

yuwell 鱼跃

2025
SUSTAINABILITY REPORT

ROOTED IN HEALTH DRIVEN BY TECHNOLOGY

CONTENTS

01	Message from the Chairman	11	Steady and Long-Term Progress	57	People-Centered Approach	95	Key Performance Table
03	About Yuwell Medical	13	Enhancing Corporate Governance	59	Human Capital Development	99	Index Table
04	Sustainability Management	19	Commitment to Business Ethics	71	Employee Rights Protection	101	About This Report
		23	Information Security and Privacy Protection	75	Protecting Life and Health		
		27	Sustainable Supply Chain				
		33	Rooted in Health Driven by Technology	79	Environmental Friendliness		
		35	Enabling Health with Innovation	81	Strengthening Environmental Management		
		43	Commitment to Quality	83	Addressing Climate Change		
		53	Access to Quality Healthcare	91	Reducing Environmental Footprint		



Message from the Chairman



We firmly believe that as long as we continue doing the right things, the Company will move forward steadily and achieve long-term development.



Yuwell Medical has always upheld its mission of "alleviating patients' suffering and enhancing doctors' medical capabilities." Over the years, we have moved forward with passion and determination, leveraging forward-looking insights to identify evolving healthcare needs, empowering health through innovative technologies, and reshaping the industry landscape through ecosystem collaboration. We strive not only to be a pioneer in innovation-driven transformation, but also to serve as a steadfast guardian of public health. In 2025, guided by our strategic directions of globalization, digital and intelligent transformation, and wearable technology, we accelerated the deep integration of digital intelligence and medical devices, driving faster innovation and iteration in products and services to deliver higher-value healthcare solutions to society. At the same time, we continued to explore new pathways toward sustainable development with a long-term perspective, comprehensively strengthening governance effectiveness, innovation capabilities, risk resilience, and global development capacity. Amid profound industry transformation, we remained committed to steady progress through sