	(51,371)	–	(232,611)
Net carrying amount .	<u>261,013</u>	<u>15,688</u>	<u>83,582</u>	<u>1,644</u>	<u>2,944</u>	<u>11,809</u>	<u>376,680</u>

* At the end of each Relevant Periods, certain Group's buildings with net carrying amounts of approximately RMB14,538,000, RMB13,833,000, RMB222,295,000 and RMB220,198,000, respectively, were pledged to secure certain bank borrowings of the Group (Note 30).

The Company

	Office equipment	Plant and machinery	Transportation equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
December 31, 2023						
At January 1, 2023:						
Cost	11,725	47,182	1,276	16,130	773	77,086
Accumulated depreciation . . .	(7,872)	(16,365)	(1,075)	(7,014)	–	(32,326)
Net carrying amount	3,853	30,817	201	9,116	773	44,760
At January 1, 2023, net of accumulated depreciation . . .	3,853	30,817	201	9,116	773	44,760
Additions	7,583	4,778	1,137	138	1,470	15,106
Transfers	–	1,303	–	–	(1,303)	–
Depreciation provided during the year	(3,147)	(7,552)	(227)	(3,135)	–	(14,061)
Disposals	(147)	(692)	–	–	–	(839)
At December 31, 2023, net of accumulated depreciation . . .	8,142	28,654	1,111	6,119	940	44,966
At December 31, 2023:						
Cost	18,345	52,435	2,413	16,268	940	90,401
Accumulated depreciation . . .	(10,203)	(23,781)	(1,302)	(10,149)	–	(45,435)
Net carrying amount	8,142	28,654	1,111	6,119	940	44,966
	Office equipment	Plant and machinery	Transportation equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
December 31, 2024						
At January 1, 2024:						
Cost	18,345	52,435	2,413	16,268	940	90,401
Accumulated depreciation . . .	(10,203)	(23,781)	(1,302)	(10,149)	–	(45,435)
Net carrying amount	8,142	28,654	1,111	6,119	940	44,966
At January 1, 2024, net of accumulated depreciation . . .	8,142	28,654	1,111	6,119	940	44,966
Additions	6,152	11,977	–	–	–	18,129
Transfers	–	217	–	–	(217)	–
Depreciation provided during the year	(3,036)	(8,527)	(270)	(3,017)	–	(14,850)
Disposals	(222)	(880)	–	–	–	(1,102)
At December 31, 2024, net of accumulated depreciation . . .	11,036	31,441	841	3,102	723	47,143
At December 31, 2024:						
Cost	24,086	62,528	2,413	16,268	723	106,018
Accumulated depreciation . . .	(13,050)	(31,087)	(1,572)	(13,166)	–	(58,875)
Net carrying amount	11,036	31,441	841	3,102	723	47,143

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ACCOUNTANTS' REPORT

	Office equipment	Plant and machinery	Transportation equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2025						
At January 1, 2025:						
Cost	24,086	62,528	2,413	16,268	723	106,018
Accumulated depreciation	(13,050)	(31,087)	(1,572)	(13,166)	–	(58,875)
Net carrying amount	<u>11,036</u>	<u>31,441</u>	<u>841</u>	<u>3,102</u>	<u>723</u>	<u>47,143</u>
At January 1, 2025, net of						
accumulated depreciation	11,036	31,441	841	3,102	723	47,143
Additions	2,088	8,355	–	105	87	10,635
Transfers	–	174	–	–	(174)	–
Depreciation provided during the						
year	(2,990)	(9,880)	(271)	(1,919)	–	(15,060)
Disposals	(53)	(480)	–	–	–	(533)
At December 31, 2025, net of						
accumulated depreciation	<u>10,081</u>	<u>29,610</u>	<u>570</u>	<u>1,288</u>	<u>636</u>	<u>42,185</u>
At December 31, 2025:						
Cost	25,657	69,595	2,413	16,373	636	114,674
Accumulated depreciation	(15,576)	(39,985)	(1,843)	(15,085)	–	(72,489)
Net carrying amount	<u>10,081</u>	<u>29,610</u>	<u>570</u>	<u>1,288</u>	<u>636</u>	<u>42,185</u>
	Office equipment	Plant and machinery	Transportation equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At March 31, 2026						
At January 1, 2026:						
Cost	25,657	69,595	2,413	16,373	636	114,674
Accumulated depreciation	(15,576)	(39,985)	(1,843)	(15,085)	–	(72,489)
Net carrying amount	<u>10,081</u>	<u>29,610</u>	<u>570</u>	<u>1,288</u>	<u>636</u>	<u>42,185</u>
At January 1, 2026, net of						
accumulated depreciation	10,081	29,610	570	1,288	636	42,185
Additions	266	1,495	–	–	–	1,761
Transfers	–	256	–	–	(256)	–
Depreciation provided during the						
year	(666)	(2,552)	(68)	(483)	–	(3,769)
Disposals	(8)	(140)	–	–	–	(148)
At March 31, 2026, net of						
accumulated depreciation	<u>9,673</u>	<u>28,669</u>	<u>502</u>	<u>805</u>	<u>380</u>	<u>40,029</u>
At March 31, 2026:						
Cost	25,860	71,113	2,413	16,373	380	116,139
Accumulated depreciation	(16,187)	(42,444)	(1,911)	(15,568)	–	(76,110)
Net carrying amount	<u>9,673</u>	<u>28,669</u>	<u>502</u>	<u>805</u>	<u>380</u>	<u>40,029</u>

15. INTANGIBLE ASSETS

The Group

	Patents	Software	Customer relationship	Brands	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
December 31, 2023					
At January 1, 2023:					
Cost	245,062	11,866	231,000	195,152	683,080
Accumulated amortisation and impairment	(43,075)	(4,435)	(17,325)	–	(64,835)
Net carrying amount	<u>201,987</u>	<u>7,431</u>	<u>213,675</u>	<u>195,152</u>	<u>618,245</u>
At January 1, 2023, net of accumulated amortisation and impairment	201,987	7,431	213,675	195,152	618,245
Additions	17,000	2,586	–	–	19,586
Disposals	–	(39)	–	–	(39)
Exchange realignment	3,363	–	–	5,176	8,539
Amortisation provided during the year	(22,159)	(3,641)	(23,100)	–	(48,900)
At December 31, 2023, net of accumulated amortisation and impairment	<u>200,191</u>	<u>6,337</u>	<u>190,575</u>	<u>200,328</u>	<u>597,431</u>
At December 31, 2023:					
Cost	265,944	14,353	231,000	200,328	711,625
Accumulated amortisation and impairment	(65,753)	(8,016)	(40,425)	–	(114,194)
Net carrying amount	<u>200,191</u>	<u>6,337</u>	<u>190,575</u>	<u>200,328</u>	<u>597,431</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
December 31, 2024					
At January 1, 2024:					
Cost	265,944	14,353	231,000	200,328	711,625
Accumulated amortisation and impairment	(65,753)	(8,016)	(40,425)	–	(114,194)
Net carrying amount	<u>200,191</u>	<u>6,337</u>	<u>190,575</u>	<u>200,328</u>	<u>597,431</u>
At January 1, 2024, net of accumulated amortisation and impairment	200,191	6,337	190,575	200,328	597,431
Additions	–	5,749	–	–	5,749
Disposals	(959)	–	–	–	(959)
Exchange realignment	201	(15)	–	284	470
Amortisation provided during the year	(24,300)	(5,122)	(23,100)	–	(52,522)

	Patents	Software	Customer relationship	Brands	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At December 31, 2024, net of accumulated amortisation and impairment	175,133	6,949	167,475	200,612	550,169
At December 31, 2024:					
Cost	265,254	20,701	231,000	200,612	717,567
Accumulated amortisation and impairment	(90,121)	(13,752)	(63,525)	–	(167,398)
Net carrying amount	175,133	6,949	167,475	200,612	550,169
	Patents	Software	Customer relationship	Brands	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At December 31, 2025					
At January 1, 2025:					
Cost	265,254	20,701	231,000	200,612	717,567
Accumulated depreciation and impairment	(90,121)	(13,752)	(63,525)	–	(167,398)
Net carrying amount	175,133	6,949	167,475	200,612	550,169
At January 1, 2025, net of accumulated depreciation and impairment	175,133	6,949	167,475	200,612	550,169
Additions	–	7,718	–	–	7,718
Acquisition of subsidiaries	2,900	2,672	–	–	5,572
Exchange realignment . . .	1,522	114	–	2,865	4,501
Amortisation provided during the year	(24,736)	(4,980)	(23,100)	–	(52,816)
At December 31, 2025, net of accumulated depreciation and impairment	154,819	12,473	144,375	203,477	515,144
At December 31, 2025					
Cost	285,303	33,311	231,000	203,477	753,091
Accumulated depreciation and impairment	(130,484)	(20,838)	(86,625)	–	(237,947)
Net carrying amount	154,819	12,473	144,375	203,477	515,144

	Patents	Software	Customer relationship	Brands	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At March 31, 2026					
At January 1, 2026:					
Cost	285,303	33,311	231,000	203,477	753,091
Accumulated depreciation and impairment	(130,484)	(20,838)	(86,625)	–	(237,947)
Net carrying amount	<u>154,819</u>	<u>12,473</u>	<u>144,375</u>	<u>203,477</u>	<u>515,144</u>
At January 1, 2026, net of accumulated depreciation and impairment	154,819	12,473	144,375	203,477	515,144
Additions	–	1,424	–	–	1,424
Exchange realignment . . .	(1,126)	(138)	–	(2,542)	(3,806)
Amortisation provided during the year	(6,298)	(1,406)	(5,775)	–	(13,479)
At March 31, 2026, net of accumulated depreciation and impairment	<u>147,395</u>	<u>12,353</u>	<u>138,600</u>	<u>200,935</u>	<u>499,283</u>
At March 31, 2026					
Cost	283,397	34,548	231,000	200,935	749,880
Accumulated depreciation and impairment	(136,002)	(22,195)	(92,400)	–	(250,597)
Net carrying amount	<u>147,395</u>	<u>12,353</u>	<u>138,600</u>	<u>200,935</u>	<u>499,283</u>

Customer relationship was identified in connection with our acquisition of Vedkang Medical, which is comprised of the long-term and robust cooperative partnerships with over 400 distributors. Customer relationship was recognized as an intangible asset on the basis that (i) they are separately identifiable as there were 1 to 5 years contractual distribution agreements between Vedkang Medical and distributors; (ii) economic benefits are more than likely to be generated from these distributors through stable revenue over an extended period, considering the high industry entry barriers, strong physician usage stickiness, and high switching costs for end-hospital procurement nature of the market; and (iii) fair value of the customer relationship was evaluated by an independent valuer using the income approach. The useful life of such customer relationships was determined to be ten years, taking into consideration a range of factors including the useful lives of similar intangible assets in comparable transactions, historical customer data, and the management's experience and understanding of the industry. These customer relationships represent a key component of Vedkang Medical's historical business foundation and are expected to continue contributing to our revenue generation.

Patents were identified through the acquisitions of Vedkang Medical, Penlon and Caring Medical. Given the continued contribution of these patents to our product R&D development, and their contribution to product commercialization that generates future economic benefits, we have classified them as intangible assets based on the fair value determined by an independent valuer using the income approach. The useful life of patents was determined by taking into consideration a range of factors, including the residual duration of patent right and the management's expectation of the economic benefits generating period.

Brands were identified from the acquisitions of Vedkang Medical and Penlon. The Group is unable to predict the useful life during which the Brands will bring economic benefits to the Group, and thus recognises Brands as an intangible asset with an indefinite useful life. For the years ended December 31, 2023, 2024, 2025 and three months ended March 31, 2026, the Group performed impairment tests over Brands based on whether the recoverable amount of the Group's Brands can be reliably estimated. The recoverable amount was determined based on the present value of expected future cash flows.

The carrying amount of brands with indefinite useful lives allocated to each of the CGUs is as follows:

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Vedkang Medical	128,000	128,000	128,000	128,000
Penlon	72,328	72,612	75,477	75,477
Total	200,328	200,612	203,477	203,477

For the Brand identified through acquiring Jiangsu Vedkang Medical Science & Technology Co., Ltd., the present value of the future cash flows was determined in accordance with a five-year forecast approved by the management. The pre-tax discount rates applied were 12.92%, 12.31%, 12.93% and 12.94% for the years ended December 31, 2023, 2024, 2025 and three months ended March 31, 2026, respectively, which has already reflected the specific risks of the relevant assets. Cash flows after the forecast period were extrapolated at a long-term average growth rate of 2%. As such, the headroom was RMB1,232,933,000, RMB1,411,148,000, RMB1,428,041,000 and RMB1,411,471,000 respectively, as at December 31, 2023, 2024, 2025 and March 31, 2026, and a decrease in the revenue growth rate by 69.4%, 74.0%, 67.6% and 67.2% would cause the carrying amount to exceed its recoverable amount for the years ended December 31, 2023, 2024, 2025 and three months ended March 31, 2026, respectively. Any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

For the Brand identified through acquiring Penlon, the present value of the future cash flows was determined in accordance with a five-year forecast approved by the management. The pre-tax discount rates applied were 13.25%, 13.54%, 14.15% and 14.39% for the years ended December 31, 2023, 2024, 2025 and three months ended March 31, 2026, respectively, which has already reflected the specific risks of the relevant assets. Cash flows after the forecast period were extrapolated at a long-term average growth rate of 2%. As such, the headroom was RMB54,446,000, RMB64,529,000, RMB54,729,000, and RMB49,958,000 respectively, as at December 31, 2023, 2024, 2025 and March 31, 2026, and a decrease in the revenue growth rate by 31.5%, 36.7%, 33.8% and 31.8% would cause the carrying amount to exceed its recoverable amount for the years ended December 31, 2023, 2024 and 2025 and three months ended March 31, 2026, respectively. Any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

For the years ended December 31, 2023, 2024, 2025 and three months ended March 31, 2026, the Group did not recognise any impairment losses for Brands as the recoverable amounts were greater than the carrying amounts.

The Company

	Patents	Software	Total
	RMB'000	RMB'000	RMB'000
At December 31, 2023			
At January 1, 2023			
Cost	19	8,533	8,552
Accumulated amortisation.	(19)	(3,425)	(3,444)
Net carrying amount	—	5,108	5,108
At January 1, 2023, net of accumulated amortisation	—	5,108	5,108
Additions	17,000	1,682	18,682
Amortisation provided during the year	—	(2,221)	(2,221)

	Patents	Software	Total
	RMB'000	RMB'000	RMB'000
At December 31, 2023, net of accumulated amortisation	17,000	4,569	21,569
At December 31, 2023			
Cost	17,019	10,215	27,234
Accumulated amortisation.	(19)	(5,646)	(5,665)
Net carrying amount	17,000	4,569	21,569
	Patents	Software	Total
	RMB'000	RMB'000	RMB'000
At December 31, 2024			
At January 1, 2024			
Cost	17,019	10,215	27,234
Accumulated amortisation.	(19)	(5,646)	(5,665)
Net carrying amount	17,000	4,569	21,569
At January 1, 2024, net of accumulated amortisation	17,000	4,569	21,569
Additions	–	3,069	3,069
Amortisation provided during the year	(2,007)	(3,376)	(5,383)
Disposals	(959)	–	(959)
At December 31, 2024, net of accumulated amortisation	14,034	4,262	18,296
At December 31, 2024			
Cost	16,060	13,284	29,344
Accumulated amortisation.	(2,026)	(9,022)	(11,048)
Net carrying amount	14,034	4,262	18,296
	Patents	Software	Total
	RMB'000	RMB'000	RMB'000
At December 31, 2025:			
At January 1, 2025:			
Cost	16,060	13,284	29,344
Accumulated depreciation.	(2,026)	(9,022)	(11,048)
Net carrying amount	14,034	4,262	18,296
At January 1, 2025, net of accumulated depreciation	14,034	4,262	18,296
Additions	–	6,414	6,414
Amortisation provided during the year	(2,006)	(3,686)	(5,692)
At December 31, 2025, net of accumulated depreciation	12,028	6,990	19,018
At December 31, 2025			
Cost	16,060	19,698	35,758
Accumulated amortisation.	(4,032)	(12,708)	(16,740)
Net carrying amount	12,028	6,990	19,018

	Patents	Software	Total
	RMB'000	RMB'000	RMB'000
At March 31, 2026:			
At January 1, 2026:			
Cost	16,060	19,698	35,758
Accumulated depreciation	(4,032)	(12,708)	(16,740)
Net carrying amount	12,028	6,990	19,018
At January 1, 2026, net of accumulated depreciation	12,028	6,990	19,018
Additions	—	467	467
Amortisation provided during the year	(501)	(935)	(1,436)
At March 31, 2026, net of accumulated depreciation	11,527	6,522	18,049
At March 31, 2026			
Cost	16,060	20,166	36,226
Accumulated amortisation	(4,533)	(13,644)	(18,177)
Net carrying amount	11,527	6,522	18,049

16. LEASES

The Group as a lessee

The Group has lease contracts for various items of plant, offices and laboratory, and leasehold land. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of plant, offices and laboratories generally have lease term between 2 and 15 years.

(a) Right-of-use assets

The carrying amounts of right-of-use assets and the movements during the reporting periods are as follows:

	Plant, offices and laboratories	Leasehold land	Total
	RMB'000	RMB'000	RMB'000
At January 1, 2023	77,734	62,818	140,552
Additions	7,764	—	7,764
Termination	(535)	—	(535)
Modification	46,284	—	46,284
Depreciation charge	(27,992)	(1,308)	(29,300)
Exchange realignment	2,160	—	2,160
At December 31, 2023	105,415	61,510	166,925
At January 1, 2024	105,415	61,510	166,925
Additions	5,279	—	5,279
Termination	(2,576)	—	(2,576)
Depreciation charge	(29,663)	(1,308)	(30,971)
Exchange realignment	145	—	145
At December 31, 2024	78,600	60,202	138,802
At January 1, 2025	78,600	60,202	138,802
Additions	57,505	—	57,505
Acquisition of subsidiaries	267	—	267
Termination	(3,743)	—	(3,743)
Depreciation charge	(27,344)	(1,308)	(28,652)
Exchange realignment	2,126	—	2,126
At December 31, 2025	107,411	58,894	166,305

	Plant, offices and laboratories	Leasehold land	Total
	RMB'000	RMB'000	RMB'000
At January 1, 2026	107,411	58,894	166,305
Additions	502	—	502
Depreciation charge	(7,262)	(408)	(7,670)
Exchange realignment	(1,650)	—	(1,650)
At March 31, 2026	99,001	58,486	157,487

* At the end of each Relevant Periods, certain Group's Leasehold land with net carrying amounts of approximately RMB49,306,000, RMB48,298,000, RMB47,290,000 and RMB47,038,000 respectively, were pledged to secure certain bank borrowings of the Group (Note 30).

(b) *Lease liabilities*

The carrying amounts of lease liabilities and the movements during the reporting periods are as follows:

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount at January 1.	84,479	112,689	87,253	116,138
New leases	7,764	5,279	57,505	502
Acquisition of subsidiaries . .	—	—	283	—
Termination	(472)	(2,929)	(4,691)	—
Modification	46,284	—	—	—
Accretion of interest recognised during the year/period	4,800	5,508	5,154	1,366
Lease payments	(31,974)	(33,373)	(31,717)	(10,353)
Exchange realignment	1,808	79	2,351	(1,951)
Carrying amount at the end of the year/period	112,689	87,253	116,138	105,702
Analysed into:				
Current portion	26,946	19,974	22,897	18,616
Non-current portion	85,743	67,279	93,241	87,086
Total	112,689	87,253	116,138	105,702

The maturity analysis of lease liabilities is disclosed in Note 44 to the Historical Financial Information.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Expenses relating to short-term leases	4,536	5,362	8,586	2,838	1,004
Interest on lease liabilities	4,800	5,508	5,154	1,130	1,366
Loss/(gains) on termination of lease	63	(353)	(948)	—	—

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Depreciation charge of right-of-use assets	29,300	30,971	28,652	6,561	7,670
Total amount recognised in profit or loss. . . .	38,699	41,488	41,444	10,529	10,040

(d) The total cash outflows for leases are disclosed in Note 38(c) to the Historical Financial Information.

The Company as a lessee

The Company has lease contracts for various items of factory, offices and laboratory. Leases of factory, offices and laboratory generally have lease term between 2 and 7 years.

(a) *Right-of-use assets*

The carrying amounts of right-of-use assets and the movements during the reporting periods are as follows:

	Factory, offices and laboratory
	RMB'000
At January 1, 2023	37,123
Additions	3,407
Modification	(535)
Depreciation charge	(13,398)
At December 31, 2023	26,597
At January 1, 2024	26,597
Additions	1,477
Termination	(97)
Depreciation charge	(13,468)
At December 31, 2024	14,509
At January 1, 2025	14,509
Additions	25,339
Termination	(1,814)
Depreciation charge	(11,538)
At December 31, 2025	26,496
At January 1, 2026	26,496
Additions	502
Depreciation charge	(3,304)
At March 31, 2026	23,694

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the reporting periods are as follows:

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount at January 1.	40,737	30,033	16,946	27,915
New leases	3,407	1,477	25,339	502
Termination	(472)	(90)	(1,955)	–
Accretion of interest recognised during the year/period	2,252	1,296	1,018	249
Lease payments	(15,891)	(15,770)	(13,433)	(4,236)
Carrying amount at the end of the year/period	30,033	16,946	27,915	24,430
Analysed into:				
Current portion	13,863	9,580	11,429	9,008
Non-current portion	16,170	7,366	16,486	15,422
Total	30,033	16,946	27,915	24,430

17. GOODWILL

RMB'000

At January 1, 2023	
Cost	988,087
Accumulated impairment	(83,430)
Net carrying amount	904,657
Cost at January 1, 2023, net of accumulated impairment	904,657
Exchange realignment	817
At December 31, 2023	905,474
At December 31, 2023 and January 1, 2024	
Cost	988,904
Accumulated impairment	(83,430)
Net carrying amount	905,474
Cost at January 1, 2024, net of accumulated impairment	905,474
Exchange realignment	43
At December 31, 2024	905,517
At December 31, 2024 and January 1, 2025	
Cost	988,947
Accumulated impairment	(83,430)
Net carrying amount	905,517
Cost at January 1, 2025, net of accumulated impairment	905,517
Addition	22,254
Exchange realignment	454
At December 31, 2025	928,225

RMB'000

At December 31, 2025	
Cost	1,011,655
Accumulated impairment	(83,430)
Net carrying amount	928,225
Cost at January 1, 2026, net of accumulated impairment	928,225
Exchange realignment	(470)
At March 31, 2026	927,755
At March 31, 2026	
Cost	1,011,185
Accumulated impairment	(83,430)
Net carrying amount	927,755

Impairment testing of goodwill

Goodwill acquired through business combinations was allocated to the following cash-generating units ("CGUs") for impairment testing:

- Vedkang Medical cash-generating unit*
- Penlon cash-generating unit
- Vedefar cash-generating unit**

The carrying amounts of goodwill allocated to each of the CGUs are as follows:

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Vedkang Medical	894,049	894,049	914,429	914,429
Penlon	11,425	11,468	11,922	11,521
Vedefar	—	—	1,874	1,805
Total	905,474	905,517	928,225	927,755

Vedkang Medical cash-generating unit

The recoverable amount of the cash-generating unit named Vedkang Medical was determined based on a value-in-use calculation using cash flow projections based on financial forecasts covering a five-year period approved by senior management. The discount rates applied to the cash flow projections were 12.92%, 12.31%, 12.93% and 12.94% for the years ended December 31, 2023, 2024, 2025, and three months ended March 31, 2026, respectively. The growth rate used to extrapolate the cash flows beyond the five-year period was 2% for the years ended December 31, 2023, 2024, 2025 and three months ended March 31, 2026. The growth rate is based on management's expectations and does not exceed the long-term average growth rate for the industry relevant to the CGU.

* On September 23, 2025, the Group acquired 100.00% ownership of Suzhou Caring Medical Co., Ltd. ("Caring Medical") and goodwill identified was allocated to the Vedkang Medical cash-generating unit.

** On June 17, 2025, the Group acquired 100.00% ownership of Vedefar.

In the opinion of the Company's management, the headroom was RMB338,883,000, RMB517,099,000, RMB513,611,000, and RMB497,040,000, respectively, as at December 31, 2023, 2024, 2025, and March 31, 2026, and a decrease in the revenue growth rate by 19.1%, 27.1%, 24.3% and 23.7% would cause the carrying amount of the cash-generating unit to exceed its recoverable amount for the years ended December 31, 2023, 2024, 2025, and three months ended March 31, 2026, respectively. Any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

Penlon cash-generating unit

The recoverable amount of the cash-generating unit named Penlon was determined based on a value-in-use calculation using cash flow projections based on financial forecasts covering a five-year period approved by senior management. The discount rates applied to the cash flow projections were 13.25%, 13.54%, 14.15% and 14.39% for the years ended December 31, 2023, 2024, 2025, and three months ended March 31, 2026, respectively. The growth rate used to extrapolate the cash flows beyond the five-year period was 2% for the years ended December 31, 2023, 2024, 2025, and three months ended March 31, 2026. The growth rate is based on management's expectations and does not exceed the long-term average growth rate for the industry relevant to the CGU.

In the opinion of the Company's management, the headroom was RMB43,021,000, RMB53,059,000, RMB42,807,000 and RMB38,437,000 respectively, as at December 31, 2023, 2024, 2025, and three months ended March 31, 2026, and a decrease in the revenue growth rate by 24.8%, 30.0%, 26.5% and 25.0% would cause the carrying amount of the cash-generating unit to exceed its recoverable amount for the years ended December 31, 2023, 2024, 2025 and three months ended March 31, 2026, respectively. Any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

Assumptions were used in the value in use calculation of the CGUs for the years ended December 31, 2023, 2024, 2025 and three months ended March 31, 2026. The following describes each key assumptions on which management has based its cash flow budgets to undertake impairment testing of goodwill:

- Budgeted revenue: the basis used to determine the budgeted revenue is based on management's expectation of the business and market development.
- Budgeted gross margins: the basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development.
- Discount rates: the discount rates used are before tax and reflect specific risks relating to the relevant units.
- Terminal growth rate: the budgeted terminal growth rate is based on management's expectations of the market development and does not exceed the long-term average growth rate for the industry relevant to the CGUs.

The values assigned to the key assumptions on market development of each of the CGUs, discount rates and terminal growth rate are consistent with external information sources.

18. INVESTMENT IN AN ASSOCIATE

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Share of net assets	7,300	—	—	—

The Group's shareholdings in the associate held through a wholly-owned subsidiary of the Company.

It was fully disposed on March 2024.

The following table illustrates the financial information of the Group's associate that is not material:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Share of the associate's loss for the year	1,274	896	—	—	—
Share of the associate's total comprehensive loss	1,274	896	—	—	—
Aggregate carrying amount of the Group's investment in the associate	7,300	—	—	—	—

19. EQUITY INVESTMENTS DESIGNATED AT FVOCI

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Unlisted equity investments, at fair value:				
Changzhou Medical Instrument Institute Co., Ltd.	645	645	645	645

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature. Management has assessed that the fair value is approximate to its carrying amounts. The related changes in fair values are reasonable and immaterial.

20. OTHER NON-CURRENT ASSETS

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments for property, plant and equipment	15,055	6,350	4,915	5,574
Deposits	9,058	7,947	8,249	8,955
Prepaid listing expenses	331	3,966	—	—
Total	24,444	18,263	13,164	14,529

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments for property, plant and equipment	5,839	4,945	2,478	4,014
Deposits	6,669	5,326	5,626	6,169
Prepaid listing expenses	331	3,966	—	—
Total	12,839	14,237	8,104	10,183

21. INVENTORIES

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Raw materials	107,747	98,700	109,142	107,866
Work in progress	49,340	69,350	77,468	82,464
Finished goods	95,500	88,704	108,149	98,129
Subtotal	252,587	256,754	294,759	288,459
Impairment allowances on inventories	(15,630)	(26,542)	(31,321)	(34,641)
Total	236,957	230,212	263,438	253,818

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Raw materials	24,955	30,674	34,655	34,294
Work in progress	23,023	41,237	39,417	43,453
Finished goods	22,805	37,421	36,605	37,538
Subtotal	70,783	109,332	110,677	115,285
Impairment allowances on inventories	(8,167)	(11,995)	(17,805)	(22,986)
Total	62,616	97,337	92,872	92,299

22. TRADE AND BILLS RECEIVABLES

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Bills receivable*	90	819	110	47
Trade receivables	106,820	135,543	171,462	173,910
Subtotal	106,910	136,362	171,572	173,957
Impairment losses	(2,135)	(3,289)	(3,338)	(3,440)
Net carrying amount	104,775	133,073	168,234	170,517

* Bills receivable are subject to impairment under the general approach and the impairment is considered to be minimal.

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables	11,618	5,410	41,090	14,277
Subtotal	11,618	5,410	41,090	14,277
Impairment losses	(204)	(315)	(986)	(880)
Net carrying amount	11,414	5,095	40,104	13,397

The Group's trade terms with its certain customers are on credit, except for most customers, where payment in advance is normally required. The credit period is generally 30 to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of each of the reporting periods, based on the invoice date and net of loss allowance, is as follows:

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year.	100,881	128,422	163,164	165,922
1 to 2 years.	3,586	4,039	4,024	3,645
2 to 3 years.	308	612	1,046	950
Total	104,775	133,073	168,234	170,517

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year.	11,176	3,655	38,871	11,671
1 to 2 years.	209	1,401	806	1,171
2 to 3 years.	29	39	427	555
Total	11,414	5,095	40,104	13,397

The movements in the loss allowance for impairment of trade receivables are as follows:

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of year	1,867	2,135	3,289	3,338
Impairment losses	268	1,154	49	102
At end of year	2,135	3,289	3,338	3,440

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of year	116	204	315	986
Impairment losses	88	111	671	(106)
At end of year	204	315	986	880

An impairment analysis is performed at the end of each of the reporting periods using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the end of each of the reporting periods about past events, current conditions and forecasts of future economic conditions. The Company's management assessed the expected credit loss rate for trade receivables on a regular basis, and no significant changes were identified, primarily due to there is no significant changes in the actual loss rates of trade receivables, customer profile and forward-looking macroeconomic data during the Relevant Periods. Generally, trade receivables are written off if past due for more than three years and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

The Group

At December 31, 2023

	Aging on a collective basis				Total
	Less than 1 year	1-2 years	2-3 years	Over 3 years	
Expected credit loss rate	0.5-1%	10%	50%	100%	2.00%
Gross carrying amount (RMB'000) . .	101,604	3,984	615	617	106,820
Expected credit losses (RMB'000) . .	813	398	307	617	2,135

At December 31, 2024

	Aging on a collective basis				Total
	Less than 1 year	1-2 years	2-3 years	Over 3 years	
Expected credit loss rate	0.5-1%	10%	50%	100%	2.43%
Gross carrying amount (RMB'000) . .	128,121	4,488	2,095	839	135,543
Expected credit losses (RMB'000) . .	954	449	1,047	839	3,289

At December 31, 2025

	Aging on a collective basis				Total
	Less than 1 year	1-2 years	2-3 years	Over 3 years	
Expected credit loss rate	0.5-1%	10%	50%	100%	1.95%
Gross carrying amount (RMB'000) . .	164,451	4,469	2,092	450	171,462
Expected credit losses (RMB'000) . .	1,395	447	1,046	450	3,338

At March 31, 2026

	Aging on a collective basis				Total
	Less than 1 year	1-2 years	2-3 years	Over 3 years	
Expected credit loss rate	0.5-1%	10%	50%	100%	1.98%
Gross carrying amount (RMB'000) . .	167,579	4,049	1,899	383	173,910
Expected credit losses (RMB'000) . .	1,702	405	950	383	3,440

The Company

At December 31, 2023

	Aging on a collective basis				Total
	Less than 1 year	1-2 years	2-3 years	Over 3 years	
Expected credit loss rate	1%	10%	50%	100%	1.76%
Gross carrying amount (RMB'000) . .	11,289	232	59	38	11,618
Expected credit losses (RMB'000) . .	113	23	30	38	204

At December 31, 2024

	Aging on a collective basis				Total
	Less than 1 year	1-2 years	2-3 years	Over 3 years	
Expected credit loss rate	1%	10%	50%	100%	5.82%
Gross carrying amount (RMB'000) . .	3,692	1,557	79	82	5,410
Expected credit losses (RMB'000) . .	37	156	40	82	315

At December 31, 2025

	Aging on a collective basis				Total
	Less than 1 year	1-2 years	2-3 years	Over 3 years	
Expected credit loss rate	1%	10%	50%	100%	2.40%
Gross carrying amount (RMB'000) . .	39,263	896	854	77	41,090
Expected credit losses (RMB'000) . .	392	90	427	77	986

At March 31, 2026

	Aging on a collective basis				Total
	Less than 1 year	1-2 years	2-3 years	Over 3 years	
Expected credit loss rate	1%	10%	50%	100%	6.16%
Gross carrying amount (RMB'000) . .	11,789	1,302	1,109	77	14,277
Expected credit losses (RMB'000) . .	118	130	555	77	880

23. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments	24,287	28,168	24,755	35,767
VAT tax recoverable	7,743	10,482	15,608	7,259
Other receivables	4,828	4,423	11,080	12,234
Prepaid listing expenses	–	–	5,994	4,274
Total	36,858	43,073	57,437	59,534

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments	12,360	9,359	6,894	9,470
VAT tax recoverable	72	860	1,430	39
Other receivables	1,962	2,863	4,182	5,092
Prepaid listing expenses	–	–	5,994	4,274
Total	14,394	13,082	18,500	18,875

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Long ageing balances are reviewed regularly by senior management. In view of the fact that the Group's other receivables related to a large number of diversified counterparties, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its prepayments and other receivable balances.

Other receivables had no historical default. The financial assets included in the above balances relating to receivables were categorised in stage 1 at the end of each of the reporting periods. In calculating the expected credit loss rate, the Group considers the historical loss rate and adjusts for forward-looking macroeconomic data. During the reporting periods, the Group estimated that the expected credit loss rate for other receivables is minimal.

24. FINANCIAL ASSETS AT FVTPL

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Wealth management products	156,106	132,488	145,219	157,381

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Wealth management products	–	–	30,134	30,251

The financial assets measured at FVTPL are wealth management products, denominated in RMB, with expected yield rates ranging from 1.20% to 2.90% per annum. These wealth management products were issued by banks in Chinese mainland. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

25. FINANCIAL ASSETS AT FVOCI

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Certificates of deposit*.	21,189	21,863	—	—

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Certificates of deposit*.	21,189	21,863	—	—

* The financial assets measured at FVOCI are certificates of deposit, denominated in RMB, with expected yield rates ranging from 3.10% to 3.85% per annum. The certificates of deposit were issued by banks in Chinese mainland. They were mandatorily classified as financial assets at fair value through other comprehensive income as they were held for trading or until maturity.

26. CASH AND BANK BALANCES AND PLEDGED DEPOSITS

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and bank balances	262,267	283,988	301,259	321,227
Pledged deposits*.	3,937	4,135	654	2,535
Denominated in				
RMB	144,631	153,970	123,780	150,794
USD	84,694	99,576	132,009	132,841
EUR	19,879	12,284	11,679	16,960
Others	13,063	18,158	33,791	20,632
Total cash and bank balances and pledged deposits	266,204	288,123	301,913	323,762

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one month and three months depending on the immediate cash requirements of the Group and earn interest at the respective short term time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

* It represents deposits pledged to secure the Group's certain construction in progress. None of these deposits are past due or impaired.

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and bank balances	43,933	71,014	34,560	50,853
Denominated in				
RMB	37,378	67,412	26,907	44,748
USD	3,940	1,351	7,545	3,951
EUR	2,615	2,251	108	2,154
Total cash and bank balances	43,933	71,014	34,560	50,853

The RMB is not freely convertible into other currencies, however, under Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business. Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

27. TRADE PAYABLES

An ageing analysis of the trade payables at the end of each of the reporting periods, based on the invoice date, is as follows:

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within 3 months	84,912	134,446	141,945	167,196
3 to 12 months	2,592	18,876	32,418	28,707
Over 1 year	1,410	867	817	1,764
Total	88,914	154,189	175,180	197,667

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within 3 months	28,256	39,779	50,425	61,428
3 to 12 months	1,677	13,833	14,989	12,614
Over 1 year	289	–	38	6
Total	30,222	53,612	65,452	74,048

The trade payables are non-interest-bearing and are normally settled on terms of 1 to 3 months.

28. OTHER PAYABLES AND ACCRUALS**The Group**

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Payroll payable	97,849	96,487	111,549	67,950
Other payables	45,522	64,988	61,187	53,979
Payables for non-current assets . . .	30,016	44,378	15,202	11,742
Other tax payables	15,096	11,390	17,359	17,513
Accrued listing expenses	732	5,867	8,084	10,169
Total	189,215	223,110	213,381	161,353

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Payroll payable	59,738	56,016	61,702	39,174
Other payables	18,208	23,147	11,340	10,676
Other tax payables	4,863	3,038	4,321	4,146
Payables for non-current assets . . .	900	—	—	—
Accrued listing expenses	732	5,867	8,084	10,169
Total	84,441	88,068	85,447	64,165

Other payables are non-interest-bearing and have no fixed terms of settlement.

29. CONTRACT LIABILITIES**The Group**

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Advances received from customers				
Sale of products	110,702	159,266	184,578	183,336
Analysed into:				
Current portion	50,726	61,654	77,947	79,624
Non-current portion	59,976	97,612	106,631	103,712
Total	110,702	159,266	184,578	183,336

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Advances received from customers				
Sale of products	75,816	116,000	144,257	139,763
Analysed into:				
Current portion	15,840	18,388	37,626	36,051
Non-current portion	59,976	97,612	106,631	103,712
Total	75,816	116,000	144,257	139,763

Contract liabilities mainly include advances received to deliver products.

30. INTEREST-BEARING BANK BORROWINGS

The Group

December 31, 2023				December 31, 2024			December 31, 2025			March 31, 2026					
Effective Interest rate		Maturity		Effective Interest rate		Maturity		Effective Interest rate		Maturity		Effective Interest rate		Maturity	
(%)		RMB'000		(%)		RMB'000		(%)		RMB'000		(%)		RMB'000	
Current															
Secured bank loan*	LPR-80- LPR+210bp	2024	79,481	LPR-80- LPR-15bp	2025	49,341	LPR-80- LPR-5bp	2026	31,219	LPR-80- LPR-5bp	2027	76,600			
Secured bank loan*	3.00-3.50	2024	34,928	2.50-3.10	2025	24,920	2.80	2026	7,906	2.60	2026	3,001			
Unsecured bank loan	-	-	-	-	-	-	2.25	2026	45,000	2.25	2026	45,000			
Subtotal			114,409			74,261			84,125			124,601			
Non-current															
Secured bank loan*	LPR-80- LPR+210bp	2025 to 2029	321,654	LPR-80- LPR-15bp	2026 to 2029	270,309	LPR-80- LPR-5bp	2027 to 2029	207,925	LPR-80- LPR-5bp	2027 to 2029	205,516			
Subtotal			321,654			270,309			207,925			205,516			
Total			436,063			344,570			292,050			330,117			

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Analysed into:				
Bank borrowings repayable:				
Within one year or on demand	114,409	74,261	84,125	124,601
In the second year	79,000	60,931	88,838	74,652
In the third to fifth years, inclusive .	202,754	209,378	119,087	130,864
Beyond five years	39,900	-	-	-
Total	436,063	344,570	292,050	330,117

The Company

	December 31, 2023				December 31, 2024				December 31, 2025				March 31, 2026			
	Effective Interest rate		Maturity		Effective Interest rate		Maturity		Effective Interest rate		Maturity		Effective Interest rate		Maturity	
	(%)			RMB'000	(%)			RMB'000	(%)			RMB'000	(%)			RMB'000
Current																
Secured bank loan*	LPR-80- LPR+210bp	2024	79,481		LPR-80- LPR-35bp	2025	49,258		LPR-80- LPR-5bp	2026	21,582		LPR-80- LPR-5bp	2027	34,785	
Secured bank loan*	3.00	2024	30,028		-	2025	-		-	-	-		-	-	-	
Subtotal			109,509				49,258				21,582				34,785	
Non-current																
Secured bank loan*	LPR-80- LPR+210bp	2025 to 2029	300,900		LPR-80- LPR-35bp	2026 to 2029	186,900		LPR-80- LPR-5bp	2027 to 2029	145,470		LPR-80- LPR-5bp	2027 to 2029	180,017	
Subtotal			300,900				186,900				145,470				180,017	
Total			410,409				236,158				167,052				214,802	

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Analysed into:				
Bank borrowings repayable:				
Within one year or on demand		109,509	49,258	21,582
In the second year		79,000	49,000	68,700
In the third to fifth years, inclusive		182,000	137,900	76,770
Beyond five years		39,900	-	-
Total		410,409	236,158	167,052

* Certain of the Group and the Company's bank borrowings are secured by mortgages over the Group's property, plant and equipment with net carrying values of approximately RMB14,538,000, RMB13,833,000, RMB222,295,000 and RMB220,198,000, respectively, as at December 31, 2023, 2024, 2025 and March 31, 2026. Certain of the Group and the Company's bank borrowings are secured by mortgages over the Group's land use right with net carrying values of approximately RMB49,306,000, RMB48,298,000, RMB47,290,000 and RMB47,038,000, respectively, as at December 31, 2023, 2024, 2025 and March 31, 2026. In addition, 100% of Vedkang Medical's share capital was pledged to secure certain bank borrowings up to RMB285,235,000, RMB236,158,000, RMB111,442,000 and RMB111,400,000 as at December 31, 2023, 2024, 2025 and March 31, 2026. Certain bank borrowings are subjected to loan covenants. The Group and the Company are in complying with these covenants as at December 31, 2023, 2024, 2025 and March 31, 2026.

All borrowings are denominated in RMB.

31. DEFERRED INCOME

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Government grants*	7,631	1,060	870	822
Analysed into:				
Current portion	331	261	223	223
Non-current portion	7,300	799	647	599
Total	7,631	1,060	870	822

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Government grants*.	6,380	—	—	—
Analysed into:				
Current portion.	140	—	—	—
Non-current portion	6,240	—	—	—
Total	6,380	—	—	—

* The government grants mainly represent subsidies received from the government that relate to both expenses and assets. Government grants were released to profit or loss either over the periods that the expenses for which it is intended to compensate are expensed, or over the expected useful life of the relevant asset, when all attaching conditions and requirements are complied with.

32. FINANCIAL LIABILITIES AT FVTPL

	Contingent consideration
	RMB'000
At January 1, 2023	17,309
Amounts utilised during the year.	(1,872)
Changes in fair value.	2,956
At December 31, 2023	18,393
Analysed into:	
Current portion.	17,588
Non-current portion	805
At January 1, 2024	18,393
Amounts paid/utilised during the year.	(19,018)
Changes in fair value.	1,623
At December 31, 2024	998
Analysed into:	
Current portion.	797
Non-current portion	201
At January 1, 2025	998
Amounts utilised during the year.	(1,310)
Changes in fair value.	472
At December 31, 2025	160
Analysed into:	
Current portion.	160
Non-current portion	—
At January 1, 2026	160
Amounts utilised during the year.	(347)
Changes in fair value.	187
At March 31, 2026	—
Analysed into:	
Current portion.	—
Non-current portion	—

The contingent consideration was recognised in relation to the acquisition of Penlon Group on January 19, 2022.

33. DEFERRED TAX

The movements in deferred tax assets and liabilities during the reporting periods are as follows:

Deferred tax assets

	Impairment of financial assets	Pre-tax deductible losses	Accrued expense	Leases liabilities	Impairment allowance for inventories	Government grants	Unrealised internal transactions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2023	85	10,849	2,492	11,609	425	–	106	25,566
(Debited)/credited to total comprehensive loss	(53)	836	(1,301)	6,475	126	105	416	6,604
Gross deferred tax assets								
At December 31, 2023	32	11,685	1,191	18,084	551	105	522	32,170
At December 31, 2023 and January 1, 2024	32	11,685	1,191	18,084	551	105	522	32,170
Credited/(debited) to total comprehensive loss	23	46	697	(3,847)	(35)	(105)	(522)	(3,743)
Gross deferred tax assets								
At December 31, 2024	55	11,731	1,888	14,237	516	–	–	28,427
At December 31, 2024 and January 1, 2025	55	11,731	1,888	14,237	516	–	–	28,427
Credited/(debited) to total comprehensive loss	26	463	572	10,143	(437)	–	–	10,767
Gross deferred tax assets								
At December 31, 2025	81	12,194	2,460	24,380	79	–	–	39,194
At December 31, 2025 and January 1, 2026	81	12,194	2,460	24,380	79	–	–	39,194
Credited/(debited) to total comprehensive loss	8	(411)	(441)	(874)	509	–	–	(1,209)
Gross deferred tax assets								
At March 31, 2026	89	11,783	2,019	23,506	588	–	–	37,985

Deferred tax liabilities

	Depreciation allowance in excess of related depreciation	Right-of-use assets	Fair value change of financial assets at FVTPL	Fair value adjustments arising from acquisition of subsidiaries	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2023	2,889	11,635	–	99,843	114,367
(Credited)/debited to total comprehensive loss	(71)	6,452	146	(5,711)	816
Gross deferred tax liabilities					
At December 31, 2023	2,818	18,087	146	94,132	115,183
At December 31, 2023 and January 1, 2024	2,818	18,087	146	94,132	115,183
(Credited)/debited to total comprehensive loss	(946)	(3,825)	208	(7,314)	(11,877)
Gross deferred tax liabilities					
At December 31, 2024	1,872	14,262	354	86,818	103,306

APPENDIX I

ACCOUNTANTS' REPORT

	Depreciation allowance in excess of related depreciation	Right-of-use assets	Fair value change of financial assets at FVTPL	Fair value adjustments arising from acquisition of subsidiaries	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2024 and January 1, 2025	1,872	14,262	354	86,818	103,306
Acquisition of subsidiaries	—	—	—	874	874
(Credited)/debited to comprehensive loss	(641)	10,158	(327)	(6,926)	2,264
Gross deferred tax liabilities					
At December 31, 2025	1,231	24,420	27	80,766	106,444
At December 31, 2025 and January 1, 2026	1,231	24,420	27	80,766	106,444
(Credited)/debited to comprehensive loss	(115)	(1,065)	9	(2,031)	(3,202)
Gross deferred tax liabilities					
At March 31, 2026	1,116	23,355	36	78,735	103,242

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statements of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Net deferred tax assets recognised in the consolidated statements of financial position	—	—	—	—
Net deferred tax liabilities recognised in the consolidated statements of financial position . .	(83,013)	(74,879)	(67,250)	(65,257)

Deferred tax assets have not been recognised in respect of the following items:

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Tax losses	835,953	1,261,408	1,528,187	1,781,956
Deductible temporary differences . .	38,235	60,647	79,040	87,010
Total	874,188	1,322,055	1,607,227	1,868,966

Tax losses that are not recognised as deferred tax assets will expire in the following years:

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
2024	1,276	—	—	—
2025	5,215	5,215	—	—
2026	4,482	4,482	4,482	4,482

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
2027	4,699	4,699	4,699	4,699
2028 and later	820,281	1,247,012	1,519,006	1,607,239
Total	835,953	1,261,408	1,528,187	1,616,420

Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

The Group has tax losses arising in Hong Kong and the UK that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has tax losses arising in Chinese mainland that will expire in one to ten years for offsetting against future taxable profits.

34. SHARE CAPITAL

The Group and the Company

	December 31, 2023	December 31, 2024	December 31, 2025	March 31, 2026
	Number of shares	Number of shares	Number of shares	Number of shares
Ordinary shares of RMB1 each	476,623,586	499,716,086	499,716,086	499,716,086

A summary of movements in the share capital is as follows:

	Number of shares in issue	Share capital RMB'000
At January 1, 2023	454,662,299	454,662
New issue of ordinary shares of RMB1 each*	21,961,287	21,962
At December 31, 2023	476,623,586	476,624
New issue of ordinary shares of RMB1 each**	23,092,500	23,092
At December 31, 2024, December 31, 2025, January 1, 2026 and March 31, 2026	499,716,086	499,716

* On June 26, 2023 and September 20, 2023, the Company issued 4,303,030 and 1,075,757 ordinary shares to external investors, respectively, with considerations of RMB71,000,000 and RMB17,750,000, respectively.

During 2023, the Company issued 16,582,500 ordinary shares to Zhuhai Hualong Kangzhong Investment Partnership Enterprise (Limited Partnership) with a consideration of RMB66,330,000.

** With the enforcement of the revised Company Law of the People's Republic of China with effect on July 1, 2024, 23,092,500 unpaid ordinary shares issued to Zhuhai Hualong Kangzhong Investment Partnership Enterprise (Limited Partnership) were deemed as the share capital of the Company, together with the shareholders' commitment to make its contribution by the end of December 2024. On September 9, 2024, 6,666,667 unpaid ordinary shares to Zhuhai Hualong Kangzhong Investment Partnership Enterprise (Limited Partnership) were transferred to a third party and the Company has received a total consideration of RMB26,666,664 on September 23, 2024.

Pursuant to the shareholders agreements entered into from February 2016 to March 2019 (collectively, the “Agreements”), the Company issued 140,800,000 ordinary shares to Series A Investments, Series B Investments and Series C Investments (collectively the “Pre-IPO Investors”) for a total net cash proceed of approximately RMB359,800,000 (collectively the “Pre-IPO Investments”). Pursuant to the Agreements, the Pre-IPO Investors were granted by the Company with special rights (“Special Rights”) which included redemption rights, anti-dilution rights and liquidation rights.

There was no exercise of Special Rights granted by the Company throughout the Relevant Periods.

On June 26, 2025, the Company and the Pre-IPO Investors subsequently entered into supplemental agreements, agreeing that certain of the Special Rights granted by the Company to Pre-IPO investors, including redemption rights, liquidation rights and anti-dilution rights, have been irrecoverably terminated and shall be void ab initio. Taking into account the legal and regulatory framework of the Company’s jurisdiction and the governing law of the supplemental agreements, the directors considered that it is appropriate to present the Pre-IPO Investments as equity throughout the Relevant Periods.

Had the Special Rights granted by the Company to the Pre-IPO Investors been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the supplemental agreements, the redemption financial liabilities, total current liabilities, total non-current liabilities and net assets would have been:

	December 31,			As of March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Redemption financial liabilities . . .	(512,713)	(545,877)	N/A (note 1)	(553,073)	N/A (note 1)
Total current liabilities	(1,009,499)	(1,088,545)		(1,182,007)	
Total non-current liabilities	(558,491)	(511,079)		(387,685)	
Net current liabilities	(187,410)	(239,713)		(334,809)	
Net assets	1,187,573	1,205,337		1,218,238	

The finance costs associated with the redemption financial liabilities, the net (losses)/profit for the years, basic and dilutive (losses)/earnings per share attributable to ordinary equity holders of the parent would have been:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Financial costs	(35,797)	(33,164)	(14,392)	(7,196)	N/A (note 1)
Total net (loss)/profit attributable to ordinary equity holders of the parent	(99,506)	(129,564)	34,494	(2,173)	
Basic and diluted (losses)/earnings per share	(0.21)	(0.26)	0.07	(0.01)	

Note:

- (1) As the Relevant Special Rights were terminated on June 26, 2025, the relevant disclosure does not apply to the consolidated statement of financial position as at December 31, 2025 and March 31, 2026, as well as the consolidated statement of profit or loss and other comprehensive income for the three months ended March 31, 2026.

35. OTHER RESERVES

The Group

The amounts of the Group’s other reserves and the movements therein for the Relevant Periods and three months ended March 31, 2025 are presented in the consolidated statements of changes in equity.

Share premium

The share premium of the Group represents the difference between the par value of the shares issued and the consideration received.

Share-based payment reserve

Share-based payment reserve represents the share-based compensation reserve arising from equity-settled share awards, details of which were set out in Note 37 to the Historical Financial Information.

Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations with functional currency other than RMB. The reserve is dealt with in accordance with the accounting policies set out in Note 2.3 to the Historical Financial Information.

Fair value reserve of equity investments designated at FVOCI

The fair value reserve of equity investments designated at FVOCI represents fair value changes of unlisted equity investments designated at FVOCI.

Fair value reserve of financial assets at FVOCI

The fair value reserve of financial assets at FVOCI represents fair value changes of certificates of deposit.

The Company

The amounts of the Company's other reserves and the movements therein for the Relevant Periods and three months ended March 31, 2025 are presented as follows:

Year ended December 31, 2023

	Share premium	Other reserve	Share-based payment reserve	Accumulated losses	Fair value reserve of financial assets at FVOCI	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2023	1,463,615	128,840	502,766	(903,929)	–	1,191,292
Loss for the year	–	–	–	(128,562)	–	(128,562)
Other comprehensive income for the year: Changes in fair value reserve of financial assets at FVOCI	–	–	–	–	145	145
Total comprehensive loss for the year	–	–	–	(128,562)	145	(128,417)
Issue of shares	133,118	–	–	–	–	133,118
Equity-settled share-based payments (<i>Note 37</i>)	–	–	64,119	–	–	64,119
At December 31, 2023	<u>1,596,733</u>	<u>128,840</u>	<u>566,885</u>	<u>(1,032,491)</u>	<u>145</u>	<u>1,260,112</u>

Year ended December 31, 2024

	Share premium	Other reserve	Share-based payment reserve	Accumulated losses	Fair value reserve of financial assets at FVOCI	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2024	1,596,733	128,840	566,885	(1,032,491)	145	1,260,112
Loss for the year	–	–	–	(244,067)	–	(244,067)
Other comprehensive income for the year: Changes in fair value reserve of financial assets at FVOCI	–	–	–	–	674	674
Total comprehensive loss for the year	–	–	–	(244,067)	674	(243,393)
Issue of shares	69,277	–	–	–	–	69,277
Equity-settled share-based payments (<i>Note 37</i>)	–	–	53,822	–	–	53,822
At December 31, 2024	<u>1,666,010</u>	<u>128,840</u>	<u>620,707</u>	<u>(1,276,558)</u>	<u>819</u>	<u>1,139,818</u>

Year ended December 31, 2025

	Share premium	Other reserve	Share-based payment reserve	Accumulated losses	Fair value reserve of financial assets at FVOCI	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2025	1,666,010	128,840	620,707	(1,276,558)	819	1,139,818
Profit for the year	–	–	–	164,113	–	164,113
Other comprehensive loss for the year:						
Changes in fair value reserve of financial assets at FVOCI	–	–	–	–	(819)	(819)
Total comprehensive income for the year	–	–	–	164,113	(819)	163,294
Equity-settled share-based payments (<i>Note 37</i>)	–	–	67,882	–	–	67,882
At December 31, 2025	<u>1,666,010</u>	<u>128,840</u>	<u>688,589</u>	<u>(1,112,445)</u>	<u>–</u>	<u>1,370,994</u>

Three months ended March 31, 2026

	Share premium	Other reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2026	1,666,010	128,840	688,589	(1,112,445)	1,370,994
Profit for the year	–	–	–	(45,609)	(45,609)
Total comprehensive income for the year	–	–	–	(45,609)	(45,609)
Equity-settled share-based payments (<i>note 37</i>)	–	–	25,065	–	25,065
At March 31, 2026	<u>1,666,010</u>	<u>128,840</u>	<u>713,654</u>	<u>(1,158,054)</u>	<u>1,350,450</u>

36. BUSINESS COMBINATION

Acquisition of Vedefar

In June, 2025, the Group completed the acquisition of 100% equity of Vedefar, which is a distributor of a range of medical devices including pharmaceuticals, intensive care devices, anaesthesia equipment, homecare and dental solutions in Europe. The acquisition was made as part of the Group's strategy to expand its market share of vertical integration in European. The fair value of the identifiable net assets acquired is RMB9,049,000 on the acquisition date.

Consideration

The cash purchase consideration for the acquisition was EUR1,300,000 (RMB10,923,000 equivalent) and was fully paid on June 6, 2025.

Acquisition of Caring Medical

In September, 2025, the Group completed the acquisition of 100% equity of Caring Medical, which is a medical device company focusing on the development, production and sales of intelligent endoscopic systems. The acquisition was expected to strengthen our market presence from flexible endoscopes to rigid endoscopes. The fair value of the identifiable net liabilities acquired is RMB20,380,000 on the acquisition date.

Consideration

The cash purchase consideration for the acquisition was RMB5 and was fully paid on September 19, 2025.

37. SHARE-BASED PAYMENTS

(a) Employee restricted share schemes

On March 10, 2016, the board of directors approved the share award scheme ("Scheme") for the purpose of providing restricted share incentive for certain directors, senior management members and employees contributing to the Group. The Group receives services from employees as consideration for equity instruments of the Company.

The restricted shares vest in tranches from the grant date over a certain service period. Once the vesting conditions of restricted shares are met, ordinary shares are considered duly and validly owned by the holders, and free on transfer.

There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these restricted shares. The Group accounts for the Scheme as an equity-settled plan.

Restricted shares issued by the Company

The Group has established the following employee share incentive platforms to provide certain employees, senior management and directors with restricted shares for their services, full time devotion and professional expertise.

Employee share incentive platforms	Number of restricted shares granted
Shenzhen Juxian Kangzhong Enterprise Management Partnership (Limited Partnership)	64,185,000
Zhuhai Jucai Kangzhong Investment Enterprise (Limited Partnership)	4,400,000
Shenzhen Ruisen Kangzhong Investment Enterprise (Limited Partnership)	9,350,000
Zhuhai Ruiyu Kangzhong Investment Enterprise (Limited Partnership)	3,300,000
Zhuhai Ruiqian Kangzhong Investment Enterprise (Limited Partnership)	4,400,000
Zhuhai Ruikun Kangzhong Investment Enterprise (Limited Partnership)	6,050,000
Shenzhen Ruixin Kangzhong Investment Enterprise (Limited Partnership)	1,928,812
Zhuhai Hualong Kangzhong Investment Partnership Enterprise (Limited Partnership)	40,000,000
Changzhou Zixi Investment Partnership Enterprise (Limited Partnership)	3,453,125
Changzhou Zijing Investment Partnership Enterprise (Limited Partnership)	3,453,125
Total	140,520,062

The following table summarises the Scheme's activities during the reporting periods:

	Number of restricted shares
At January 1, 2023	73,146,065
Granted during the year	1,930,792
Vested during the year	(46,798,791)
Forfeited during the year	(1,120,792)
At December 31, 2023	27,157,274
Granted during the year	4,080,646
Vested during the year	(1,797,646)
Forfeited during the year	(1,817,647)
At December 31, 2024	27,622,627
Granted during the year	2,172,974
Vested during the year	(2,242,975)
Forfeited during the year	(2,172,974)
At December 31, 2025	25,379,652
Granted during the year	6,000
Vested during the year	(6,000)
Forfeited during the year	(6,000)
At March 31, 2026	25,373,652

The vesting periods of the restricted shares outstanding at the end of each of the reporting periods are as follows:

At December 31, 2023	
Number of restricted shares	Vesting periods
16,462,812	May 16, 2019 to initial public offering
4,086,000	December 6, 2024 to December 5, 2026
4,806,754	April 12, 2022 to March 19, 2027
782,708	April 12, 2022 to March 19, 2028
1,019,000	June 27, 2026 to June 26, 2028
27,157,274	
At December 31, 2024	
Number of restricted shares	Vesting periods
15,549,812	May 16, 2019 to initial public offering
3,955,000	December 6, 2024 to December 5, 2026
4,369,357	April 12, 2022 to March 19, 2027
506,458	April 12, 2022 to March 19, 2028
959,000	June 27, 2026 to June 26, 2028
1,983,000	July 5, 2027 to July 4, 2029
300,000	December 16, 2027 to December 15, 2029
27,622,627	
At December 31, 2025	
Number of restricted shares	Vesting periods
14,470,312	May 16, 2019 to initial public offering
3,573,500	December 6, 2024 to December 5, 2026
3,954,982	April 12, 2022 to March 19, 2027
506,458	April 12, 2022 to March 19, 2028
875,400	June 27, 2026 to June 26, 2028
1,669,000	July 5, 2027 to July 4, 2029
300,000	December 16, 2027 to December 15, 2029
30,000	December 31, 2028 to December 31, 2030
25,379,652	
At March 31, 2026	
Number of restricted shares	Vesting periods
14,470,312	May 16, 2019 to initial public offering
3,573,500	December 6, 2024 to December 5, 2026
3,954,982	April 12, 2022 to March 19, 2027
506,458	April 12, 2022 to March 19, 2028
869,400	June 27, 2026 to June 26, 2028
1,669,000	July 5, 2027 to July 4, 2029
300,000	December 16, 2027 to December 15, 2029
30,000	December 31, 2028 to December 31, 2030
25,373,652	

The fair value of restricted shares at the grant date was determined by reference to the fair value of the underlying ordinary shares of the Company on the respective dates of grant.

(b) Employee share option schemes

On December 16, 2024, the Company approved a share option plan ("2025 Share Option Plan") for the purpose of providing incentives for certain directors, senior management members and employees contributing to the Group. The Group receives services from employees as consideration for equity instruments of the Company.

On September 11, 2025, an aggregate of 25,000,000 share options were granted under the 2025 Share Option Plan with an exercise price of RMB4.00 per share.

Under the 2025 Share Option Plan, those granted options can be vested in several tranches with the following vesting schedule: five years with 20% of the share options vested on every anniversary since the vesting commencement date under the prerequisite of meeting performance conditions.

There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options. The Group accounts for the Scheme as an equity-settled plan.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The following share options were outstanding under the Scheme during the year:

	Weighted average exercise price	Number of options
	RMB per share	'000
At January 1, 2025	—	—
Granted during the year	4	25,000
Forfeited during the year	4	(128)
At December 31, 2025	4	24,872
Forfeited during the period	4	(325)
At March 31, 2026	4	24,547

No share options were exercised in reporting periods.

(c) Fair value of share options

The fair value of the share options granted during the year ended December 31, 2025 was RMB322,325,000 (RMB12.89 each), of which the Group recognised share option expenses of RMB19,948,000 during the period ended March 31, 2026 and RMB24,479,000 during the year ended December 31, 2025.

The fair value of equity-settled share options granted during the year was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the model used:

	2025
Dividend yield (%)	Nil
Expected volatility (%)	36.39–40.11
Risk-free interest rate (%)	1.41–1.62

(d) Expenses arising from Share-based payment transactions

The Group recognised share-based payment expenses of RMB64,119,000, RMB53,822,000, RMB67,882,000 and RMB25,065,000 during the years ended December 31, 2023, 2024, 2025 and three months ended March 31, 2026.

38. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the Relevant Periods and three months ended March 31, 2025, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB7,764,000, RMB5,279,000, RMB57,505,000, RMB502,000, and RMB1,465,000, respectively, in respect of lease arrangements for plant, office and laboratories.

(b) Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Interest bearing bank borrowings	Lease liabilities	Accrued listing expense
	RMB'000	RMB'000	RMB'000
At January 1, 2023	415,072	84,479	–
Changes from financing cash flow	4,372	(31,974)	(206)
Changes from operating cash flow	–	–	(1,009)
Changes from modification/termination	–	45,812	–
Increase in listing expenses	–	–	1,616
Increase in deferred listing expenses	–	–	331
Foreign exchange movements	–	1,808	–
New lease arrangements	–	7,764	–
Accretion of interest	16,619	4,800	–
At December 31, 2023 and January 1, 2024	436,063	112,689	732
Changes from financing cash flow	(101,983)	(33,373)	(2,763)
Changes from operating cash flow	–	–	(13,487)
Changes from modification/termination	–	(2,929)	–
Increase in listing expenses	–	–	17,750
Increase in deferred listing expenses	–	–	3,635
Foreign exchange movements	–	79	–
New lease arrangements	–	5,279	–
Accretion of interest	10,490	5,508	–
At December 31, 2024 and January 1, 2025	344,570	87,253	5,867
Changes from financing cash flow	(65,697)	(31,717)	(1,651)
Changes from operating cash flow	–	–	(8,059)
Changes from modification/termination	–	(4,408)	–
Increase in listing expenses	–	–	9,899
Increase in deferred listing expenses	–	–	2,028
Foreign exchange movements	–	2,351	–
New lease arrangements	–	57,505	–
Accretion of interest	13,177	5,154	–
At December 31, 2025 and January 1, 2026	292,050	116,138	8,084
Changes from financing cash flow	35,894	(10,353)	(798)
Changes from operating cash flow	–	–	(7,882)
Increase in listing expenses	–	–	12,485
Decrease in deferred listing expenses	–	–	(1,720)
Foreign exchange movements	–	(1,951)	–
New lease arrangements	–	502	–
Accretion of interest	2,173	1,366	–
At March 31, 2026	330,117	105,702	10,169
At January 1, 2025	344,570	87,253	5,867
Changes from financing cash flow	40,028	(7,692)	(337)
Changes from operating cash flow	–	–	(1,644)
Increase in listing expenses	–	–	858
Increase in deferred listing expenses	–	–	176

	Interest bearing bank borrowings	Lease liabilities	Accrued listing expense
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Foreign exchange movements	–	1,559	–
New lease arrangements	–	1,465	–
Accretion of interest	2,325	1,130	–
At March 31, 2025	<u>386,923</u>	<u>83,715</u>	<u>4,919</u>

(c) **Total cash outflow for leases**

The total cash outflow for leases included in the statements of cash flows is as follows:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (unaudited)	<i>RMB'000</i>
Within operating activities	4,536	5,362	8,586	2,838	1,004
Within financing activities	31,974	33,373	31,717	7,692	10,353
	<u>36,510</u>	<u>38,735</u>	<u>40,303</u>	<u>10,530</u>	<u>11,357</u>

39. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's bank borrowings are included in Note 30 to the Historical Financial Information.

40. COMMITMENTS

The Group had the following capital commitments at the end of each reporting periods.

	December 31,			March 31,
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Contracted, but not provided for items of property, plant and equipment	<u>13,250</u>	<u>8,135</u>	<u>–</u>	<u>–</u>

41. RELATED PARTY TRANSACTIONS

The Directors are of the view that the following companies are related parties that have material transactions or balances with the Group during the Relevant Periods and three months ended March 31, 2025.

(a) **Name and relationships of the related parties**

Name	Relationship
Pentax Jiangsu	Associate until March 27, 2024
Liu Jie	Executive director and chief executive

- (b) The Group had the following transactions with related parties during the Relevant Periods and three months ended March 31, 2025:

Notes	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Sales of products:					
Pentax Jiangsu – trade (i)	11,025	–	–	–	–

(i) The sales to the associate were made according to the published prices and conditions offered to the major customers of the Group.

- (c) Outstanding balances with related parties:

The Company

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Amounts due from subsidiaries:				
Medcaptain Hong Kong – trade	62,519	32,802	41,247	53,778
Medcaptain Life Science – non trade	47,746	67,771	67,721	65,626
Medcaptain Europe – non trade	10,968	10,260	17,023	13,561
Runpu Biotech – trade	6,393	6,354	760	3,710
Mabsky – trade	3,001	35	402	510
Medcaptain Indonesia – trade	486	298	95	874
Penlon – trade	336	–	5,810	4,038
Runpu Biomedical – trade	130	–	–	–
Better Life Medical Technology Co., Ltd. – trade	–	658	1,831	1,632
Medcaptain Jiangsu – non trade	–	–	10	10
Suzhou Caring Medical Co., Ltd. – non trade	–	–	5,000	–
	131,579	118,178	139,899	143,739
Amounts due to subsidiaries:				
Changzhou JiuHong* – non trade	–	140,000	199,160	199,136
Vedkang Medical* – non trade	–	30,000	13,293	13,076
Changzhou Fortunmed* – non trade	–	100,039	3,394	40
Medcaptain Software – non trade	–	–	450	450
Baiyou Biotechnology – trade	–	–	27	8
Tuyun Medical – trade	–	–	14	62
Hunan Vedkang – trade	–	–	–	488
Penlon – trade	–	471	–	–
	–	270,510	216,338	213,260

* These companies had inter-company borrowings within the Group to support their normal business operations with an annual interest rate between 2.5% to 2.85%. These borrowing are repayable on demand.

Other amounts due from/to subsidiaries are unsecured, interest free and repayable on demand.

(d) Compensation of key management personnel of the Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Salaries, bonuses, allowances and benefits in kind	6,452	7,383	8,198	1,777
Pension scheme contributions	149	138	209	58
Equity-settled share-based payments expenses	9,223	8,420	18,766	6,760
	<u>15,824</u>	<u>15,941</u>	<u>27,173</u>	<u>8,595</u>

Further details of directors' and the chief executive's remuneration are included in Note 9 to the Historical Financial Information.

(e) Redemption rights of the Pre-IPO Investors

In respect of the Controlling Shareholders Redemption Rights, (i) there are no other side arrangements between the Company and the Pre-IPO Investors or between the Company and the Controlling Shareholders regarding the Controlling Shareholders Redemption Rights; and (ii) the Company did not provide any form of guarantee on the Controlling Shareholders Redemption Rights in case of default or failure by the Controlling Shareholders (as applicable) to fulfil their obligations relating to the Controlling Shareholders Redemption Rights. Considering the foregoing and that the Company has no obligation to repurchase the Shares held by the Pre-IPO Investors even though the Company is a party to the relevant agreements for the Controlling Shareholders Redemption Rights, no financial liability regarding the Controlling Shareholders Redemption Rights and no redemption liability was recorded during the Track Record Period.

42. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each reporting periods were as follows:

The Group

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Financial assets at FVTPL:				
Wealth management products	<u>156,106</u>	<u>132,488</u>	<u>145,219</u>	<u>157,381</u>
Financial assets at FVOCI:				
Certificate of deposits	21,189	21,863	–	–
Unlisted equity investments	<u>645</u>	<u>645</u>	<u>645</u>	<u>645</u>
	<u>21,834</u>	<u>22,508</u>	<u>645</u>	<u>645</u>
Financial assets at amortised cost:				
Trade and bills receivables	104,775	133,073	168,234	170,517
Financial assets included in prepayments, other receivables and other assets	4,828	4,423	11,080	12,234
Financial assets included in other non-current assets	9,058	7,947	8,249	8,955
Pledged deposits	3,937	4,135	654	2,535
Cash and bank balances	<u>262,267</u>	<u>283,988</u>	<u>301,259</u>	<u>321,227</u>
	<u>384,865</u>	<u>433,566</u>	<u>489,476</u>	<u>515,468</u>

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Financial liabilities				
Financial liabilities at FVTPL:				
Contingent consideration	18,393	998	160	–
Financial liabilities at amortised cost:				
Trade payables	88,914	154,189	175,180	197,667
Financial liabilities included in other payables and accruals	76,270	115,233	84,473	75,890
Interest-bearing bank borrowings	436,063	344,570	292,050	330,117
	601,247	613,992	551,703	603,674

For the details of pre-IPO investments, please refer to Note 34 to the Historical Financial Information.

43. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair value hierarchy

Financial assets at FVTPL:

At December 31, 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Wealth management products	–	156,106	–	156,106

At December 31, 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Wealth management products	–	132,488	–	132,488

At December 31, 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Wealth management products	–	145,219	–	145,219

At March 31, 2026

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Wealth management products	—	157,381	—	157,381

Financial instruments in Level 3

During the reporting periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

Financial assets at FVOCI:

At December 31, 2023

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Certificate of deposit	—	21,189	—	21,189
Unlisted equity investments	—	—	645	645
	—	21,189	645	21,834

At December 31, 2024

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Certificate of deposit	—	21,863	—	21,863
Unlisted equity investments	—	—	645	645
	—	21,863	645	22,508

At December 31, 2025

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Unlisted equity investments	—	—	645	645
	—	—	645	645

Financial assets at FVOCI:

At March 31, 2026

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Unlisted equity investments	—	—	645	645
	—	—	645	645

Financial liabilities at FVTPL:

At December 31, 2023

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Contingent consideration	—	18,393	—	18,393

At December 31, 2024

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Contingent consideration	—	998	—	998

At December 31, 2025

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Contingent consideration	—	160	—	160

Management has assessed that the fair values of cash and bank balances, pledged deposits, financial assets included in prepayments, other receivables and other assets, trade and bills receivables, trade payables, interest-bearing bank borrowings, and financial liabilities included in other payables and accruals, approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of each of the reporting periods, the finance department analysed the movements in the values of financial instruments and determined the major inputs applied in the valuation. The valuation is reviewed and approved by the finance manager. The valuation process and results are discussed with the directors of the Company once a year for annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of financial assets included in other non-current assets, and interest-bearing bank borrowings approximate to their carrying amounts largely due to the fact that their interest rates and credit risk have not changed significantly.

The fair values of unlisted equity investments designated at fair value through other comprehensive income have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable and immaterial, and that they were the most appropriate values at the end of the reporting period.

The Group invests in an unlisted investment, which represents wealth management products issued by banks in Chinese mainland. The Group has estimated the fair value of these unlisted investments using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank borrowings, financial assets at fair value through profit or loss and cash and bank balances. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts. The Group's policy is to maintain certain of its interest-bearing bank borrowings at fixed interest rates. At the end of the Relevant Periods, approximately 7%, 7%, 18% and 15% of the Group's interest-bearing borrowings bore interest at fixed rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's loss/profit before tax and the Group's equity.

	Increase/(decrease) in basis points	Increase/(decrease) in loss/profit before tax	(Decrease)/increase in equity
		RMB'000	RMB'000
Year ended December 31, 2023			
RMB	50/(50)	2,025/(2,025)	(2,025)/2,025
Year ended December 31, 2024			
RMB	50/(50)	2,073/(2,073)	(2,073)/2,073
Year ended December 31, 2025			
RMB	50/(50)	1,776/(1,776)	(1,776)/1,776
Year ended March 31, 2026			
RMB	50/(50)	1,664/(1,664)	(1,664)/1,664

Foreign currency risk

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and other currencies in which the Group conducts business may affect the Group's financial condition and results of operations.

The following table demonstrates the sensitivity at the end of each of the reporting periods to a reasonably possible change in foreign currency exchange rates, with all other variables held constant, of the Group's loss/profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity.

	Increase/(decrease) in foreign exchange rate	Decrease/(increase) in loss/(profit) before tax	(Increase)/decrease in equity
	%	RMB'000	RMB'000
Year ended December 31, 2023			
If RMB weakens against the USD	5	5,506	(8,828)
If RMB strengthens against the USD	(5)	(5,506)	8,828
If RMB weakens against the EUR	5	1,671	(2,236)
If RMB strengthens against the EUR	(5)	(1,671)	2,236
Year ended December 31, 2024			
If RMB weakens against the USD	5	4,586	(6,855)
If RMB strengthens against the USD	(5)	(4,586)	6,855
If RMB weakens against the EUR	5	1,141	(1,692)
If RMB strengthens against the EUR	(5)	(1,141)	1,692
Year ended December 31, 2025			
If RMB weakens against the USD	5	7,409	(9,686)
If RMB strengthens against the USD	(5)	(7,409)	9,686
If RMB weakens against the EUR	5	2,266	(3,059)
If RMB strengthens against the EUR	(5)	(2,266)	3,059
Year ended March 31, 2026			
If RMB weakens against the USD	5	7,959	(11,327)
If RMB strengthens against the USD	(5)	(7,959)	11,327
If RMB weakens against the EUR	5	1,095	(2,231)
If RMB strengthens against the EUR	(5)	(1,095)	2,231

Credit risk

The Group trades only with recognised and creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. The credit risk of the Group's other financial assets, which comprise cash and bank balance, pledged deposits, amounts due from a related party, financial assets included in prepayments, other receivables and other assets, and financial assets included in other non-current assets arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

For financial assets included in other non-current assets and prepayments, other receivables and other assets, management makes periodic collective assessment as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. The directors believe that there is no material credit risk inherent in the Group's outstanding balance of other receivables.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at the end of each of the reporting periods.

The amounts presented are gross carrying amounts for financial assets.

At December 31, 2023

	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables*	—	—	—	106,910	106,910
Financial assets included in prepayments, other receivables and other assets**	4,828	—	—	—	4,828
Financial assets included in other non-current assets	9,058	—	—	—	9,058
Pledged deposits	3,937	—	—	—	3,937
Cash and bank balances	262,267	—	—	—	262,267
Total	280,090	—	—	106,910	387,000

At December 31, 2024

	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables*	—	—	—	136,362	136,362
Financial assets included in prepayments, other receivables and other assets**	4,423	—	—	—	4,423
Financial assets included in other non-current assets	7,947	—	—	—	7,947
Pledged deposits	4,135	—	—	—	4,135
Cash and bank balances	283,988	—	—	—	283,988
Total	300,493	—	—	136,362	436,855

At December 31, 2025

	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables*	—	—	—	171,572	171,572
Financial assets included in prepayments, other receivables and other assets**	11,080	—	—	—	11,080
Financial assets included in other non-current assets	8,249	—	—	—	8,249
Pledged deposits	654	—	—	—	654
Cash and bank balances	301,259	—	—	—	301,259
Total	321,242	—	—	171,572	492,814

At March 31, 2026

	12-month ECLs		Lifetime ECLs		Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables*	–	–	–	173,957	173,957
Financial assets included in prepayments, other receivables and other assets**	12,234	–	–	–	12,234
Financial assets included in other non-current assets	8,955	–	–	–	8,955
Pledged deposits	2,535	–	–	–	2,535
Cash and bank balances	321,227	–	–	–	321,227
Total	344,951	–	–	173,957	518,908

* For trade receivables at the end of each Relevant Periods, the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in Note 22 to the Historical Financial Information.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade and bills receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings and lease liabilities.

The maturity profile of the Group's financial liabilities as at the end of each Relevant Periods, based on the contractual undiscounted payments, is as follows:

At December 31, 2023

	Less than 12 months or on demand	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	88,914	–	–	88,914
Interest-bearing bank borrowings . .	134,901	312,121	40,941	487,963
Financial liabilities included in other payables and accruals	76,270	–	–	76,270
Lease liabilities	31,182	55,361	63,322	149,865
Total	331,267	367,482	104,263	803,012

At December 31, 2024

	Less than 12 months or on demand	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	154,189	—	—	154,189
Interest-bearing bank borrowings . . .	88,372	291,936	—	380,308
Financial liabilities included in other payables and accruals	115,233	—	—	115,233
Lease liabilities	25,653	32,228	61,001	118,882
Total	383,447	324,164	61,001	768,612

At December 31, 2025

	Less than 12 months or on demand	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	175,180	—	—	175,180
Interest-bearing bank borrowings . . .	88,896	214,222	—	303,118
Financial liabilities included in other payables and accruals	84,473	—	—	84,473
Lease liabilities	29,197	67,603	53,554	150,354
Total	377,746	281,825	53,554	713,125

At March 31, 2026

	Less than 12 months or on demand	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	197,667	—	—	197,667
Interest-bearing bank borrowings . . .	129,140	210,787	—	339,927
Financial liabilities included in other payables and accruals	75,890	—	—	75,890
Lease liabilities	26,755	68,520	51,989	147,264
Total	429,452	279,307	51,989	760,748

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may issue new shares or make borrowings to reduce debt. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The Group monitors capital using a gearing ratio, which is net debt divided by the total of capital and net debt. The Group's policy is to maintain the gearing ratio below 50%. Net debt includes interest-bearing bank borrowings, trade payables and other payables and accruals less cash and bank balances, pledged deposits, financial assets at FVTPL and certificate of deposits. Capital includes equity attributable to owners of the parent. The gearing ratios as at the end of each Reporting Periods were as follows:

	December 31,			March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Interest-bearing bank borrowings . . .	436,063	344,570	292,050	330,117
Lease liabilities	112,689	87,253	116,138	105,702
Trade payables	88,914	154,189	175,180	197,667
Other payables and accruals	189,215	223,110	213,381	161,353
Less: Cash and bank balances	262,267	283,988	301,259	321,227
Pledged deposits	3,937	4,135	654	2,535
Financial assets at FVTPL . . .	156,106	132,488	145,219	157,381
Certificate of deposits	21,189	21,863	–	–
Net debt	383,382	366,648	349,617	313,696
Equity attributable to owners of the parent	1,705,807	1,753,532	1,876,438	1,891,861
Capital and net debt	2,089,189	2,120,180	2,226,055	2,205,557
Gearing ratio	18%	17%	16%	14%

45. SUBSEQUENT EVENTS

No significant events of the Group occurred after March 31, 2026.

46. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to March 31, 2026.

The following information does not form part of the Accountants' Report from Ernst & Young, Certified Public Accountants, Hong Kong, the Company's reporting accountants, as set out in Appendix I to this Prospectus, and is included herein for information purpose only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this Prospectus and the Accountants' Report set out in Appendix I to this Prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group prepared in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants for illustration purposes only, and is set out here to illustrate the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to owners of the parent as if the Global Offering had taken place on March 31, 2026.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group to owners of the parent had the Global Offering been completed as of March 31, 2026 or as at any future dates.

	Consolidated net tangible assets of the Group attributable to owners of the parent as at March 31, 2026	Estimated net Proceeds from the Global Offering	Unaudited pro forma adjusted consolidated net tangible assets as at March 31, 2026	Unaudited pro forma adjusted consolidated net tangible assets per Share as at March 31, 2026	
	RMB'000 (Note 1)	RMB'000 (Note 2)	RMB'000	RMB (Note 4)	HKD (Note 5)
Based on an Offer Price of HKD15.42 per Share . . .	464,823	470,785	935,608	1.74	2.01

Notes:

1. The consolidated net tangible assets of the Group attributable to owners of the parent as at March 31, 2026 was arrived at after deducting: i) intangible assets of RMB499,283,000; and ii) goodwill of RMB927,755,000 from the consolidated net assets attributable to owners of the parent as at March 31, 2026 of RMB1,891,861,000 set out in the Accountants' Report in Appendix I to this Prospectus.
2. The estimated net proceeds from the Global Offering are based on an Offer Price of HKD15.42 per Share, after deduction of the underwriting fees and other related expenses paid or payable by the Company (excluding the listing expenses of RMB41,750,000 which have been expensed prior to March 31, 2026).

3. The unaudited pro forma adjusted consolidated net tangible assets per Share is calculated based on a total of 538,626,686 Shares, which comprise of: i) 499,716,086 Ordinary Shares issued as of March 31, 2026; and ii) 38,910,600 Shares in issue, assuming the Global Offering has been completed on March 31, 2026.
4. The unaudited pro forma adjusted consolidated net tangible assets per Share is converted into HKD at an exchange rate of HKD1.00 to RMB0.86466 prevailing on August 21, 2026.
5. No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to March 31, 2026.

The following is the text of a report received from our reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this Prospectus, in respect of the pro forma financial information of the Group.



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B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Medcaptain Medical Technology Co., Ltd.:

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Medcaptain Medical Technology Co., Ltd. (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets as at March 31, 2026, and related notes as set out on pages II-1 to II-2 of the prospectus dated August 28, 2026 (the "Prospectus") issued by the Company (the "Unaudited Pro Forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Note 1 to Note 5.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group's financial position as at March 31, 2026 as if the transaction had taken place at March 31, 2026. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial statements for the period ended March 31, 2026, on which an accountants' report has been published.

Directors' responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline ("AG") 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Our independence and quality management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors

in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Ernst & Young
Certified Public Accountants
Hong Kong

August 28, 2026

This Appendix mainly provides investors with an overview of the Articles of Association. As the following information is in summary form, it does not contain all the information that may be important to investors.

SHARES AND REGISTERED CAPITAL

The shares of the Company shall be issued in an open, fair and equal manner. Each share of the same class shall rank *pari passu* with each other. Shares of a class in each issuance shall be issued under the same terms and at the same price. Each of the shares shall be subscribed for at the same price by any entity or individual.

INCREASE, DECREASE, REPURCHASE AND TRANSFER OF SHARES

Increase and Decrease of Shares

According to the operation and development needs of the Company, subject to the laws and regulations, the Company may increase the capital by the following ways upon approval of special resolutions at the Shareholders' general meeting:

- (i) Issuance of shares to unspecified investors;
- (ii) Issuance of shares to specific investors;
- (iii) Distribution of bonus shares to existing shareholders;
- (iv) Converting the reserve funds into share capital;
- (v) Other means approved by the laws, administrative regulations or approved by the CSRC and other regulatory authorities.

Repurchase of Shares

The Company shall not to repurchase its own shares, unless otherwise under the following circumstances:

- (i) Reduce our Company's registered capital;
- (ii) Merger with other companies which hold our shares;
- (iii) Using the shares in an employee stock ownership plan or as equity incentive;
- (iv) Purchasing its shares from Shareholders who have voted against the resolutions on the merger or division of the Company at a Shareholders' general meeting upon their request;
- (v) Use of shares for conversion of convertible corporate bonds issued by the Company;
- (vi) Necessary for the Company to maintain its value and protect the interests of the shareholders.

A resolution shall be passed at the Shareholders' general meeting when the Company is to repurchase its own shares under the circumstances (i) and (ii) set out above. In case of the circumstances stipulated in (iii), (v) and (vi) above, a resolution of the Company's Board shall be passed by more than two-thirds of the Directors attending the Board meeting, in accordance with the provisions of the Articles of Association or an authorization from the Shareholders' general meeting, and provided that applicable securities regulatory rules of the place where the Company's

shares are listed are complied with. After the Company has repurchased its own shares in accordance with the circumstances above, the shares so repurchased shall be canceled within ten days from the date of purchase (under the circumstance set out in (i) above), or shall be transferred or canceled within six months (under the circumstances set out in (ii) and (iv) above). If the Company repurchases its shares under the circumstances set out in (iii), (v) and (vi) above, the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled within three years.

For any repurchase of its own shares by the Company, the obligation of information disclosure shall be fulfilled in accordance with the relevant provisions of the Securities Law, the Hong Kong Listing Rules, and the relevant regulations of the CSRC and Hong Kong Stock Exchange.

Transfer of Shares

Shares of the Company shall be transferred in accordance with applicable laws, except where otherwise provided by the Company Law, the Hong Kong Listing Rules, other laws, regulations, regulatory documents, or the Articles of Association.

The Company shall not accept its own shares as the subject of the pledge.

Shares issued by the Company prior to the public issuance of shares shall not be transferred within one year from the date the shares of the Company are listed for trading on the stock exchange.

The Directors and senior management of the Company shall notify the Company of their holdings of shares in the Company and the changes therein. The shares transferrable by them during each year of their tenures shall not exceed 25% of their total holdings of shares in the Company. The shares in the Company held by them shall not be transferred within one year from the date on which the Company's shares are listed for trading. The shares in the Company held by them shall not be transferred within half a year from their departure from the Company. Where the listing rules of the place where the Company's shares are listed provide otherwise in respect of the restrictions on the transfer, such rules shall prevail. If the shares of the Company are pledged during the restricted transfer period stipulated by laws and administrative regulations, the pledgee shall not exercise the pledge right during the restricted transfer period.

Any gains from sale of Company's shares or other securities with an equity nature by the Directors and senior management members or shareholders holding 5% or more of the Company's shares within six months after their purchase of the same, and any gains from the purchase of the shares or other securities with an equity nature by any of the aforesaid parties within six months after sale of the same shall be disgorged and paid to the Company, and the Board of Directors of the Company shall be responsible for recovering such gains from the abovementioned parties. However, a securities company which holds 5% or more of the Company's shares as a result of purchase of any remaining shares under best efforts underwriting, unless otherwise required by the CSRC and the Hong Kong Listing Rules.

Shares or other securities with the nature of equity held by Directors, senior executives and individual shareholders as mentioned in the preceding paragraph include shares or other securities with the nature of equity held by their spouses, parents or children, or held by them by using other people's accounts.

If the Board of Directors of the Company fails to comply with the above paragraph of this Article, the Shareholders are entitled to request the Board of Directors to do so within 30 days. If the Board of Directors of the Company fails to comply within the aforesaid period, the Shareholders are entitled to initiate litigation directly in the People's Court in their own names for the interest of the Company. If the Board of Directors fails to implement the provisions set forth in this Article, the responsible Directors shall bear joint and several liability in accordance with law.

SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS**Shareholders**

The Company maintains a register of shareholders based on the shareholding status of each shareholder. The register of shareholders shall constitute sufficient evidence of share ownership in the Company. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

The rights of our shareholders are as follows:

- (i) To receive distribution of dividends and other forms of benefits according to the number of shares held;
- (ii) To legally require, convene, preside over, participate in or authorize proxies of Shareholders to attend the Shareholders' general meeting and exercise corresponding voting rights;
- (iii) To supervise operational activities of our Company, provide suggestions or submit queries;
- (iv) To transfer, grant and pledge the Company's shares held according to the provisions of the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association;
- (v) To inspect, reproduce the Articles of Association, register of members, minutes of general meetings, resolutions of the Board meetings, financial and accounting reports and the accounting books and accounting certificates of the Company available for inspection by shareholders in compliance with relevant regulations;
- (vi) To participate in the distribution of the remaining assets of our Company according to the proportion of shares held upon our termination or liquidation;
- (vii) To require our Company to acquire the shares from Shareholders voting against any resolutions adopted at the Shareholders' general meeting concerning the merger and division of the Company;
- (viii) Other rights conferred by laws, administrative regulations, departmental rules, regulatory rules where our Company's shares are listed, or the Articles of Association.

Shareholders who, individually or collectively, hold more than 3% of the Company's shares for more than 180 consecutive days may request to access the accounting books and accounting vouchers of the Company. Shareholders requesting review the accounting books and accounting vouchers of the Company shall submit a written request to the Company stating the purpose thereof. If the Company has reasonable grounds to believe that the Shareholder's requests to review the accounting books and accounting vouchers has improper purposes and may impair the legitimate interests of the Company, it may reject the request of the Shareholder to review the accounting books and accounting vouchers and shall, within 15 days from the Shareholder's written request, respond to the Shareholder in writing, which shall include an explanation. If the Company rejects the request of any Shareholder to review the accounting books and accounting vouchers, the Shareholder may initiate proceedings in the people's court.

The Shareholder may retain an accounting firm, a law firm, or other intermediaries to review the materials specified in the preceding paragraph.

The Shareholder and the accounting firm, the law firm, or other intermediaries retained by it shall comply with the provisions of the laws and administrative regulations relating to the protection of state secrets, commercial secrets, personal privacy and personal information, etc., when reviewing and duplicating the relevant material.

If a Shareholder requests to review or duplicate the relevant materials of the Company's wholly-owned subsidiaries, the above provisions shall apply.

In the event that any resolution of the Shareholders' general meeting and resolution of the Board violates laws or administrative regulations, the shareholders shall be entitled to request the People's Court to invalidate the said resolution. In the event that the convening procedure or voting method of the Shareholders' general meeting or Board meeting violates any of the laws, administrative regulations or the Articles of Association, or the content of any resolution violates the Articles of Association, the shareholders shall be entitled to request the People's Court to overturn the resolution within 60 days upon the resolution was adopted, except where there are only minor defects in the convening procedure or voting method of the Shareholders' general meeting or Board meeting, which do not materially affect the resolutions. Where the Board of Directors, shareholders and other stakeholders dispute the validity of a resolution of a Shareholders' general meeting, they shall promptly file a lawsuit with the People's court. Before the People's court makes a judgment or ruling, the stakeholders shall execute the resolution of the Shareholders' general meeting. The Company, Directors and senior management shall perform their duties diligently to ensure the normal operation of the Company.

Where the People's court makes a judgment or ruling on a relevant matter, the Company shall fulfill its obligation to disclose the information in accordance with the laws, administrative regulations, the requirements of the CSRC and the stock exchange, fully explain the impact, and actively co-operate with the enforcement of the judgment or ruling after it has come into effect. Where corrections to prior events are involved, they will be handled in a timely manner and the corresponding information disclosure obligations will be fulfilled.

A shareholder who has not been notified to attend a Shareholders' general meeting may petition the People's court to rescind a resolution of the Shareholders' general meeting within 60 days from the date when he/she knows or ought to know that the resolution is passed. If the right of revocation is not exercised within one year from the date of passing the resolution, the right of revocation shall be extinguished.

The obligations of Shareholders are as follows:

- (i) To abide by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association;
- (ii) To provide Share capital according to the Shares subscribed for and Share participation methods;
- (iii) Not to return Shares unless prescribed otherwise in laws and administrative regulations;
- (iv) Not to abuse Shareholders' rights to infringe upon the interests of the Company or other Shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of Shareholders to damage the interests of the Company's creditors;
- (v) To perform other duties prescribed in laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Any Shareholder who abuses Shareholders' rights and causes the Company or other Shareholders to suffer a loss shall be liable for making compensation in accordance with the law. Any Shareholder who abuses the status of the Company as an independent legal entity or the limited liability of Shareholders to evade debts and seriously damages the interests of the Company's creditors shall assume joint and several liability for the Company's debts.

Where the Company incurs losses as a result of Directors other than members of the Audit Committee and senior officers having violated any provision of law, administrative regulation or the Articles of Association in the course of performing their duties with the Company, shareholders alone or in aggregate holding 1% or more of the Company's shares for 180 days or more shall be entitled to request in writing the Audit Committee to initiate proceedings in the People's Court; where the Company incurs losses as a result of the members of the Audit Committee having violated any provision of law, administrative regulation or the Articles of Association in the course of performing its duties with the Company, the aforementioned shareholders shall be entitled to request in writing that the Board of Directors should initiate proceedings in the People's Court.

In the event that the Audit Committee or the Board of Directors refuse to file an action upon receipt of the Shareholders' written request specified in the preceding paragraph, or fail to file an action within 30 days upon receipt thereof, or in the event that the failure to immediately file an action in an emergency case will cause irreparable damage to the interests of our Company, the Shareholder(s) specified in the preceding paragraph may, in their own name, directly file an action to the People's Court for the interest of our Company.

In the event of any other person infringes upon the legitimate rights and interests of our Company and causes losses thereto, the shareholders alone or in aggregate holding 1% or more of the Company's shares for 180 days or more may also initiate proceedings in the People's Court in accordance with the preceding two paragraphs.

In the event of a Director or senior management person violates laws, administrative regulations or the Articles of Association, thereby damaging the interests of the Shareholder(s), the Shareholder(s) may file an action with the People's Court.

The controlling shareholders and actual controllers of the Company shall exercise their rights and fulfill their obligations and safeguard the interests of the listed company in accordance with the provisions of the laws, administrative regulations, and the provisions of the CSRC and stock exchange(s) of the place(s) where the Company's shares are listed.

General Provisions for Shareholders' General Meetings

The Shareholders' general meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year and be held within six months of the end of the previous fiscal year.

The Shareholders' general meeting is the organ of authority of the Company, which exercises its powers in accordance with the PRC Company Law:

- (i) To elect or remove the Directors and to decide on matters relating to the remuneration of Directors;
- (ii) To examine and approve reports of the Board of Directors;
- (iii) To examine and approve the Company's proposals for profit distribution plans and loss recovery plans;
- (iv) To decide on any increase or decrease of the Company's registered capital;

- (v) To decide on the issue of corporate bonds by the Company;
- (vi) To decide on matters such as merger, division, dissolution and liquidation or change of corporate form of the Company;
- (vii) To amend the Articles of Association;
- (viii) To decide on appointment and dismissal of an accounting firm that undertake company audits by the Company;
- (ix) To examine and approve the provision of guarantees stipulated in Article 45;
- (x) To examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 30% of the Company's latest audited total assets;
- (xi) To examine and approve matters relating to changes in the use of proceeds;
- (xii) To examine and approve the equity incentive plans and employee stock ownership plans;
- (xiii) To examine any transactions where the applicable percentage ratios calculated by the Company pursuant to the percentage ratios requirement under Chapter 14 of the Hong Kong Listing Rules amount to twenty-five percent (25%) or more (including one-off transactions and a series of transactions requiring a combined percentage ratio, but excluding any transactions that may be exempted from approval of the Shareholders' general meeting under the Hong Kong Listing Rules or with the approval of Hong Kong Stock Exchange) or any connected transactions where the applicable percentage rate under Chapter 14A of the Hong Kong Listing Rules reaches five percent (5%) or more (including one-off transactions and a series of transactions requiring a combined percentage rate, but excluding any connected transactions that may be exempted from approval of the Shareholders' general meeting under the Hong Kong Listing Rules or with the approval of Hong Kong Stock Exchange);
- (xiv) To examine other matters as required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed as well as the Articles of Association, which shall be decided by the Shareholders' general meeting.

Except for authorizing the Board of Directors to adopt resolutions on the issuance of corporate bonds, the duties and powers of the Shareholders' general meeting set forth above shall not be exercised by the Board of Directors or other institutions and individuals on its behalf by way of authorization. Except for the matters specified above, the Shareholders' general meeting may authorize or delegate the Board of Directors and/or persons authorized by the Board of Directors to carry out the matters it authorizes or delegates, subject to the mandatory provisions of laws and regulations and the relevant laws and regulations and regulatory rules of the place where the Company's shares are listed.

The Shareholders' general meeting may resolve to remove a Director, with the removal taking effect on the date the resolution is made. If a Director is removed prior to the expiration of his/her term of office without any reasonable grounds, he/she may request compensation from the Company.

The external guarantees above to be approved at Shareholders' general meeting shall be considered and approved by the Board of Directors before submission to the Shareholders' general meeting for approval. The Board of Directors shall be entitled to consider and approve external guarantees other than those subject to the approval of the Shareholders' general meeting as aforesaid. The following external guarantees provided by the Company shall be subject to the approval of the Shareholders' general meeting:

- (i) Any guarantee to be provided after the total amount of external guarantees provided by the Company and the subsidiaries it controls has at least or exceeded 50% of the Company's net assets as audited in the latest period;
- (ii) Any guarantee to be provided after the total amount of external guarantees provided by the Company has exceeded 30% of the Company's total assets as audited in the latest period;
- (iii) The total amount of external guarantees provided by the Company within one year has exceeded 30% of the Company's total assets as audited in the latest period;
- (iv) Any guarantee to be provided for a party whose ratio of liabilities to assets exceeds 70%;
- (v) The single guarantee for an amount more than 10% of the Company's net assets as audited in the latest period;
- (vi) The guarantee to be provided to a Shareholder, or to actual controller and their related (connected) party thereof;
- (vii) Other guarantees required by the relevant laws, administrative regulations, departmental rules, regulatory documents, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association that shall be considered by the Shareholders' general meeting.

When the Shareholders' general meeting deliberates the guarantee proposal for shareholders, actual controllers and their related (connected) parties, such shareholder or the shareholder controlled by such actual controllers shall not participate in such voting, and such voting shall be passed by more than half of the voting rights held by other shareholders present at the Shareholders' general meeting.

If the Company provides external guarantees in violation of the authority of the Shareholders' general meeting and the Board of Directors to approve external guarantees and in violation of the approval authority and approval procedure, the Company shall hold relevant personnel accountable in accordance with relevant laws, regulations, regulatory documents, securities regulatory rules for the place where the Company's shares are listed and the Articles of Association.

The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of any of the following circumstances:

- (i) The number of Directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in these Articles of Association;
- (ii) The uncovered losses of our Company reach one-third of its total paid-in share capital;
- (iii) The Shareholders with 10% or more shares of the Company separately or jointly request;
- (iv) The Board of Directors considers it necessary;
- (v) The Audit Committee proposes that such a meeting shall be held;

- (vi) Other circumstances conferred by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Convening of Shareholders' General Meetings

Shareholders who individually or collectively hold more than 10% of the shares of the Company shall have the right to request the Board of Directors to convene an extraordinary general meeting, and shall submit such request in writing to the Board of Directors. The Board of Directors shall in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, provide written feedback on whether or not to convene the extraordinary general meeting within 10 days after receiving the request.

Where the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice of convening the Shareholders' general meeting within 5 days after the resolution of the Board of Directors is made, and changes to the original request in the notice shall be subject to the consent of the relevant shareholders. Where the Board of Directors does not agree to convene an extraordinary general meeting, or fails to give feedback within 10 days after receiving the request, shareholders who individually or collectively hold more than 10% of the Company's shares have the right to propose to the Audit Committee to hold an extraordinary general meeting, and shall make a written request to the Audit Committee.

Where the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice of convening the Shareholders' general meeting within 5 days of receiving the request, and any changes to the original request in the notice shall be subject to the consent of the relevant shareholders. Where the Audit Committee fails to issue a notice of the Shareholders' general meeting within the prescribed time limit, it shall be deemed that the Audit Committee has not convened and presided over the Shareholders' general meeting, and shareholders who individually or collectively hold more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over it on their own. Where the Audit Committee or shareholders decide to convene a Shareholders' general meeting by themselves, they shall notify the Board of Directors in writing. Prior to the announcement of the resolution of the Shareholders' general meeting, the shareholding ratio of the convening shareholders shall not be less than 10%. The Board of Directors and its secretary shall cooperate with the Audit Committee or the shareholder(s) convening the Shareholders' general meeting on their own. The Board of Directors will provide the register of shareholders as of the record date.

The expenses necessary for the Shareholders' general meeting convened by the Audit Committee or the shareholders themselves shall be borne by the Company.

Proposals and Notice of Shareholders' General Meeting

The content of the proposals shall fall within the terms of reference of the Shareholders' general meeting, with specific topics and specific resolutions, and in compliance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

When the Company convene a Shareholders' general meeting, the Board of Directors, the Audit Committee and shareholders individually or in aggregate holding 1% or more of the shares of the Company shall have the right to put forward proposals to the Company.

Shareholders who individually or collectively hold more than 1% of the shares of the Company may submit an interim proposal in writing to the convener 10 days prior to the convening of the Shareholders' general meeting. The convener shall issue a supplementary notice of the Shareholders' general meeting within 2 days after receiving the proposal, and announce the contents

of the interim proposal, and submit the same to the Shareholders' general meeting for consideration, unless the interim proposal violates the laws, administrative regulations or provisions of the Articles of Association, or does not fall within the scope of the functions and powers of the Shareholders' general meeting. Where the Shareholders' general meeting is postponed in accordance with the requirements of the securities regulatory rules of the place where the Company's shares are listed due to the issuance of a supplementary notice of the Shareholders' general meeting, the convening of the Shareholders' general meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed.

Except for the circumstances prescribed in the preceding paragraph, after the convener has issued the notice of Shareholders' general meeting, the convener may not modify the proposals already listed in the notice of Shareholders' general meeting or add new proposals. If the convener needs to supplement or amend the content of a proposal in accordance with applicable requirements, no substantive changes to the proposal shall be made. Any supplementary or corrective announcement shall be issued before the commencement of the voting at the Shareholders' general meeting. If a substantive amendment is made to the proposal, such change shall be regarded as a new proposal and shall not be submitted for voting at the current Shareholders' general meeting.

Proposals not listed in the notice of the Shareholders' general meeting or not in compliance with the Articles of Association shall not be voted on or resolved at the Shareholders' general meeting.

The notice of a Shareholders' general meeting includes the following:

- (i) The time, place and duration of the meeting;
- (ii) The matters and proposals to be discussed at the meeting;
- (iii) In plain language: all Shareholders have the right to attend the Shareholders' general meeting, and may entrust a proxy in writing to attend the meeting and vote. Such a proxy does not need to be a shareholder of the Company;
- (iv) The shareholding registration date of the Shareholders entitled to attend the Shareholders' general meeting;
- (v) The name and telephone number of the standing contact person for the meeting;
- (vi) The time and procedure for voting by network or other means;
- (vii) Other matters as required by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, and other applicable provisions.

The notice of the Shareholders' general meeting and the supplementary notice shall fully and completely disclose all the specific contents of all proposals.

The interval between the equity registration date and the meeting date shall be no more than 7 working days. Once the equity registration date is confirmed, it cannot be changed.

The convener shall notify all Shareholders in writing or by way of announcement 21 days prior to the convening of the annual general meeting, and each Shareholder shall be notified in writing or by way of announcement 15 days prior to the convening of the extraordinary general meeting. When calculating the commencement of the time period, the Company shall exclude the day on which the meeting is held but include the day on which the notice is issued.

Proxy for the Shareholders' General Meeting

All shareholders registered on the equity record date or their proxies are entitled to attend the Shareholders' general meeting, speak and vote in accordance with relevant laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association (including waiving voting rights on specific matters in accordance with the relevant regulations).

A shareholder may attend, speak and vote at the shareholders' general meeting in person or by proxy.

Individual shareholders attending the meeting in person shall present their personal identity cards or other valid certificates that can verify his/her identity. Proxies attending the meeting shall present their personal identity cards and the proxy statements from the shareholder.

Corporate shareholders shall be represented by its legal representative/managing partner (authorized representative) or proxies authorized by the legal representative/managing partner (authorized representative). Legal representatives/managing partner (authorized representative) attending the meeting shall present their personal identity cards or valid documents that can prove its identity as the legal representative/managing partner (authorized representative). Proxies authorized to attend the meeting shall present their personal identity cards or the written proxy statement legally issued by the legal representative/managing partner (authorized representative) of the legal person shareholder, except for shareholders who are a recognized clearing house as defined in the relevant ordinances in force from time to time under the laws of Hong Kong or the securities regulatory rules of the place where the shares of the Company are listed (hereinafter referred to as the "Recognized Clearing House") and its proxy.

If the shareholder is a Recognized Clearing House (or their proxies) as defined under any relevant ordinances as amended from time to time in Hong Kong, the shareholder may authorize one or more persons as it deems appropriate to act as its representative at any Shareholders' general meeting or any class of shareholders meeting; however, if more than one person is authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is so authorized. A person so authorized may act on behalf of the Recognized Clearing House (or their proxies) as if such person were an individual shareholder of the Company (without presenting a shareholding certificate, notarized authorization and/or further evidence confirming its duly authorization), and shall be entitled to statutory rights equal to those of other shareholders, including the right to speak and vote.

Voting at the Shareholders' General Meeting

The resolutions of the Shareholders' general meeting are divided into ordinary resolutions and special resolutions. An ordinary resolution at a shareholders' general meeting shall be passed by more than half of the voting rights held by the shareholders present at the shareholders' general meeting (including proxies). A special resolution at a shareholders' general meeting shall be passed by at least two-thirds of the voting rights held by the shareholders present at the shareholders' general meeting (including proxies).

Shareholders (including proxies) shall exercise their voting rights in accordance with the number of voting shares they represent and the corresponding number of voting rights, pursuant to applicable laws, regulations, and the Articles of Association, and each share shall be entitled to one vote. In the case of a vote by poll, a shareholder (including proxies) holding two or more votes does not need to cast all votes in favor or against.

The shares of the Company held by itself shall have no voting right, and shall not be included in the total number of shares with voting rights at the Shareholders' general meeting.

If any shareholder is required to be prohibited from voting, abstain from voting on the relevant resolutions or be restricted from voting only for or against the specific resolutions pursuant to any law, administrative regulation, departmental rule, or the securities regulatory rules of the place where the Company's shares are listed, any votes cast by such shareholder(s) or their representative(s), in violation of the foregoing requirement or restriction, shall not be taken into account in the result of such voting.

The resolution of the Shareholders' general meeting includes ordinary resolution and special resolution. The following matters shall be approved by the Shareholders' general meeting through ordinary resolutions:

- (i) Work report of the Board of Directors;
- (ii) Plans of earnings distribution and loss make-up schemes drafted by the Board of Directors;
- (iii) Appointment or dismissal of the members of the Board of Directors, and their remuneration and payment methods;
- (iv) The appointment, dismissal, or non-renewal of the accounting firm and its remuneration;
- (v) Annual report of the Company;
- (vi) Other matters other than those approved by special resolution stipulated in the laws, administrative regulations, securities regulatory rules of the place where the Company's Shares are listed or the Articles of Association.

The following matters shall be approved by special resolution at the Shareholders' general meeting:

- (i) The increase or reduction of the registered capital of the Company;
- (ii) The division, merger, dissolution and liquidation of the Company;
- (iii) Amendment to the Articles of Association;
- (iv) Purchase or sale of significant assets by the Company within a year or the amount of guarantees provided to others which exceeds 30% of the Company's total assets as audited for the latest period;
- (v) Equity incentive plan;
- (vi) The repurchase of the Company's own shares due to the circumstances specified in Article 21 of the Articles of Association;
- (vii) Other matters as required by the laws, administrative regulations, other securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association, and matters approved by ordinary resolution of the Shareholders' general meeting which are believed could materially affect our Company and need to be approved by special resolution.

DIRECTORS AND BOARD OF DIRECTORS**Directors**

Directors shall be elected or replaced at the Shareholders' general meeting for a term of 3 years and may be removed from office prior to the expiry of their tenure by Shareholders' general meeting. Directors may be re-elected upon the expiration of the term. A director's term of service commences from the date he takes office, until the current term of service of Board of Directors ends. If a Director's term of service expires but a new Director is not elected in a timely manner, the original Director shall continue to carry out the Director's duties according to the laws, administrative regulations, departmental regulations and the Articles of Association until the newly elected Director takes office. The Company shall have one employee representative director, who shall be elected by the employees through the employee representative assembly. Such appointment does not require approval by the Shareholders' general meeting.

Directors shall comply with laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association. They owe a duty of loyalty to the Company and shall take measures to avoid conflicts of interest between their personal interests and those of the Company, and must not abuse their authority to seek improper benefits. The Directors undertake the following loyalty duties to the Company:

- (i) Shall not misappropriate the property of the Company or divert the funds of the Company;
- (ii) Shall not deposit the funds of the Company into an account opened in their own names or the name of another individual;
- (iii) Shall not exploit his/her position to accept bribes or to obtain other illegal income;
- (iv) Shall not, directly or indirectly, enter into any contract or transaction with the Company, unless a report has been submitted to the Board of Directors or the Shareholders' general meeting and a resolution has been duly adopted by the Board of Directors or the Shareholders' general meeting in accordance with the provisions of the Articles of Association;
- (v) Shall not exploit their positions to capture business opportunities which should have been taken by the Company for themselves or others, except when they have reported to the Board of Directors or the Shareholders' general meeting and obtained approval through a resolution of the Shareholders' general meeting, or except that the Company is unable to utilize such business opportunity in accordance with laws, administrative regulations, or the Articles of Association;
- (vi) Shall not engage in the same type of businesses as the Company's on their own or for others, unless a report has been submitted to the Board of Directors or the Shareholders' general meeting and a resolution has been adopted by the Shareholders' general meeting;
- (vii) Shall not accept commissions from transactions between others and the Company as their own;
- (viii) Shall not disclose the secrets of the Company without authorization;
- (ix) Shall not abuse their related (connected) relationships to damage the Company's interests;

- (x) Shall not lend company's fund to any person or provide guarantee for any person using company assets without the consent of either the shareholders' meeting or the board of directors;
- (xi) Other fiduciary obligations stipulated in laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The income obtained by the Director in violation of this article shall belong to the Company; If losses are caused to the Company, it shall be liable for compensation.

Close relatives of Directors and senior management personnel, enterprises directly or indirectly controlled by Directors, senior management personnel, or their close relatives, as well as other related parties having connections with Directors or senior management personnel, shall comply with the provisions set forth in item (iv) above when entering into contracts or conducting transactions with the Company.

Directors shall abide by laws, administrative regulations and the Articles of Association, and have the following diligent obligations to the Company:

- (i) Shall prudently, earnestly and diligently exercise the powers the Company grants to them to ensure that the Company conducts its commercial activities in a manner that complies with the requirements of state laws, administrative regulations and government economic policies, and that the Company's commercial activities do not go beyond the scope of the business activities stipulated in the Company's business license;
- (ii) Shall treat all Shareholders fairly;
- (iii) Shall maintain a timely awareness of the operation and management of the Company;
- (iv) Shall sign written statements confirming the regular reports of the Company, and ensure that the information disclosed by the Company is true, accurate and complete;
- (v) Shall provide information and materials to the Audit Committee and shall not obstruct the Audit Committee from performing its or their duties;
- (vi) Other obligations of diligence stipulated in the laws, administrative regulations, departmental rules, other securities regulatory rules of the place where the Company's Shares are listed, and Articles of Association.

When a Director's resignation becomes effective or his/her term of office expires, he/she shall complete all hand-over procedures with the Board. The fiduciary duties borne by the Directors to the Company and Shareholders shall not necessarily cease after expiry of the term of his/her tenure. It shall remain in force for three years after the resignation of a Director becomes effective or the term of office expires, but its obligation to keep the Company's trade secret confidential shall be limited to three years. The liability that a Director should bear due to the performance of his/her duties during the term of office shall not be waived or terminated due to his/her departure.

Without the provisions of the Articles of Association or the lawful authorization of the Board of Directors, no Director shall act in his own name on behalf of the Company or the Board of Directors. When a Director acts in his/her own name, the Director shall declare his/her position and identity in advance if the third party reasonably believes that the Director is acting on behalf of the Company or the Board of Directors.

Board of Directors

The Board of Directors consists of nine Directors, at least three of whom must be independent directors, representing no less than one-third of the total members. At least one independent director must possess appropriate accounting or relevant financial management expertise, or meet the professional qualifications required by the stock exchange where the Company's shares are listed. The Board shall have one Chairman and one Vice Chairman.

The Board of Directors exercises the following powers:

- (i) To convene the Shareholders' general meeting and report on work to the Shareholders' general meeting;
- (ii) To implement the resolutions of the Shareholders' general meeting;
- (iii) To determine the business and investment plans of our Company;
- (iv) To formulate the earnings distribution and loss offset plans of our Company;
- (v) To formulate the plans for increasing or decreasing our Company's registered capital, the issuance of corporate bonds or other securities, as well as the listing of the stock of our Company;
- (vi) To formulate plans for major acquisitions of the Company, the buy-back of shares of our Company in case of the circumstances stipulated of the Articles of Association, corporate merger, separation, dissolution and changing the form of our Company;
- (vii) To determine such matters as the Company's external investment, purchase or sale of assets, asset pledge, external guarantee, entrusting wealth management, related (connected) transaction and external donation within the scope authorized by the Shareholders' general meeting;
- (viii) To decide on the setup of our Company's internal management organization;
- (ix) To decide on matters concerning the appointment or dismissal of the general manager, secretary to the Board or other senior management members and to determine their remunerations, reward and reprimand matters; and based on the nomination by the general manager, to decide on matters concerning the appointment or dismissal of vice general manager, the financial officer and other senior management members of the Company and to determine their remunerations, reward and reprimand matters;
- (x) To set the basic management systems of our Company;
- (xi) To make the modification plan to the Articles of Association;
- (xii) To manage the disclosure of company information;
- (xiii) To request to the general meeting of shareholders to hire or replace the accounting firm auditing for the Company;
- (xiv) To attend to the work report of our Company's general manager and review the work of the general manager;
- (xv) To develop and review the Company's policies and practices on corporate governance;

- (xvi) To review and monitor the training and continuous professional development of Directors and senior management;
- (xvii) To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (xviii) To review the Company's compliance with the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules and disclosure in the Corporate Governance Report;
- (xix) To review and approve transactions that, pursuant to laws, regulations, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, provisions of relevant regulatory authorities, and the Articles of Association, fall under the purview of the Board for approval;
- (xx) To decide on the Company's repurchase of its own shares in accordance with the circumstances stipulated in items (iii), (v), and (vi) of Article 22 of the Articles of Association, subject to compliance with the securities regulatory rules of the place where the Company's shares are listed;
- (xxi) To review and approve transactions disclosable under Chapter 14 of the Hong Kong Listing Rules and connected transactions under Chapter 14A of the Hong Kong Listing Rules;
- (xxii) To decide on other significant matters of the Company, except for those which are required by the Company Law or the Articles of Association to be resolved by the shareholders' general meeting;
- (xxiii) Other powers and duties authorized by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's Shares are listed or the Articles of Association, or the general meeting of shareholders.

Matters exceeding the scope of authorization by the Shareholders' general meeting shall be submitted to the Shareholders' general meeting for consideration.

Meetings of the Board of Directors shall be attended by more than one-half of the Directors before the Board of Directors meeting can be convened.

The Board of Directors shall determine the authority of external investment, acquisition and sale of assets, asset mortgage, external guarantee matters, entrusted financial management, related (connected) transactions, external donations, and establish strict review and decision-making procedures; major investment projects shall be reviewed by relevant experts and professionals and reported to the Shareholders' general meeting for approval.

If any Director has connection with the enterprise or individual involved in the resolution made at a Board meeting, the said Director shall report to the Board of Directors in a timely manner in writing. They shall not vote on the said resolution for himself/herself or on behalf of another Director. The Board meeting may be held when more than half of the non-connected Directors attend the meeting. The resolution of the Board meeting shall be passed by more than half of the non-connected Directors. If the number of non-connected Directors attending the meetings is less than three, the issue shall be submitted to the shareholders' general meeting for consideration. If there are any additional restrictions on Directors' participation in and voting at Board meetings in accordance with laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail.

Special Committees under the Board

The Board of Directors of the Company has set up an Audit Committee to exercise the powers and functions of the Supervisory Committee and Audit Committee as stipulated in the Company Law.

The Audit Committee shall consist of three members, all of whom must be Directors who do not hold senior management positions within the Company, of whom a majority shall be independent directors, with a convenor being one of the independent directors who is a professional with expertise in accounting.

The Audit Committee shall be responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal control, and exercise the relevant powers and responsibilities stipulated by the rules of the stock exchange where the Company's shares are listed and the Articles of Association.

The Board of Directors of the Company has set up the Strategy and Environmental, Social, and Governance (ESG) Committee, the Audit Committee, the Nomination Committee and the Remuneration and Appraisal Committee, which shall perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors. Proposals from special committees shall be submitted to the Board of Directors for consideration and decision, and the Board of Directors shall be responsible for formulating the rules of work of the special committees.

General Manager and Other Senior Management Members

Our Company has one general manager, appointed or dismissed by the Board of Directors. The Company may have several deputy general managers, who shall be appointed or dismissed by the Board of Directors.

The provisions of the Articles of Association regarding circumstances under which a person may not serve as a Director and the Director resignation management system shall apply mutatis mutandis to senior management members. The provisions of the Articles of Association on the faithful obligations and diligence obligations of Directors shall equally apply to other senior management personnel.

The general manager of our Company is responsible to the Board of Directors and exercises the following powers:

- (i) To be in charge of the Company's production, operation and management, and to organize and implement the resolutions of the Board of Directors and report on works to the Board of Directors;
- (ii) To organize and implement the Company's annual business plan and investment proposals;
- (iii) To draft plans for the subsidiaries of merger, division and reorganization;
- (iv) To draft plans for the employee of salaries, benefits and incentives/disincentives policy and plans;
- (v) To draft plans for the establishment of the Company's internal management organizations;
- (vi) To draft plans for the establishment of the Company's branches;
- (vii) To draft the Company's basic management system;

- (viii) To formulate specific rules and regulations for the Company;
- (ix) To propose to the Board of Directors on the appointment or dismissal of deputy general manager, financial officer of the Company;
- (x) To appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;
- (xi) Other functions and powers conferred by the Articles of Association or the Board of Directors.

The general manager shall attend meetings of the Board of Directors.

The deputy general managers and the financial officers shall be nominated by the general manager and appointed or dismissed by the Board of Directors. They shall assist the general manager in his/her duties and shall be accountable to and report to the general manager.

The Company shall have one secretary to the Board, who shall be responsible for preparing the Shareholders' general meeting and Board meeting of the Company, keeping relevant documents, managing the information of shareholders of the Company, dealing with information disclosure related matters and others. The secretary to the Board of the Directors shall abide by the relevant provisions of the laws, administrative regulations, department rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The Company shall be liable for any damages caused to others by senior management in the performance of their duties for the Company, and shall also be liable for any damages caused by intent or gross negligence on the part of the senior management. Where any member of the senior management violates the laws, administrative regulations, department rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association in the performance of his/her duties resulting in any loss to the Company, such member shall be liable for compensation.

FINANCIAL AND ACCOUNTING SYSTEM

The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and the provisions stipulated by the relevant authorities of the PRC.

The Company shall prepare its annual financial accounting report within four months after the end of each fiscal year. The interim report shall be disclosed within two months after the end of the first half of each fiscal year. The Company shall send, disclose and/or submit annual report, interim report and other reports to shareholders in accordance with the securities regulatory rules of the place where the Company's shares are listed. The above-mentioned annual report and interim report shall be prepared in accordance with laws, administrative regulations, the relevant requirements of the CSRC and the stock exchange where the Company's shares are listed.

The Company will not establish account books other than the statutory account books. The assets of the Company shall not be deposited in any personal account.

The Company is required to withdraw 10% of its profits into its statutory reserve fund when distributing each year's after-tax profits. When the cumulated amount of the statutory reserve fund of the Company has reached 50% or more of its registered capital, no further withdrawal is required.

Where the statutory reserve fund of the Company is insufficient to make up the losses of the Company for the preceding year, profits of the current year shall be applied to make up the losses before any allocation to the statutory reserve fund in accordance with the provisions in the

preceding paragraph. Subject to a resolution of the shareholders' general meeting, after withdrawal has been made to the Company's statutory reserve fund from its after-tax profits, the Company may set aside funds for the discretionary reserve fund.

After making up of losses and appropriation to reserve funds, balance of the profit after tax shall be distributed to shareholders in proportion to their shareholdings.

If the Shareholders' general meeting violates the above provisions and profits are distributed to the Shareholders before the Company makes up for losses or makes allocations to the statutory reserve fund, the profits distributed in violation of the provisions must be returned by such Shareholders to the Company; if losses are caused to the Company, the Shareholders and the Directors and senior management who are responsible for the losses shall be liable for compensation.

No profit shall be distributed in respect of the shares of the Company which are held by the Company. The Company shall appoint one or more collection agents for H shareholders in Hong Kong. The collection agents shall collect on behalf of the relevant H shareholders the dividends distributed and other funds payable by the Company in respect of the H shares, and hold such monies in their custody pending payment to the H shareholders concerned. The collection agents appointed by the Company shall meet the requirements of the laws, regulations and the securities regulatory rules of the place where the Company's shares are listed.

Reserve funds of the Company are used for recovering losses of the Company and expanding scale of operation of the Company or conversion into its capital. When using reserve funds to cover the Company's losses, the discretionary reserve fund and the statutory reserve fund shall be used first; if the losses cannot be fully covered, the capital reserve fund may be used in accordance with regulations.

When the statutory reserve funds are converted into capital, the remaining balance of such reserve fund must not be less than 25% of its registered capital before such conversion.

Any resolution on the distribution of cash or stock dividends or capitalization of capital reserve adopted at a shareholders' general meeting shall be implemented by the Company within two months after the end of the meeting. However, if applicable laws and regulations or the securities regulatory rules of the place where the Company's shares are listed prevent compliance with this two-month requirement, the implementation schedule may be adjusted accordingly based on such regulations and actual circumstances.

INTERNAL AUDIT

The Company shall implement an internal audit system, specifying the leadership structure, responsibilities and authorities, staffing, funding, application of audit results, and accountability for internal audit work. The Company's internal audit system shall be implemented after approval by the Board of Directors and shall be disclosed to the public.

APPOINTMENT OF ACCOUNTING FIRMS

The Company shall engage an accounting firm that complies with the Securities Law and the securities regulatory rules of the place where the Company's shares are listed to conduct audits of financial statements, verification of net assets, and other related consulting services. The engagement term shall be one year and may be renewed. The reappointment or change (including new appointment or dismissal) of an accounting firm must be disclosed in a separate announcement.

The appointment, dismissal or non-renewal of an accounting firm shall be determined by an ordinary resolution passed at the shareholders' general meeting. The Board of Directors shall not appoint an accounting firm before the decision of the Shareholders' general meeting.

The Company shall ensure that the engaged accounting firm is provided with true and complete accounting vouchers, accounting books, financial accounting reports, and other accounting materials, and shall not refuse, conceal, or misreport such materials.

The remuneration of the accounting firm, or the method for determining such remuneration, shall be decided by the Shareholders' general meeting.

When the Company dismisses or does not renew the engagement of an accounting firm, it shall notify the accounting firm 20 days in advance. When the Shareholders' general meeting votes on the dismissal of an accounting firm, the accounting firm shall be allowed to present its opinions. If the accounting firm resigns, it shall explain to the Shareholders' general meeting whether there are any improper circumstances in the Company.

DISSOLUTION AND LIQUIDATION OF THE COMPANY

The Company shall be dissolved for the following reasons:

- (i) Expiry of term of business stipulated in the Articles of Association or occurrence of any other trigger for dissolution stipulated in the Articles of Association;
- (ii) The Shareholders' general meeting adopts a resolution to dissolve our Company;
- (iii) Our Company needs to be dissolved for the purpose of merger or division;
- (iv) The business license is revoked, or our Company is ordered to close or be eliminated according to applicable law;
- (v) Where our Company encounters significant difficulties in business and management, continuous survival may be significantly detrimental to the interests of the shareholders, and the difficulties may not be overcome through other means, shareholders who hold more than 10% of all voting rights of the Company's shareholders may request the People's Court to dissolve the Company.

When the Company has the dissolution reasons mentioned above, it shall publicize the dissolution reasons through the National Enterprise Credit Information Publicity System within 10 days.

If the Company has the circumstances mentioned in items (i) and (ii) above and has not yet distributed its assets to shareholders, it may continue to exist by amending its Articles of Association or through a resolution of the Shareholders' general meeting. To amend the Articles of Association or pass a resolution of the Shareholders' general meeting in accordance with the preceding paragraph, it must be approved by more than two-thirds of the voting rights held by shareholders present at the Shareholders' general meeting.

If the Company is dissolved due to the circumstances mentioned in items (i), (ii), (iv), and (v) above, it shall be liquidated. The Directors are the liquidation obligors and shall establish a liquidation group within 15 days from the date the dissolution reason arises to commence liquidation. The liquidation group shall consist of Directors, or the Shareholders' general meeting resolves to appoint others. If the liquidation obligors fail to perform their liquidation obligations in a timely manner, causing losses to the Company or creditors, they shall bear the liability for compensation.

AMENDMENT TO THE ARTICLES OF ASSOCIATION

Under any of the following circumstances, the Company shall amend the Articles of Association:

- (i) Following the revision of the Company Law or relevant laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, the matters stipulated in the Articles of Association contradict the provisions of the revised laws, administrative regulations or securities regulatory rules of the place where the Company's shares are listed;
- (ii) There is any change to the Company's particulars which result in inconsistency with the matters set out in the Articles of Association;
- (iii) A Shareholders' general meeting has decided on making amendments to the Articles of Association.

If the amendment to the Articles of Association adopted by resolution of the shareholders' general meeting is subject to the approval of the competent authority, it shall be reported to the competent authority for approval; if it involves matters of company registration, the registration of the changes shall be made in accordance with the law.

1. FURTHER INFORMATION ABOUT OUR COMPANY**A. Incorporation**

On April 26, 2011, the predecessor of our Company, Shenzhen Yusheng Medical Technology Co., Ltd. (深圳玉升醫療科技有限公司), was established as a limited liability company in Shenzhen, the PRC, with a registered capital of RMB2,600,000. In July 2013, our Company was renamed as Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術有限公司). On November 19, 2020, our Company was converted into a joint stock company with limited liability and Medcaptain Medical Technology Co., Ltd. (麥科田生物醫療技術股份有限公司).

We have established a place of business in Hong Kong at Room 1916, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong, and have been registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on August 14, 2025. Ms. SIOW Yuet Chew Grace (蕭月秋) have been appointed as our agent for the acceptance of services of process and notices on behalf of our Company in Hong Kong.

As we are incorporated in the PRC, we are subject to the relevant laws and regulations of the PRC. A summary of the relevant aspects of laws and regulations of the PRC and our Articles of Association is set out in “Regulatory Overview” of this prospectus and Appendix III to this prospectus.

B. Changes in the Share Capital of our Company

Immediately following the unwinding of the WVR structure, the Conversion of the Unlisted Shares into H Shares and upon completion of the Global Offering, our registered share capital will be increased to RMB538,626,686, comprising 479,221,686 H Shares and 59,405,000 Unlisted Shares, of which 38,910,600 H Shares are to be issued and sold under the Global Offering, representing 88.97%, and 11.03% of our enlarged registered share capital, respectively. Save as disclosed, there has been no alteration in the share capital of our Company during the two years immediately preceding the date of this prospectus.

C. Resolutions of the Shareholders of our Company

On December 16, 2024, the shareholders of our Company passed, among other things, the following resolutions:

- (i) the issue by our Company of H Shares of nominal value of RMB1.00 each and such Shares be listed on the Stock Exchange;
- (ii) the amount of the H Shares to be issued shall be no more than 25% of the total share capital as enlarged immediately following the Global Offering;
- (iii) with effect from the Listing Date, (a) the WVR structure be unwound, (b) each issued Class A Share and Class B Share be re-designated to one H Share or Unlisted Share, as the case may be, and (c) after the re-designation, each holder of the issued Shares of be entitled to one vote per Share at a general meeting of our Company;

- (iv) subject to the completion of the Global Offering, the Articles of Association have been approved and adopted, which shall only become effective from the Listing Date, and our Board has been authorized to amend the Articles of Association in accordance with any comments from the Stock Exchange and the relevant PRC regulatory authorities; and
- (v) approving our Board to handle all matters relating to, among other things, the issue of H Shares and the Listing of H Shares on the Stock Exchange.

D. Subsidiaries of Our Company

(i) Subsidiaries

Certain details of our subsidiaries are set forth in the Accountants' Report in Appendix I to this prospectus.

(ii) Changes in the share capital of subsidiaries

The following changes in the share capital of our subsidiaries took place during the two years immediately preceding the date of this prospectus.

- (i) On June 17, 2025, Medcaptain Sichuan was incorporated in the PRC with an authorized share capital of RMB50,000,000;
- (ii) On July 15, 2025, Medcaptain Jiangsu was incorporated in the PRC with an authorized capital of RMB30,000,000;
- (iii) On September 15, 2025, the registered capital of Medcaptain Software increased from RMB1,000,000 to RMB4,500,000;
- (iv) On December 30, 2025, the registered capital of Caring Medical increased from RMB22,500,000 to RMB52,500,000; and
- (v) On December 31, 2025, the issued share capital of Medcaptain HK increased from HK\$280,300,000 to HK\$308,410,000.

Save as disclosed above, there has been no alteration in the share capital of any of our subsidiaries within the two years immediately preceding the date of this prospectus.

2. FURTHER INFORMATION ABOUT OUR BUSINESS

A. Summary of Our Material Contract

We have entered into the following material contract (not being contracts entered into in the ordinary course of business) within two years preceding the date of this prospectus and a copy of which has been delivered to the Registrar of Companies in Hong Kong for registration:

- (i) the Hong Kong Underwriting Agreement.

B. Our Material Intellectual Property Rights**(i) Patents**

As of the Latest Practicable Date, we were the registered owner of and had the right to use the following patents which we consider to be or may be material to our business:

No.	Publication/ Application Number	Description	Patent Type	Place of Registration	Registered Owner	Date of Application	Expiry Date
1. . .	CN201810373392.4	Infusion pumps and automatic stopping methods for infusion pumps (輸液泵及輸液泵的自動止液方法)	Invention	PRC	Our Company	April 24, 2018	April 23, 2038
2. . .	CN201911023023.3	Touch Panel Calibration Methods and Related Products (觸摸屏校準方法及相關產品)	Invention	PRC	Our Company	October 25, 2019	October 24, 2039
3. . .	CN201811265931.9	A PCA infusion device and a method, device and storage medium for early unlocking (一種PCA輸注裝置及提前解除鎖定的方法、裝置及存儲介質)	Invention	PRC	Our Company	October 29, 2018	October 28, 2038
4. . .	CN201910715064.2	Methods of sample analysis (樣品分析的方法)	Invention	PRC	Our Company	July 31, 2019	July 30, 2039
5. . .	CN201910803917.8	A platelet inhibition rate assay kit and a method for its preparation and assay thereof (一種血小板抑制率檢測試劑盒及其製備方法和檢測方法)	Invention	PRC	Our Company	August 28, 2019	August 27, 2039
6. . .	CN201210370924.1	An automatic syringe pump (一種自動注射泵)	Invention	PRC	Our Company	September 29, 2012	September 28, 2032
7. . .	CN201310029699.X	A kind of electric stop liquid clip control method and infusion pump (一種電動止液夾控制方法及輸液泵)	Invention	PRC	Our Company	January 25, 2013	January 24, 2033
8. . .	CN201310038886.4	An infusion pump (一種輸液泵)	Invention	PRC	Our Company	February 1, 2013	January 31, 2033
9. . .	CN201310041162.5	An infusion pump (一種輸液泵)	Invention	PRC	Our Company	February 1, 2013	January 31, 2033
10. .	CN201310042029.1	An infusion pump with motorized control of the stop clip (一種電動控制止液夾的輸液泵)	Invention	PRC	Our Company	February 4, 2013	February 3, 2033
11. .	CN201310042125.6	An infusion pump with motorized control of the stop clip (一種電動控制止液夾的輸液泵)	Invention	PRC	Our Company	February 4, 2013	February 3, 2033

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

No.	Publication/ Application Number	Description	Patent Type	Place of Registration	Registered Owner	Date of Application	Expiry Date
12.	CN201310042655.0	A syringe pump transmission device (一種注射泵傳動裝置)	Invention	PRC	Our Company	February 4, 2013	February 3, 2033
13.	CN201310042030.4	A syringe pump (一種注射泵)	Invention	PRC	Our Company	February 4, 2013	February 3, 2033
14.	CN201310071236.X	Infusion pumps with electrically controlled pump doors and stop clips (電動控制泵門和止液夾的輸液泵)	Invention	PRC	Our Company	March 6, 2013	March 5, 2033
15.	CN201310634721.3	An infusion pump and its peristaltic device (一種輸液泵及其蠕動裝置)	Invention	PRC	Our Company	November 30, 2013	November 29, 2033
16.	CN201610066649.2	A syringe pump and its transmission device (一種注射泵及其傳動裝置)	Invention	PRC	Our Company	January 29, 2016	January 28, 2036
17.	CN201710076506.4	An infusion management method and system (一種輸液管理方法及系統)	Invention	PRC	Our Company	February 13, 2017	February 12, 2037
18.	CN201710262581.X	An infusion system (一種輸液系統)	Invention	PRC	Our Company	April 20, 2017	April 19, 2037
19.	CN201710262582.4	An infusion system (一種輸液系統)	Invention	PRC	Our Company	April 20, 2017	April 19, 2037
20.	CN201710340936.2	A loading and unloading cup device and a thromboelastography device (一種裝卸杯裝置及血栓彈力圖儀)	Invention	PRC	Our Company	May 15, 2017	May 14, 2037
21.	CN201710338292.3	A kind of lyophilization reaction container (一種凍乾反應容器)	Invention	PRC	Our Company	May 15, 2017	May 14, 2037
22.	CN201710339780.6	Detection device with micro-damping structure (具有微阻尼結構的檢測裝置)	Invention	PRC	Our Company	May 15, 2017	May 14, 2037
23.	CN201710337992.0	Microtorque measurement device and method (微扭矩測量裝置及方法)	Invention	PRC	Our Company	May 15, 2017	May 14, 2037
24.	CN201710337991.6	A Cup Removal Device and Thromboelastography Device (一種卸杯裝置及血栓彈力圖儀)	Invention	PRC	Our Company	May 15, 2017	May 14, 2037
25.	CN201710477530.9	Syringe pump drives and syringe pumps for their applications (注射泵傳動裝置及其應用的注射泵)	Invention	PRC	Our Company	June 21, 2017	June 20, 2037
26.	CN201810139168.9	syringe pump (注射泵)	Invention	PRC	Our Company	February 9, 2018	February 8, 2038

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

No.	Publication/ Application Number	Description	Patent Type	Place of Registration	Registered Owner	Date of Application	Expiry Date
27.	CN201910387177.4	Quality control test application method, apparatus, device, and computer-readable storage medium (質控測試申請方法、裝置、設備及計算機可讀存儲介質)	Invention	PRC	Our Company	May 9, 2019	May 8, 2039
28.	CN201910711892.9	Photomultiplier tube shielding structure and signal detection device (光電倍增管屏蔽結構及信號檢測裝置)	Invention	PRC	Our Company	July 31, 2019	July 30, 2039
29.	CN202010097730.3	Probes, primers, kits and assays for the detection of novel coronaviruses based on double loop-mediated thermostatic amplification technology (基於雙重環介導恆溫擴增技術檢測新型冠狀病毒的探針、引物、試劑盒及檢測方法)	Invention	PRC	Our Company	February 17, 2020	February 16, 2040
30.	CN202111676284.2	Infusion pump control method and related devices (輸注泵控制方法及相關裝置)	Invention	PRC	Our Company	December 31, 2021	December 30, 2041
31.	CN202210581579.X	Packaging device (包裝裝置)	Invention	PRC	Our Company	May 26, 2022	May 25, 2042
32.	CN201210008688.9	A clutch device and syringe pump (一種離合裝置及注射泵)	Invention	PRC	Medcaptain Life Science	January 12, 2012	January 11, 2032
33.	CN201310003547.2	A multi-module snap-in combination system (一種多模塊卡接組合系統)	Invention	PRC	Medcaptain Life Science	January 6, 2013	January 5, 2033
34.	CN201310040830.2	Infusion pumps with electrically controlled on/off pump doors (電動控制開關泵門的輸液泵)	Invention	PRC	Medcaptain Life Science	February 1, 2013	January 31, 2033
35.	CN201310071204.X	Infusion pumps with electrically controlled pump doors and stop clips (電動控制泵門和止液夾的輸液泵)	Invention	PRC	Medcaptain Life Science	March 6, 2013	March 5, 2033
36.	CN201310106718.4	A multi-module combined power supply system (一種多模塊組合供電系統)	Invention	PRC	Medcaptain Life Science	March 29, 2013	March 28, 2033
37.	CN202210665630.5	Clamping device and anastomosis clamp for endoscopes (夾合裝置及用於內窺鏡的吻合夾)	Invention	PRC	Vedkang Medical	June 14, 2022	June 13, 2042

No.	Publication/ Application Number	Description	Patent Type	Place of Registration	Registered Owner	Date of Application	Expiry Date
38.	CN202010025739.3	A method of braiding a stent and a stent made using the method (一種支架編織方法及使用該方法製成的支架)	Invention	PRC	Vedkang Medical	January 10, 2020	January 9, 2040
39.	CN202210475153.6	An endoscopic surgical instrument (一種內窺鏡下手術器械)	Invention	PRC	Vedkang Medical	April 29, 2022	April 28, 2042
40.	CN202310225453.3	A hemostatic clip assembly and a hemostatic clip comprising it (一種止血夾組件及包含其的止血夾)	Invention	PRC	Vedkang Medical	March 10, 2023	March 9, 2043
41.	CN201811120614.8	Method of molded connection of over-guided bile duct sampling forceps and guide wire through connectors of sampling forceps (過導絲膽道取樣鉗及取樣鉗的導絲通接頭的成型連接方法)	Invention	PRC	Changzhou Hengke	September 26, 2018	September 25, 2038
42.	CN202310225454.8	A hemostatic clip push-pull assembly with a latch, a hemostatic clip, and a tissue clamping device (一種帶有鎖扣的止血夾推拉組件、止血夾及組織夾閉裝置)	Invention	PRC	Changzhou Jiuhong	March 10, 2023	March 9, 2043
43.	CN202210188021.5	A biopsy valve for endoscopy (一種內窺鏡用活檢閥)	Invention	PRC	Changzhou Jiuhong	February 28, 2022	February 27, 2042
44.	CN202211239673.3	Clamping components and hemostats for endoscopes (夾閉組件及內窺鏡用止血裝置)	Invention	PRC	Changzhou Jiuhong	October 11, 2022	October 10, 2042
45.	CN201811485683.9	Laccase for use as a PCR preservative and method of preparation and application thereof (用作PCR防腐劑的裂解酶及其製備方法和應用)	Invention	PRC	Mabsky	December 6, 2018	December 5, 2038
46.	CN201310135993.9	Small double-jointed RNA virus detection kit and its detection method (小雙節RNA病毒檢測試劑盒及其檢測方法)	Invention	PRC	Mabsky	April 18, 2013	April 17, 2033

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No.	Publication/ Application Number	Description	Patent Type	Place of Registration	Registered Owner	Date of Application	Expiry Date
47.	CN201210457269.3	Fluorescent quantitative PCR test kit for detection of Salmonella typhimurium and Paratyphoid A and its application (傷寒、甲型副傷寒沙門菌熒光定量PCR檢測試劑盒及其應用)	Invention	PRC	Mabsky	November 14, 2012	November 13, 2032
48.	CN201210068100.9	Test kits and methods for the detection of Bacillus cereus, Enterobacter sakazakii and Staphylococcus aureus (蠟樣芽孢桿菌、阪崎腸桿菌及金黃色葡萄球菌檢測試劑盒及檢測方法)	Invention	PRC	Mabsky	March 15, 2012	March 14, 2032
49.	CN200910190112.7	Preservation of PCR reaction reagents and reaction kits (PCR反應試劑的保存方法以及反應試劑盒)	Invention	PRC	Mabsky	September 8, 2009	September 7, 2029
50.	CN201580033747.X	Vaporizer (汽化器)	Invention	PRC	Penlon	May 26, 2015	May 25, 2035
51.	US15/776708	Syringe pump	Invention	United States	Our Company	July 20, 2016	July 12, 2037
52.	US16/256269	Apparatus for cup loading and unloading and thromboelastography machine	Invention	United States	Our Company	January 24, 2019	April 4, 2039
53.	GB2014018046	Filling system for a fluid medium	Invention	United Kingdom	Penlon	October 13, 2014	October 13, 2034
54.	EP2015730698	Vaporizer	Invention	European Union	Penlon	May 26, 2015	May 26, 2035
55.	GB2014009274	Vaporizer	Invention	United Kingdom	Penlon	May 23, 2014	May 23, 2034
56.	US15/313620	Vaporizer	Invention	United States	Penlon	May 26, 2015	May 26, 2035

(ii) Trademarks

As of the Latest Practicable Date, the following trademarks have been registered in the name of the relevant member of our Group which are considered by us to be or may be material to our business:

No.	Trademark	Place of Registration	Registered Owner	Registration No.	Class	Expiry Date
1.	麥科田	PRC	Our Company	13093532	10	December 27, 2034
2.	MEDCAPTAIN	PRC	Our Company	16649270	10, 44	May 27, 2036

No.	Trademark	Place of Registration	Registered Owner	Registration No.	Class	Expiry Date
3. . .	麦科田	PRC	Our Company	64919383	5	November 20, 2032
4. . .	麦科田	PRC	Our Company	64915381	9	November 20, 2032
5. . .	麦科田	PRC	Our Company	64930435	10	November 20, 2032
6. . .	麦科田	PRC	Our Company	64926006	35	November 13, 2032
7. . .	麦科田	PRC	Our Company	64911938	37	November 13, 2032
8. . .	麦科田	PRC	Our Company	64911947	42	November 13, 2032
9. . .	麦科田	PRC	Our Company	64921808	44	November 13, 2032
10. .	麦科田	PRC	Our Company	64930476	41	November 13, 2032
11. .	MEDCAPTAIN	PRC	Our Company	64933823	9	September 13, 2033
12. .	MEDCAPTAIN	PRC	Our Company	64925069	37	November 13, 2032
13. .	MEDCAPTAIN	PRC	Our Company	64919498	44	September 13, 2033
14. .	MEDCAPTAIN	PRC	Our Company	64978639	5	August 20, 2033
15. .	MEDCAPTAIN	PRC	Our Company	64972992	10	August 20, 2033
16. .	MEDCAPTAIN	PRC	Our Company	64955698	35	August 20, 2033
17. .	MEDCAPTAIN	PRC	Our Company	64925463	41	November 13, 2032
18. .		PRC	Runpu Biotech	8955260	5	January 13, 2032
19. .	MABSKY	PRC	Mabsky	19600385	5	May 27, 2027
20. .	生科原	PRC	Mabsky	19600548	5	May 27, 2027
21. .	MABSKY	PRC	Mabsky	19379097	9	June 20, 2027
22. .	生科原	PRC	Mabsky	19378891	9	April 27, 2027
23. .	MABSKY	PRC	Mabsky	19600976	10	May 27, 2027
24. .	生科原	PRC	Mabsky	19601043	10	May 27, 2027
25. .	MABSKY	PRC	Mabsky	19379471	35	June 20, 2027
26. .	生科原	PRC	Mabsky	19379381	35	April 27, 2027

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No.	Trademark	Place of Registration	Registered Owner	Registration No.	Class	Expiry Date
27.		PRC	Mabsky	19379204	42	April 27, 2027
28.		PRC	Mabsky	19379098	42	April 27, 2027
29.		PRC	Mabsky	19601004	44	May 27, 2027
30.		PRC	Mabsky	19601291	44	May 27, 2027
31.		PRC	Vedkang Medical	17676680	10	October 6, 2026
32.		PRC	Vedkang Medical	17676632	10	January 20, 2027
33.		PRC	Vedkang Medical	23068179	35	March 6, 2028
34.		PRC	Vedkang Medical	46665254	10	April 6, 2031
35.		PRC	Vedkang Medical	69568889	9	July 27, 2033
36.		PRC	Vedkang Medical	69555511	37	July 27, 2033
37.		PRC	Vedkang Medical	69555356	42	August 13, 2033
38.		PRC	Vedkang Medical	69562388	44	July 27, 2033
39.		PRC	Vedkang Medical	69568885	9	July 27, 2033
40.		PRC	Vedkang Medical	69575036	37	July 27, 2033
41.		PRC	Vedkang Medical	69562732	42	July 27, 2033
42.		PRC	Vedkang Medical	69556989	44	July 27, 2033
43.		PRC	Changzhou Jiuhong	10220291	10	January 20, 2033
44.		PRC	Changzhou Jiuhong	23067979	35	May 13, 2028
45.		PRC	Changzhou Jiuhong	23068348	35	October 13, 2028
46.		PRC	Changzhou Jiuhong	46656961	10	January 20, 2031
47.		PRC	Changzhou Jiuhong	46647780	10	January 27, 2031
48.		PRC	Changzhou Jiuhong	61457823	10	June 13, 2032
49.		PRC	Changzhou Jiuhong	61447419	10	June 13, 2032

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No.	Trademark	Place of Registration	Registered Owner	Registration No.	Class	Expiry Date
50.		PRC	Changzhou Jiu Hong	69561174	37	November 20, 2033
51.		PRC	Changzhou Jiu Hong	69566865	42	October 20, 2033
52.		PRC	Changzhou Jiu Hong	69569192	44	August 6, 2033
53.		PRC	Changzhou Jiu Hong	69575248	37	November 20, 2033
54.		PRC	Changzhou Jiu Hong	69559522	42	November 20, 2033
55.	MEDCAPTAIN	European Union	Our Company	18717335	5; 10; 35	June 16, 2032
56.	MEDCAPTAIN	Hong Kong	Our Company	305985802	5; 10; 35	June 16, 2032
57.	MEDCAPTAIN	Taiwan	Our Company	111043978	5; 10; 35	December 15, 2032
58.	MEDCAPTAIN	South Africa	Our Company	2022/18608	5; 35	June 17, 2032
59.	MEDCAPTAIN	Peru	Our Company	00035418	5; 10	October 25, 2032
60.	MEDCAPTAIN	Argentina	Our Company	3450546	5; 10	October 3, 2033
61.	MEDCAPTAIN	Ecuador	Our Company	SENADI_2023_TI_4741	5; 10	February 3, 2033
62.	MEDCAPTAIN	Saudi Arabia	Our Company	1444001629	5; 10	April 15, 2032
63.	MEDCAPTAIN	Chile	Our Company	1394511	5; 10; 35	May 4, 2033
64.	MEDCAPTAIN	Various <i>(Note 1)</i>	Our Company	1688154	5; 10; 35	July 5, 2032
65.		Hong Kong	Vedkang Medical	303468655	10	July 9, 2035
66.		European Union	Vedkang Medical	14341788	10	July 9, 2035
67.		European Union	Vedkang Medical	016203481	10	December 25, 2026
68.		South Korea, Australia, Turkey (Madrid registration)	Vedkang Medical	1310755	10	April 10, 2026
69.		Brazil	Vedkang Medical	909808724	10	October 31, 2027
70.		South Africa	Vedkang Medical	2015/19011	10	July 15, 2035
71.		Canada	Vedkang Medical	1737790/ TMA958739	10	December 22, 2031
72.		United Kingdom	Vedkang Medical	UK00914341788	10	July 9, 2035

No.	Trademark	Place of Registration	Registered Owner	Registration No.	Class	Expiry Date
73.	Penlon	United Kingdom	Penlon	UK00913301254	10	September 26, 2034
74.	Penlon	United Kingdom	Penlon	UK00000785417	10	December 22, 2027

Note 1: Brazil, Switzerland, Algeria, Egypt, Indonesia, Israel, India, Japan, South Korea, Kazakhstan, Mexico, Malaysia, Norway, Philippines, Singapore, Serbia, United Kingdom, Ukraine, United States, Vietnam, United Arab Emirates, Canada, Australia, Bosnia and Herzegovina, Kenya, Morocco, North Macedonia and Tunisia

The class number represents the specifications of products or services which have already been applied for or registered. Detailed specifications of the products or services represented by that class number are set out in the relevant application forms or registration certificates.

(iii) Software Copyrights

As of the Latest Practicable Date, we had registered the following software copyrights which we consider to be material to our business:

No.	Name of Copyright	Place of Registration	Registered Owner	Registration No.	Date of Registration
1.	Medcaptain Medical SYS30 Series Syringe Pump Software (麥科田醫療SYS30系列注射泵軟件)	PRC	Our Company	2012SR038179	May 12, 2012
2.	Syringe Pump/Infusion Pump Accuracy Testing Software (注射泵/輸液泵精度測試軟件)	PRC	Our Company	2012SR040574	May 17, 2012
3.	MP-80 Series Multi-Channel Infusion Workstation Software V1.0 (MP-80系列多通道輸注工作站軟件V1.0)	PRC	Our Company	2018SR771101	September 21, 2018
4.	SYS30 Series Syringe Pump Software V1.0 (SYS30系列注射泵軟件V1.0)	PRC	Our Company	2018SR771107	September 21, 2018
5.	SYS-6010 Series Infusion Pump Software V1.0 (SYS-6010系列輸液泵軟件V1.0)	PRC	Our Company	2018SR771112	September 21, 2018
6.	MP-30 Series Syringe Pump Software V1.0 (MP-30系列注射泵軟件V1.0)	PRC	Our Company	2018SR774434	September 25, 2018
7.	MP-60 Series Infusion Pump Software V1.0 (MP-60系列輸液泵軟件V1.0)	PRC	Our Company	2018SR774470	September 25, 2018
8.	HP-30 Series Syringe Pump Software V2.0 (HP-30系列注射泵軟件V2.0)	PRC	Our Company	2019SR0405940	April 28, 2019

No.	Name of Copyright	Place of Registration	Registered Owner	Registration No.	Date of Registration
9.	HP TCI Syringe Pump Software V1.0 (HP TCI注射泵軟件V1.0)	PRC	Our Company	2019SR0405927	April 28, 2019
10.	HP-60 Infusion Pump Software V1.0 (HP-60輸液泵軟件V1.0)	PRC	Our Company	2019SR0405939	April 28, 2019
11.	HP-80 Multi-Channel Infusion Workstation Software V1.0 (HP-80多通道輸注工作站軟件V1.0)	PRC	Our Company	2019SR0405926	April 28, 2019
12.	SYS50 Series Syringe Pump Software V1.0 (SYS50系列注射泵軟件V1.0)	PRC	Our Company	2019SR0405938	April 28, 2019
13.	SYS-70 Infusion Pump Software V1.0 (SYS-70輸液幫浦軟件V1.0)	PRC	Our Company	2019SR0404213	April 28, 2019
14.	EP-60 Series Enteral Nutrition Pump Software V1.0 (EP-60系列腸內營養泵軟件V1.0)	PRC	Our Company	2019SR0404234	April 28, 2019
15.	VS31 Series Anesthesia Video Laryngoscope Software V1.0 (VS31系列麻醉視頻喉鏡軟件V1.0)	PRC	Our Company	2019SR0406023	April 28, 2019
16.	Automatic Chemiluminescence Immunoassay Analyzer Software V1.0 (全自動化學發光免疫分析儀軟件V1.0)	PRC	Our Company	2019SR0406021	April 28, 2019
17.	Haema T4 Thromboelastography Software V1.0 (Haema T4血栓彈力圖儀軟件V1.0)	PRC	Our Company	2019SR0406014	April 28, 2019
18.	MS-100 Infusion Information Acquisition System Software (Abbreviation: Infusion Monitoring Software) V1.2.0 (MS-100輸液信息採集系統軟件(簡稱:輸注監控軟件)V1.2.0)	PRC	Our Company	2021SR1335716	September 7, 2021
19.	Automatic Thromboelastography Software (全自動血栓彈力圖儀軟件)	PRC	Our Company	2021SR2175727	December 27, 2021
20.	Automatic Blood Analyzer Software (全自動血型分析儀軟件)	PRC	Our Company	2021SR2187996	December 28, 2021

No.	Name of Copyright	Place of Registration	Registered Owner	Registration No.	Date of Registration
21.	HP-80 MRI Magnetic Resonance Infusion Workstation Software (HP-80 MRI磁共振輸注工作站軟件)	PRC	Our Company	2022SR0249946	February 21, 2022
22.	iSpiro mobile application (iSpiro手機應用軟件)	PRC	Our Company	2023SR0257130	February 17, 2023
23.	Smart Analgesia Physician Mobile Application V1.0.0 (智能鎮痛醫生端手機應用軟件V1.0.0)	PRC	Our Company	2023SR0748380	June 29, 2023
24.	Smart Analgesia Patient Mobile Application V1.0.0 (智能鎮痛患者端手機應用軟件V1.0.0)	PRC	Our Company	2023SR0748379	June 29, 2023
25.	Brand Identity of Shenzhen Maketian Biomedical Technology Co. (深圳麥科田生物醫療技術股份有限公司品牌標識)	PRC	Our Company	國作登字-2023-F-0069590	April 19, 2023
26.	McCurtain Deep Vein Antithrombotic Pump Software V1.0.0.5 (麥科田深靜脈防血栓泵軟件V1.0.0.5)	PRC	Our Company	2025SR2016929	January 25, 2016
27.	Macrotron MP-60SYS-6010 Infusion Pump Driver Software V1.15 (麥科田MP-60SYS-6010輸液泵驅動軟件V1.15)	PRC	Our Company	2025SR2016928	May 12, 2017
28.	McCurtain MP-60SYS-6010 Infusion Pump UI Software V2.29 (麥科田MP-60SYS-6010輸液泵UI軟件V2.29)	PRC	Our Company	2025SR2016927	May 12, 2017
29.	McCurtain MP-30 Syringe Pump UI Software V2.29 (麥科田MP-30注射泵UI軟件V2.29)	PRC	Our Company	2025SR2016926	May 12, 2017
30.	Macrotron MP-30 Syringe Pump Driver Software V1.17 (麥科田MP-30注射泵驅動軟件V1.17)	PRC	Our Company	2025SR2016925	May 12, 2017
31.	Makita MP-80 Multi-Channel Infusion Workstation Software V1.12 (麥科田MP-80多通道輸注工作站軟件V1.12)	PRC	Our Company	2025SR2016924	May 12, 2017
32.	MP-900 Intelligent Infusion Management System V1.0 (MP-900智能輸注管理系統V1.0)	PRC	Our Company	2025SR2016923	May 12, 2017

No.	Name of Copyright	Place of Registration	Registered Owner	Registration No.	Date of Registration
33.	McCurtain HP-30 Syringe Pump UI Software V1.3.0 (麥科田HP-30注射泵UI軟件V1.3.0)	PRC	Our Company	2025SR2016921	October 20, 2017
34.	Makita HP-30 Syringe Pump Driver Software V1.3.0 (麥科田HP-30注射泵驅動軟件V1.3.0)	PRC	Our Company	2025SR2016920	October 20, 2017
35.	McCurtain HP-60 Infusion Pump Safety Monitoring Software V1.3.0 (麥科田HP-60輸液泵安全監控軟件V1.3.0)	PRC	Our Company	2025SR2016919	October 20, 2017
36.	McCurtain HP-60 Infusion Pump UI Software V1.3.0 (麥科田HP-60輸液泵UI軟件V1.3.0)	PRC	Our Company	2025SR2016918	October 20, 2017
37.	McCurtain HP-60 Infusion Pump Driver Software V1.3.0 (麥科田HP-60輸液泵驅動軟件V1.3.0)	PRC	Our Company	2025SR2016917	October 20, 2017
38.	Makita HP-80 Multi-Channel Infusion Workstation Software V1.3.0 (麥科田HP-80多通道輸注工作站軟件V1.3.0)	PRC	Our Company	2025SR2016930	October 20, 2017
39.	McCurtain HP TCI Syringe Pump Safety Monitoring Software V1.3.0 (麥科田HP TCI注射泵安全監控軟件V1.3.0)	PRC	Our Company	2025SR2016915	October 20, 2017
40.	McCurtain HP TCI Syringe Pump UI Software V1.3.0 (麥科田HP TCI注射泵UI軟件V1.3.0)	PRC	Our Company	2025SR2016914	October 20, 2017
41.	McCurtain HP TCI Syringe Pump Driver Software V1.3.0 (麥科田HP TCI注射泵驅動軟件V1.3.0)	PRC	Our Company	2025SR2016916	October 23, 2017
42.	Makita HP-30 Syringe Pump Safety Monitoring Software V1.3.0 (麥科田HP-30注射泵安全監控軟件V1.3.0)	PRC	Our Company	2025SR2016922	October 27, 2017
43.	Vimax Information Collection Software V1.0 (唯醫薈信息採集軟件V1.0)	PRC	Vedkang Medical	2023SR0921623	August 11, 2023

(iv) *Domain Name*

As of the Latest Practicable Date, the following domain names have been registered in the name of the relevant member of our Group which are considered by us to be or may be material to our business:

No.	Domain name	Registered Owner	Date of Registration
1.	medcaptain.com	Our Company	February 1, 2021
2.	medciot.com	Our Company	January 26, 2021
3.	medcaptain.com.cn	Our Company	March 8, 2021
4.	mabsky.com	Mabsky	October 29, 2020
5.	runpubio.cn	Runpu Biotech	March 9, 2020
6.	vedkang.com	Vedkang Medical	August 24, 2023
7.	endotop.com	Changzhou Jiuhong	January 5, 2024
8.	jiuhongmed.com	Changzhou Jiuhong	February 18, 2024

3. FURTHER INFORMATION ABOUT OUR DIRECTORS

A. Particulars of Directors' Contracts

Each of our executive Directors and Ms. Li has entered into a service contract with our Company on June 28, 2024, with a term of three years commencing on the same day. Each of our independent non-executive Directors has entered into a letter of appointment with our Company on June 28, 2024. The service contracts and letters of appointment may be renewed in accordance with our Articles of Association and the applicable laws, rules and regulations. Save as disclosed above, none of our Directors has or is proposed to have a service contract with any of our Group (other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation)).

4. DISCLOSURE OF INTERESTS

A. Directors or Chief Executives

Save as disclosed below, immediately following the unwinding of the WVR structure, the Conversion of the Unlisted Shares into H Shares and upon completion of the Global Offering (and taking into account the share options granted under the Pre-IPO Share Option Scheme), none of our Directors or the chief executive of our Company has any interest and/or short position in our Shares, underlying Shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which has been taken or is deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Listing Rules to be notified to our Company and the Stock Exchange.

Name of Director	Capacity/ Nature of interest	Number and description of Shares held ⁽¹⁾	Approximate percentage of shareholding of H Shares/ Unlisted Shares in our Company	Approximate percentage of shareholding in the total share capital of our Company ⁽²⁾
Mr. Liu.	Beneficial owner ⁽³⁾	57,660,000 H Shares	12.03%	10.71%
	Interest of spouse and held jointly with another person ⁽³⁾	145,699,812 H Shares	30.40%	27.05%

Name of Director	Capacity/ Nature of interest	Number and description of Shares held ⁽¹⁾	Approximate percentage of shareholding of H Shares/ Unlisted Shares in our Company	Approximate percentage of shareholding in the total share capital of our Company ⁽²⁾
Ms. Li	Beneficial owner	22,286,000 H Shares	4.65%	4.14%
	Interest of controlled corporations ⁽³⁾	90,385,000 H Shares	18.86%	16.78%
	Interests of spouse and held jointly with another person ⁽³⁾	90,688,812 H Shares	18.92%	16.84%
Mr. Zhong	Beneficial owner ⁽³⁾	31,100,000 H Shares	6.49%	5.77%
	Interest of controlled corporations ⁽³⁾	1,928,812 H Shares	0.40%	0.36%
	Interests held jointly with another person ⁽³⁾	170,331,000 H Shares	35.54%	31.62%
Mr. YAN Renzong (顏仁仲)	Beneficial owner ⁽⁴⁾	425,000 H Shares	0.09%	0.08%

Notes:

- (1) All interests stated above are long positions.
- (2) Calculated based on the total number of 538,626,686 Shares in issue immediately following the unwinding of WVR structure, the Conversion of Unlisted Shares into H Shares and upon completion of the Global Offering and without taking into account any H Shares that may be issued pursuant to the exercise of Options which have been granted under the Pre-IPO Share Option Scheme.
- (3) Mr. Liu and Ms. Li are spouses. Mr. Liu, Mr. Zhong and Ms. Li are parties acting in concert pursuant to the Concert Party Agreement dated November 18, 2020. See “History, Development and Corporate Structure — Concert Party Arrangement” for further information of such arrangement. In addition, the Concert Parties are also deemed to control and be interested in Shares held by certain of our Employees Incentive Platforms: (i) Ms. Li is the general partner of Juxian Kangzhong LP, Ruisen Kangzhong LP, Jucai Kangzhong LP, Ruiyu Kangzhong LP, Ruiqian Kangzhong LP and Ruikun Kangzhong LP; and (ii) Mr. Zhong is the general partner of Ruixin Kangzhong LP. Accordingly, the Concert Parties are deemed to be interested in and have control over Shares held by the aforesaid Employees Incentive Platforms pursuant to the Listing Rules and the SFO.
- Further, Mr. Liu and Mr. Zhong were granted share options under the Pre-IPO Share Option Scheme to subscribe for up to 3,210,000 and 2,500,000 H Shares, respectively, subject to the conditions (including exercise conditions) of those options. For details, please refer to the subsection headed “— 5. Pre-IPO Share Option Scheme” in this appendix. As such, the Concert Parties are also deemed to be interested in the underlying H Shares of such share options.
- (4) Mr. Yan was granted share options under the Pre-IPO Share Option Scheme to subscribe for 425,000 H Shares, subject to the conditions (including exercise conditions) of those options. For details, please refer to the subsection headed “— 5. Pre-IPO Share Option Scheme” in this appendix.

B. Substantial shareholders of our Company

Save as disclosed in the section headed “Substantial Shareholders” in this prospectus, as of the Latest Practicable Date, our Directors are not aware of any other person who will, immediately following the unwinding of the WVR structure, the Conversion of Unlisted Shares into H Shares and upon completion of the Global Offering have an interest or short position in our Shares or the underlying Shares which are required to be disclosed to our Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO.

C. Substantial shareholders of other members of our Group

So far as our Directors are aware, as at the Latest Practicable Date, the following person (other than our Directors or chief executive of our Company) was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of other members of our Group.

Name of members of our Group	Name of Shareholder	Approximate percentage shareholding
Jiangsu Tuyun	ZHUANG Xiaojin ⁽¹⁾	20.00%

Note:

- (1) As at the Latest Practicable Date, Jiangsu Tuyun was owned as to 80% by Vedkang Medical and 20% by Changzhou Xinchuang Zhicheng Venture Capital Partnership (Limited Partnership) (常州信創智誠創業投資合夥企業(有限合夥)) (“**Xinchuang Zhicheng LP**”), a limited partnership established in the PRC. Mr. ZHUANG is the general partner of Xinchuang Zhicheng LP and the largest limited partner holding more than 90% of the limited partnership interest in Xinchuang Zhicheng LP.

D. Disclaimers

Save as disclosed in this prospectus:

- (i) none of our Directors is a director or employee of a company which is expected to have an interest in our Shares falling to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO once our Shares have been listed on the Stock Exchange;
- (ii) none of our Directors nor any of the parties listed in “— 6. Other Information — G. Qualification of Experts” in this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our business;
- (iii) none of our Directors nor any of the parties listed in “— 6. Other Information — G. Qualification of Experts” in this Appendix is interested in our promotion, or in any assets which have, within two years immediately preceding the issue of this prospectus, been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to our Company;
- (iv) none of the parties listed in the paragraph headed “— 6. Other Information — G. Qualification of Experts” in this Appendix: (a) is interested legally or beneficially in any of our Shares or any shares in any of our subsidiaries; or (b) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for our securities; and
- (v) none of our Directors or their respective associates or any Shareholders of our Company (who to the knowledge of our Directors owns more than 5% of our issued share capital) has any interest in our five largest suppliers or our five largest customers.

5. PRE-IPO SHARE OPTION SCHEME

The Company has adopted a pre-IPO share option scheme by a resolution of our Shareholders on December 16, 2024 to attract and retain the talents and to provide incentives that align the interests of shareholders, our Company and personnel having a direct impact on our business and

operations, for long-term development of the Company (the “**Pre-IPO Share Option Scheme**”). Given no further options will be granted under the Pre-IPO Share Option Scheme upon the Listing, the terms of the Pre-IPO Share Option Scheme are not subject to the provisions of Chapter 17 of the Listing Rules.

The following is a summary of the principal terms of the Pre-IPO Share Option Scheme:

(i) Objectives

The main purposes of the Pre-IPO Share Option Scheme are to (a) further enhance the Company’s long-term incentivization mechanism for the directors, senior management, core business personnel, core technical personal or any other personnel of the Group as the Board deems appropriate with further opportunities, so as to attract, motivate and retain outstanding and experienced personnel who are directly relevant to the continuous operation, development and long-term growth of the Group, and to encourage their proactiveness, responsibility and commitment towards the Group; (b) align the Group’s interests with those of the Shareholders and key personnel in respect of the Group’s long-term development; and (c) better promote the strategic development and business goals of the Group.

(ii) Administration

The Pre-IPO Share Option Scheme is subject to the administration of the Board. The decision of the Board is final and binding. Without prejudice to the Board’s general power of management, it may delegate such power to any director(s) and/or any relevant committee of the Board (such persons, together with our Board and any person authorized by our Board, “**Relevant Authorized Persons**”).

(iii) Eligibility

The following persons are eligible to participate in the Pre-IPO Share Option Scheme (the “**Eligible Participants**”):

- (a) our Directors (excluding the independent non-executive Directors);
- (b) directors, senior management, core business personnel, core technical personnel of our Group;
- (c) other personnel who have a direct impact or contribution to our Group’s business, financial performance and future development (including foreign employees who are directly relevant to the sustainability, stability and long-term development of our overseas business); and
- (d) any other personnel of our Group as the Relevant Authorized Persons deem appropriate (excluding the independent non-executive Directors).

The Relevant Authorized Persons shall, at their sole discretion, select any Eligible Participants to be grantees (the “**Selected Participants**”) of options under the Pre-IPO Share Option Scheme (the “**Option(s)**”) in accordance with the PRC Company Law, the Securities Law, the Articles or any other applicable laws or regulations, except where a person is prohibited by the applicable laws to hold any shares in a company or participate in any share incentive schemes of a company.

(iv) Maximum Number of H Shares Involved

The Shares subject to the Options to be granted under the Pre-IPO Share Option Scheme shall be H Shares. Each Option granted represent the right to purchase one H Share within the Exercise Period (as defined below) at the Exercise Price (as defined below). The number of H Shares

underlying the Options shall be subject to corresponding adjustments in the event of a capitalization issue, bonus issue, stock split, rights issue and/or share consolidation of the Company in order to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Pre-IPO Share Option Scheme.

The maximum number of H Shares to be granted under the Pre-IPO Share Option Scheme shall not exceed 25,000,000 H Shares, representing approximately 5.00% of the total issued share capital of our Company at the time when the scheme is approved by our Shareholders at a general meeting and approximately 4.64% of the total issued share capital of our Company immediately following the Conversion of Unlisted Shares into H Shares and upon completion of the Global Offering (assuming the Options granted have not been exercised and remain outstanding).

(v) Grantees

As of the date of this prospectus, there are a total of 344 grantees (excluding 28 departed employees and one employee who voluntarily surrendered his options) under the Pre-IPO Share Option Scheme, which include 3 Directors, 4 members of our senior management (other than the Directors), 3 connected persons who are not the Directors 14 other grantees granted with options to subscribe for 225,000 or more H Shares and 320 other employees.

(vi) Duration

The Pre-IPO Share Option Scheme shall be valid and effective for the period of time commencing from the date of approval by our Shareholders (the “**Effective Date**”) and expiring on the day when all Options granted under the Pre-IPO Share Option Scheme are exercised or canceled. With respect to all such Options that remain outstanding upon expiration of the Pre-IPO Option Scheme, the provisions of the Pre-IPO Share Option Scheme shall in all relevant respects remain in full force and effect and all such outstanding Option may continue to be exercisable in accordance with their terms of grant. For the avoidance of doubt, no Options will be granted from the Listing Date onwards.

(vii) Grant of Options

Subject to the terms of the Pre-IPO Share Option Scheme, the Relevant Authorized Persons shall be entitled at any time before the Listing to make an offer in writing to grant Options to any Selected Participant(s) as they may in their sole discretion select. For the avoidance of doubt, no Options will be granted from the Listing onwards.

An offer of the grant of an Option shall be made to any Selected Participants in such form as the Relevant Authorized Persons may from time to time determine specifying, amongst others and as the case may be, the number of Options and number of H Shares to be issued upon exercising the Options, the effective date of the grant, the vesting conditions (including any performance targets) and vesting period, the subscription price (if any), the Exercise Price and the Exercise Period.

Once the offer of the grant of an Option is accepted in writing by a Selected Participant, such Option shall be deemed as being granted immediately before Listing and shall take effect upon Listing. Any grant of Options may be accepted in whole or in part. If a Selected Participant (i) does not accept the offer or (ii) is not deemed to accept the offer in the manner specified in the grant letter, or (iii) is no longer an Eligible Participant and/or eligible to be a Selected Participant after the grant letter has been issued, he/she will be deemed to have irrevocably rejected the offer and the offer will lapse automatically without further notice.

(viii) Vesting and Exercise of Options

The Relevant Authorized Persons shall have the full discretion to determine any vesting conditions or restrictions (including but not limited to vesting periods or clawback mechanisms, and/or performance targets that a Selected Participant) for the Options of a selected participant. The Relevant Authorized Persons have full discretion to determine these vesting conditions and to make any adjustments or modifications after determining the vesting conditions. Performance targets may include (but are not limited to) the evaluation results of the Selected Participant's performance indicators, the achievement of planned milestones by the Group or relevant subsidiaries of the Company, and market capitalization milestones. The Relevant Authorized Persons may set different performance targets based on the individual circumstances of each Selected Participant. The Board's decision on whether the vesting conditions are met are binding and final.

The Options shall not be exercisable before the Listing. Subject to satisfaction of the relevant conditions of vesting and exercise, the Options shall vest and become exercisable after the Listing in five batches in accordance with the following arrangement:

Relevant batch of Options	Duration of exercise period of the Options (the "Exercise Period")	Proportion of exercisable Options to the total number of Options granted to the relevant Selected Participant
First batch of Options	For a period of 12 months commencing first trading day after the expiration of the 12-month period from the Listing Date (the "First Exercise Date")	20%
Second batch of Options . . .	For a period of 12 months commencing first trading day after the expiration of the 12-month period from the First Exercise Date and ending on the last trading day of the 24-month period from the First Exercise Date	20%
Third batch of Options	For a period of 12 months commencing first trading day after the expiration of the 24-month period from the First Exercise Date and ending on the last trading day of the 36-month period from the First Exercise Date	20%
Fourth batch of Options . . .	For a period of 12 months commencing first trading day after the expiration of the 36-month period from the First Exercise Date and ending on the last trading day of the 48-month period from the First Exercise Date	20%
Fifth batch of Options	For a period of 12 months commencing first trading day after the expiration of the 48-month period from the First Exercise Date and ending on the last trading day of the 60-month period from the First Exercise Date	20%

The Exercise Period for the Options granted to an Eligible Participant can commence at a date earlier than that stipulated in the aforementioned table upon approval by the Relevant Authorized Persons and in any of the following circumstances:

- (a) grants to an Eligible Participant whose employment is terminated due to death or disability or occurrence of any out of control event; and
- (b) where the Board and/or the Relevant Authorized Persons deem such shorter vesting period to be appropriate and in line with the purpose of the Pre-IPO Share Option Scheme.

If the Relevant Authorized Persons determine that the relevant vesting conditions application to any Selected Participant in respect of the relevant exercise period are not fulfilled in full or in part, the relevant batch of the Options shall neither be exercised nor become exercisable in the next exercise period, and shall be canceled by our Company. Similarly, if a Selected Participant fails to exercise the Options within the relevant exercise period, the corresponding Options that have not been exercised shall also be canceled by the Company.

Subject to applicable laws and the terms of the grant letter, Selected Participants have the right to exercise the vested Options within the Exercise Period in such manner as determined by the Relevant Authorized Persons from time to time. On the date of exercise (i.e., any such day on which the H Shares are trading on the Stock Exchange within the Exercise Period specified by the Board or the Relevant Authorized Persons from time to time), Selected Participants shall issue an irrevocable exercise notice to the Company in writing, which shall be in the template determined by the Relevant Authorized Persons from time to time. For the avoidance of doubt, if the exercise notice is delivered or deemed to be delivered on a day when the trading of H Shares is suspended or halted, or when H Shares register of members of the Company is closed, the exercise date will be postponed to the next trading day immediately following the resumption of trading or the reopening of the H Shares register of members of the Company.

(ix) Exercise Price

The exercise price (the “**Exercise Price**”) of the Options granted under the Pre-IPO Share Option Scheme is RMB4.00 per H Share (or such equivalent amount in foreign currency as approved by the Relevant Authorized Persons). The Exercise Price shall be subject to corresponding adjustments in the event of a capitalization issue, bonus issue, distribution of cash dividends, stock split, rights issue and/or share consolidation of the Company in order to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Pre-IPO Share Option Scheme.

(x) Rights attached to the Options

No Selected Participant shall enjoy any rights of a Shareholder, including without limitation, the right to vote at general meetings of the Company and the rights to receive any dividends or distributions, by virtue of the grant of an Option, unless and until such Shares underlying the Option are issued and allotted in accordance with the terms of the Pre-IPO Share Option Scheme.

(xi) Ranking of the Shares

The H Shares to be allotted and issued upon the exercise of an Option shall be subject to the provisions of the Articles and the applicable laws and regulations in force as at the allotment date and shall rank *pari passu* in all respects with the existing fully paid H Shares in issue on the allotment date and accordingly shall entitle the holder to participate in all dividends or other distributions paid or made on or after the allotment date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor is before the allotment date. Prior to allotment of the H Shares pursuant to the exercise of Options, the Options themselves shall not confer any of the aforesaid rights attached to H Shares to the Selected Participants.

(xii) Lock-up Periods and Restrictions of Transfer

The Selected Participants holding H Shares issued pursuant to exercise of shall comply with the lock-up obligations under the relevant laws and regulations.

An Option shall be personal to the Selected Participant and shall not be transferrable or assignable. No Selected Participant shall in any way sell, transfer, assign, charge, pledge, mortgage, encumber or create any interest in favor of any third party over the Options in any manner whatsoever or enter into an agreement to do so. Any breach of the foregoing by the Selected Participant shall entitle our Company to cancel any outstanding entitlement of such Selected Participant.

(xiii) Lapse and cancelation of Options

Any outstanding Options of a Selected Participant shall automatically lapse upon the earlier of:

- (a) the expiration of the Exercise Period;
- (b) the commencement of the Company's liquidation;
- (c) the occurrence of any of the following circumstances with respect to such Selected Participant: (1) violation of the transfer restrictions in respect of the Options; (2) termination of employment for specific reasons; (3) breach of non-compete obligations; (4) negligence in his/her employment; or (5) serious misconduct;
- (d) the date on which such Selected Participant violates any terms or conditions attached to the granted Options; or
- (e) the date on which such Selected Participants fails, is unable, or is no longer eligible to participate in the Pre-IPO Share Option Scheme (including by reasons of retirement or resignation), unless otherwise approved by the Relevant Authorized Persons.

Upon consent by a Selected Participant, the Company can cancel any granted and unvested, or outstanding, Options of such Selected Participant.

(xiv) Alteration of the Pre-IPO Share Option Scheme

Save and except for any material alteration of the terms and conditions of the Pre-IPO Share Option Scheme (including any accelerated vesting or exercise of the Options or decrease of the Exercise Price otherwise than as provided under the Pre-IPO Share Option Scheme) and any alterations to the right of the Relevant Authorized Persons in the alteration of the Pre-IPO Share Option Scheme, the Pre-IPO Share Option Scheme may be altered in any respect by a resolution of the Board.

(xv) Termination of the Pre-IPO Share Option Scheme

The Company may terminate the Pre-IPO Share Option Scheme at any time by a resolution at a general meeting of Shareholders. In such a case, the Company shall no longer grant Options under the Pre-IPO Share Option Scheme. However, the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to ensure that any Options granted before the termination of the Pre-IPO Share Option Scheme or under other circumstances specified in the terms and conditions of the Pre-IPO Share Option Scheme can still be validly exercised.

(xvi) Outstanding Options granted under the Pre-IPO Share Option Scheme

As at the date of this prospectus, our Company has granted Options to subscribe for a total of 23,897,500 H Shares, representing approximately 4.44% of the total issued share capital of our Company immediately following the Conversion of Unlisted Shares into H Shares and upon completion of the Global Offering (assuming the Options granted have not been exercised and remain outstanding) under the Pre-IPO Share Option Scheme. Assuming full vesting and exercise of the outstanding Options, the shareholding percentage of our Shareholders immediately following the Listing would be diluted by approximately 4.25% as calculated based on 562,524,186 Shares then in issue. No consideration is paid or payable on acceptance of the Options. For the avoidance of doubt, our Company will not grant further Options under the Pre-IPO Incentive Scheme after the Listing.

The table below sets out the details of Options granted to our Directors, members of the senior management, connected persons who are not our Directors or members of the senior management, and other grantees granted with options to subscribe for 225,000 or more H Shares under the Pre-IPO Share Option Scheme:

Name of Grantee	Address	Position(s) held within our Group	Total Number of H Shares Underlying the Options Granted	Exercise Period	Exercise Price per H Share (RMB)	Approximate Percentage of Shareholding in the Total Issued Share Capital of our Company ^(Note)
Directors						
Mr. Liu	Room 1801, Block C, Building 1 Shenwanhui Yun Center Phase One Baishi 3rd Road Nanshan District, Shenzhen PRC	Executive Director, chairman of the Board and general manager	3,210,000	5 years from the First Exercise Date	4.00	0.60%
Mr. Zhong	Room 3401, Block B China Resources City Runfu Phase II 28 Tonggu Road Yuehai Street Nanshan District, Shenzhen PRC	Executive Director, vice chairman of our Board and deputy general manager	2,500,000	5 years from the First Exercise Date	4.00	0.46%
Mr. YAN Renzhong (顏仁仲)	Room 212, Block 2 Nantian Building No. 2 Baihua 3rd Road Futian District, Shenzhen PRC	Executive Director and board secretary	425,000	5 years from the First Exercise Date	4.00	0.08%
Members of the senior management						
Mr. LUO Jun (羅軍)	Room 11D, Building 3 Phase 6, Xinghai Mingcheng Qianhai Road Nanshan District, Shenzhen PRC	Deputy general manager	425,000	5 years from the First Exercise Date	4.00	0.08%

APPENDIX IV
STATUTORY AND GENERAL INFORMATION

Name of Grantee	Address	Position(s) held within our Group	Total Number of H Shares Underlying the Options Granted	Exercise Period	Exercise Price per H Share (RMB)	Approximate Percentage of Shareholding in the Total Issued Share Capital of our Company ^(Note)
Mr. LIU Qisong (劉奇松) . . .	Room 108, Building 1 Jingmei Huayuan 37 Hubin Road Bao'an District, Shenzhen PRC	Deputy general manager	400,000	5 years from the First Exercise Date	4.00	0.07%
Mr. YUAN Jia (袁加)	Room 17B, Building 30 Chunhua Sijiyuan Longhua District, Shenzhen PRC	Chief financial officer	225,000	5 years from the First Exercise Date	4.00	0.04%
Mr. WANG Bin (王斌)	2-2305, Tianjian Yueguifu Nanshan Residential Area Nanshan District, Shenzhen PRC	Deputy general manager	225,000	5 years from the First Exercise Date	4.00	0.04%
Connected persons (other than the Directors)						
Mr. GAO Xiaoming (高小明) . . .	37 Kysbie Close, Abingdon, OX14 1XY, United Kingdom	CEO of Penlon	250,000	5 years from the First Exercise Date	4.00	0.05%
Ms. Linda Jane MOSS	3 Childrey Way, East Challow, Wantage, Oxfordshire, OX12 9RX, United Kingdom	Human resources director	60,000	5 years from the First Exercise Date	4.00	0.01%
Ms. XIAO Tianshi (肖天石) . . .	29 Quakers Court, Abingdon, OX14 3PY, United Kingdom	Head of Finance of Penlon	40,000	5 years from the First Exercise Date	4.00	0.01%
Other grantees with Options to subscribe for 225,000 or more H Shares						
Mr. XU Lixin (徐立新) . . .	Room 801, No. 14, Lane 800, Jinxiu Road, Pudong District, Shanghai, PRC	Vice president	550,000	5 years from the First Exercise Date	4.00	0.10%
Mr. FAN Chonghui (范崇輝) . . .	Unit 701, Building 13-2, Daxin Garden, Longhua New District	Management person-in-charge of anesthesia business	500,000	5 years from the First Exercise Date	4.00	0.09%
Ms. AN Qing (安青)	Unit 16B, Building 6, Youran Tiandi, Nanshan District, Shenzhen, PRC	Vice president	425,000	5 years from the First Exercise Date	4.00	0.08%

APPENDIX IV
STATUTORY AND GENERAL INFORMATION

Name of Grantee	Address	Position(s) held within our Group	Total Number of H Shares Underlying the Options Granted	Exercise Period	Exercise Price per H Share (RMB)	Approximate Percentage of Shareholding in the Total Issued Share Capital of our Company ^(Note)
Mr. LIU Shenghua (劉省華)	Room 1805, Building 4, Phase II, Runxi, China Resources City, Nanshan, Shenzhen, PRC	Vice president of marketing	425,000	5 years from the First Exercise Date	4.00	0.08%
Mr. ZHANG Xiaofei (張小飛) . . .	Unit 1604B, Building 3, Rongheng Yidu, Zhonglou District, Changzhou, Jiangsu Province, PRC	Subsidiary deputy general manager	400,000	5 years from the First Exercise Date	4.00	0.07%
Mr. TANG Yazhou (唐亞洲) . . .	2-608, Jingmi Village, Lianhua Road, Futian District, Shenzhen, PRC	General manager of business department	375,000	5 years from the First Exercise Date	4.00	0.07%
Mr. GONG Chunhe (龔春和) . . .	Flat D, 8/F, Block 1, Le Sommet, 28 Fortress Hill Road, North Point, Hong Kong	Vice president	300,000	5 years from the First Exercise Date	4.00	0.06%
Mr. Jürgen REIMER . . .	Nonnenhof 2, 5411BM Zeeland NB, The Netherlands	Vice president corporate department	300,000	5 years from the First Exercise Date	4.00	0.06%
Mr. YANG Ning (楊寧) .	No. 2-2-301, Sanli, Wenlong Jiayuan, Haidian District, Beijing, PRC	Person-in-charge of PRC in vitro diagnostics marketing department	300,000	5 years from the First Exercise Date	4.00	0.06%
Mr. WANG Hua (王華) . .	Unit D-401, Meishu Lanshan Jiayuan, No. 88 Wenxin 2nd Road, Nanshan District, Shenzhen, PRC	Person-in-charge of channel development and marketing management department	260,000	5 years from the First Exercise Date	4.00	0.05%
Mr. DONG Hexing (董合興) . . .	Unit 25C, 22 Chengshi Shanlin, Dongbin Road, Nanshan District, Shenzhen, PRC	Human resources vice president	250,000	5 years from the First Exercise Date	4.00	0.05%
Mr. LI Yinyu (李銀宇) . . .	1302, Building AB, Luosang Meidi, No. 11 Dongchuan Road, Yuexiu District, Guangzhou, PRC	Person-in-charge of subsidiary international marketing center	250,000	5 years from the First Exercise Date	4.00	0.05%

Name of Grantee	Address	Position(s) held within our Group	Total Number of H Shares Underlying the Options Granted	Exercise Period	Exercise Price per H Share (RMB)	Approximate Percentage of Shareholding in the Total Issued Share Capital of our Company ^(Note)
Mr. Wang Hai (王海)	Unit 3A1704, Xihu Linyu, Nanshan District, Shenzhen, PRC	General Manager	225,000	5 years from the First Exercise Date	4.00	0.04%
Mr. Zhang Xiangfu (張 相富)	Room 4A, Building 4, Chengshi Fengshang Garden, Yintian Road, Xixiang Street, Bao'an District, Shenzhen, PRC	Director of Customer Services Department	225,000	5 years from the First Exercise Date	4.00	0.04%
			12,545,000			2.33%

Note: Calculated based on the total number of 538,626,686 Shares in issue immediately following the Conversion of Unlisted Shares into H Shares and upon completion of the Global Offering, without taking into account any H Shares that may be issued pursuant to the exercise of Options which have been granted under the Pre-IPO Share Option Scheme.

As of the date of this prospectus, other than 3 Directors, 4 senior management of the Company (who are not Directors) and 3 connected persons of the Company who are director(s) or supervisor(s) of the Company's subsidiaries, as disclosed above, no options were granted to any Directors, senior management or other connected persons of the Company under the Pre-IPO Share Option Scheme. As of the date of this prospectus, other than (i) 3 Directors, (ii) 4 senior management members of the Company, (iii) 3 connected persons of the Company who are director(s) or supervisor(s) of the Company's subsidiaries as set out above, and (iv) 14 other grantees granted with Options to subscribe for 225,000 or more H Shares, the other 320 grantees (excluding 28 departed employees and one employee who voluntarily surrendered his Options) have been granted in aggregate 11,352,500 share options which were outstanding under the Pre-IPO Share Option Scheme, for which up to 11,352,500 H Shares may be issued, representing approximately 2.11% of the total issued share capital of our Company upon completion of the Global Offering (assuming no Shares are issued pursuant to the share options granted under the Pre-IPO Share Option Scheme), with the number of H Shares to be issued upon exercise of the relevant options ranging from 5,000 H Shares to 200,000 H Shares (assuming the actual exercisable options of the Selected Participants equals to the options respectively granted to them).

The table below shows the details of the options granted to such other grantees under the Pre-IPO Share Option Scheme which were outstanding as of the date of this prospectus:

Range of number of H Shares under the outstanding options	Number of grantees	Aggregate Number of H Shares Underlying the Options Granted	Vesting Period	Exercise Price per H Share (RMB)	Approximate Percentage of Shareholding in the Total Issued Share Capital of our Company ^(Note)
100,000 to 200,000 .	16	2,275,000	5 years from the First Exercise Date	4.00	0.42%

Range of number of H Shares under the outstanding options	Number of grantees	Aggregate Number of H Shares Underlying the Options Granted	Vesting Period	Exercise Price per H Share	Approximate Percentage of Shareholding in the Total Issued Share Capital of our Company ^(Note)
				(RMB)	
50,000 to 99,999 . . .	62	3,680,000	5 years from the First Exercise Date	4.00	0.68%
1 to 49,999	242	5,397,500	5 years from the First Exercise Date	4.00	1.00%
	320	11,352,500			2.11%

Note: Calculated based on the total number of 538,626,686 Shares in issue immediately following the Conversion of Unlisted Shares into H Shares and upon completion of the Global Offering and without taking into account any H Shares that may be issued pursuant to the exercise of Options which have been granted under the Pre-IPO Share Option Scheme.

(xvii) General

An application has been made to the Listing Committee of the Stock Exchange for the listing of and the permission to deal in the H Shares which may be issued pursuant to the exercise of any Options which may be granted under the Pre-IPO Share Option Scheme.

6. OTHER INFORMATION

A. Estate Duty

We have been advised that no material liability for estate duty under the PRC law is likely to fall upon our Company or any member of our Group.

B. Litigation

As of the Latest Practicable Date, we were not involved in any material litigation, arbitration or administrative proceedings, and so far as our Directors are aware, no such material litigation, arbitration or administrative proceedings are pending or threatened against any member of our Group.

C. Joint Sponsors

Each of the Joint Sponsors has declared its independence pursuant to Rule 3A.07 of the Listing Rules.

The Joint Sponsors have made an application on our behalf to the Stock Exchange for the listing of, and permission to deal in, the H Shares in issue and the H Shares to be issued pursuant to the Global Offering (including the exercise of the Options pursuant to the Pre-IPO Share Option Scheme). All necessary arrangements have been made to enable the H Shares to be admitted into CCASS.

We have entered into an engagement agreement with the Joint Sponsors, pursuant to which we agreed to pay a total amount of US\$1 million to the Joint Sponsors to act as our sponsors to our Company in the Global Offering.

D. Compliance Advisor

We have appointed UOB Kay Hian (Hong Kong) Limited as our compliance advisor in compliance with Rule 3A.19 of the Listing Rules.

E. Preliminary Expenses

As of the Latest Practicable Date, our Company has not incurred material preliminary expenses.

F. Promoters

The promoters of our Company are Mr. Liu, Mr. Zhong, Ms. Li, Mr. LI Dongcen, Juxian Kangzhong LP, Jucai Kangzhong LP, Ruisen Kangzhong LP, Ruikun Kangzhong LP, Ruiqian Kangzhong LP, Ruiyu Kangzhong LP, the Series A Investors, the Series B Investor, the Series C Investors, Linkway Cornerstone and Cowin Asset Management.

Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other interest have been paid, allotted or given to the above promoters in connection with the Global Offering or related transactions in this prospectus.

G. Qualification of Experts

The qualifications of the experts, as defined under the Listing Rules, who have given their opinions or advice in this prospectus, are as follows:

Name	Qualification
Morgan Stanley Asia Limited . . .	A corporation licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) of the regulated activities as defined under the SFO
Huatai Financial Holdings (Hong Kong) Limited.	A corporation licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) of the regulated activities as defined under the SFO
Ernst & Young	Certified Public Accountants under Professional Accountants Ordinance (Cap. 50 of the Laws of Hong Kong) Registered Public Interest Entity Auditor under Financial Reporting Council Ordinance (Cap. 588 of the Laws of Hong Kong)
Jia Yuan Law Offices	Legal advisor as to PRC laws
Hogan Lovells Cadwalader International LLP (formerly Hogan Lovells International LLP).	Legal advisor as to international sanctions law
China Insights Industry Consultancy Limited	Industry consultant

H. Consents of Experts

Each of the experts as referred to in “— 6. Other Information — G. Qualification of Experts” in this Appendix has given, and has not withdrawn, its respective written consents to the issue of this prospectus with the inclusion of its reports and/or letter and/or opinion and/or the references to its name included herein in the form and context in which it is respectively included. As of the Latest Practicable Date, none of the experts named above has any shareholding interests in any member of our Group or the right (other than the penal provisions) of sections 44A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

I. Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are effected on the H Share register of members of our Company, including in circumstances where such transaction is effected on the Stock Exchange. The current rate charged on each of the seller and purchaser is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

J. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our financial or operational position since March 31, 2026 and up to the Latest Practicable Date.

K. Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

L. Related Party Transactions

Within the two years immediately preceding the date of this prospectus, we have entered into the related party transactions as described in Note 41 to the financial information in the Accountants' Report set out in Appendix I to this prospectus.

M. Agency Fees or Commissions Paid or Payable

Save as disclosed in this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of any member of our Group within the two years preceding the date of this prospectus.

N. Miscellaneous

Save as disclosed in this prospectus:

- (i) within the two years immediately preceding the date of this prospectus, we have not issued or agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash;
- (ii) no share or loan capital of our Group, if any, is under option or is agreed conditionally or unconditionally to be put under option;
- (iii) we have not issued or agreed to issue any founder shares, management shares or deferred shares;

- (iv) our Company has no outstanding convertible debt securities or debentures;
- (v) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;
- (vi) within the two years immediately preceding the date of this prospectus, no commission, discount, brokerage or other special term has been granted in connection with the issue or sale of any capital of our Company;
- (vii) there is no arrangement under which future dividends are waived or agreed to be waived;
- (viii) there has been no interruption in our business which may have or have had a significant effect on the financial position in the last 12 months; and
- (ix) none of the equity and debt securities of our Company, if any, is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought.

O. Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

- (i) the written consents referred to under the paragraph headed “Statutory and General Information — 6. Other Information — H. Consents of Experts” in Appendix IV to this prospectus; and
- (ii) a copy of the material contract referred to in the paragraph headed “Statutory and General Information — 2. Further Information about Our Business — A. Summary of Our Material Contract” in Appendix IV to this prospectus.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be published on the Stock Exchange’s website (www.hkexnews.hk) and the Company’s own website (www.medcaptain.com.cn) for a period of time for 14 days from the date of this prospectus:

- (i) the Articles of Association;
- (ii) the Accountants’ Report from Ernst & Young, the text of which is set out in Appendix I to this prospectus;
- (iii) the report on the unaudited pro forma financial information of our Group from Ernst & Young, the text of which is set out in Appendix II to this prospectus;
- (iv) the audited consolidated financial statements of our Group for the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026;
- (v) the legal opinion issued by Jia Yuan Law Offices, our PRC Legal Advisor, in respect of the general matters and property interests of our Group;
- (vi) the legal memorandum issued by Hogan Lovells Cadwalader International LLP (formerly Hogan Lovells International LLP), our legal advisor as to international sanctions law, in respect of international sanctions compliance matters of our Group;
- (vii) the written consents referred to under the paragraph headed “Statutory and General Information — 6. Other Information — H. Consents of Experts” in Appendix IV to this prospectus;
- (viii) the material contract referred to in “Statutory and General Information — 2. Further Information about Our Business — A. Summary of Our Material Contract” in Appendix IV to this prospectus;
- (ix) the service contracts and the letters of appointment with our Directors referred to in “Statutory and General Information — 3. Further Information about Our Directors — A. Particulars of Directors’ Contracts” in Appendix IV to this prospectus;
- (x) the terms of the Pre-IPO Share Option Scheme;
- (xi) the PRC Company Law, the Securities Law, the Overseas Listing Trial Measures and the Guidelines for Articles of Association of Listed Companies, together with their unofficial English translation; and
- (xii) the industry report issued by CIC, the summary of which is set forth in the section headed “Industry Overview” in this prospectus.

DOCUMENT AVAILABLE FOR INSPECTION

A copy of a full list of grantees under the Pre-IPO Share Option Scheme, containing all details as required under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance, will be available for inspection at the office of Herbert Smith Freehills Kramer at 23rd Floor, Gloucester Tower, 15 Queen's Road Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this prospectus.



深圳麥科田生物醫療技術股份有限公司
Medcaptain Medical Technology Co., Ltd.



嘉源律师事务所
JIA YUAN LAW OFFICES

北京BEIJING·上海SHANGHAI·深圳SHENZHEN·香港HONGKONG·广州GUANGZHOU·西安XI'AN·武汉WUHAN·长沙CHANGSHA

28 August, 2026

The Board of Directors

Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司)

Room 701, Block A, Building 7

Shenzhen International Innovation Hub

Dashi 1st Road

Xili, Nanshan District, Shenzhen

PRC

Dear Sirs,

Re: Consent to the issue of the prospectus of Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司) (the “Company”) in connection with the Global Offering

We refer to the prospectus of the Company dated 28 August, 2026 (the “Prospectus”) in connection with the Company's proposed global offering (the “Global Offering”) and the proposed listing of its H shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

We hereby give, and confirm that we have not withdrawn, our consent to the issue of the Prospectus, with the inclusion therein of, and all references thereto, our name, qualifications and opinions, in the form and context in which they respectively appear in the Prospectus.

We hereby consent to this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange. We also consent to this letter and our opinions referred to above being made available for display as described in the section headed “Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display” in Appendix V to the Prospectus.

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Yours faithfully,

Jia Yuan Law Offices
Jia Yuan Law Offices

霍金路偉凱德律師行

霍金路偉凱德律師行
香港金鐘道 88 號
太古廣場一座 11 樓

T 電話 +852 2219 0888
F 傳真 +852 2219 0222
www.hlc.com

Date: 28 August 2026

To: **The Board of Directors**
Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司)
Room 701, Block A, Building 7
Shenzhen International Innovation Hub
Dashi 1st Road
Xili, Nanshan District, Shenzhen
PRC

Dear Sirs,

Re: **Consent to the issue of the prospectus of Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司) (the "Company") in connection with the Global Offering**

We, Hogan Lovells Cadwalader International LLP (formerly Hogan Lovells International LLP), refer to the prospectus of the Company dated 28 August, 2026 (the "**Prospectus**") in connection with the Company's proposed global offering (the "**Global Offering**") and the proposed listing of its H shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

We hereby give, and confirm that we have not withdrawn, our consent to the issue of the Prospectus, with the inclusion therein of, and all references thereto, our name, qualifications and advice, in the form and context in which they respectively appear in the Prospectus.

We hereby consent to this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange. We also consent to this letter and our advice referred to above being made available for display as described in the section headed "Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display" in Appendix V to the Prospectus.

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Partners

O Chan
M Lin
D Y C So
C J Dobby
N W O Tang
E I Low
J P Kwan
L H S Leung
J E M Leitch
B A Phillips
T Liu
J Cheng
M Wong
M Sit
Z Dong

Senior Counsel

A J McGinty

Counsel

A D E Cobden
J S F Yim
J Leung
D Lau
P J Kaur

Foreign Legal Consultants

S Tang
(New York, USA)
B Kostrzewa
(District of Columbia, USA)
S Jiang
(New York, USA)
B Sun
(New York, USA)

*Notary Public

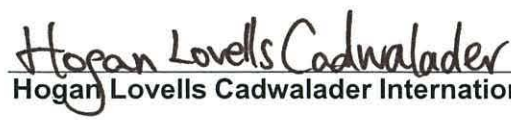
Hogan Lovells Cadwalader is an affiliated business of Hogan Lovells Cadwalader International LLP, a limited liability partnership registered in England and Wales.

"Hogan Lovells Cadwalader" is an international legal practice that includes Hogan Lovells Cadwalader International LLP, Hogan Lovells Cadwalader US LLP and their affiliated businesses, with offices in: Alicante Amsterdam Baltimore Beijing Berlin Birmingham Boston Brussels Charlotte Colorado Springs Denver Dubai Dublin Dusseldorf Frankfurt Hamburg Hanoi Ho Chi Minh City Hong Kong Houston London Los Angeles Luxembourg Madrid Mexico City Miami Milan Minneapolis Monterrey Munich New York Northern Virginia Paris Philadelphia Riyadh Rome San Francisco São Paulo Shanghai Silicon Valley Singapore Tokyo Washington, D.C. Associated Offices: Jakarta Shanghai FTZ. Business Services Centers: Johannesburg Louisville.

The word "partner" is used to describe a partner or member of Hogan Lovells Cadwalader International LLP, Hogan Lovells Cadwalader US LLP or any of their affiliated entities or any employee or consultant with equivalent standing. Certain individuals, who are designated as partners, but who are not members of Hogan Lovells Cadwalader International LLP, do not hold qualifications equivalent to members. For more information about Hogan Lovells Cadwalader, the partners and their qualifications, see www.hlc.com.

Hogan Lovells Cadwalader is a member of the Pacific Rim Advisory Council with member offices in: Argentina Australia Canada Chile China (Mainland) Colombia Costa Rica El Salvador France Guatemala Honduras Hong Kong India Japan Mexico Netherlands Nicaragua Panama Peru Philippines Singapore Taiwan USA.

Yours faithfully,


Hogan Lovells Cadwalader International LLP

28 August, 2026

The Board of Directors
Medcaptain Medical Technology Co., Ltd. (深圳麥科田生物醫療技術股份有限公司)
Room 701, Block A, Building 7
Shenzhen International Innovation Hub
Dashi 1st Road
Xili, Nanshan District, Shenzhen
PRC

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We hereby give, and confirm that we have not withdrawn, our consent to the issue of the Prospectus, with the inclusion therein of, and all references thereto, our name, qualifications, opinions and industry report, in the form and context in which they respectively appear in the Prospectus.

We hereby consent to this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange. We also consent to this letter and our opinions and industry report referred to above being made available for display as described in the section headed “Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display” in Appendix V to the Prospectus.

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I, the undersigned, do hereby certify that I have examined this document with its original and that the same is a true and complete copy thereof.
Dated: August 27, 2026

Digitally signed by FONG Ching Yee Jaime
Solicitor
Herbert Smith Freehills Kramer
Hong Kong SAR

For and on behalf of

China Insights Industry Consultancy Limited


Name: Luke Liu 刘立鹤
Title: Partner 合伙人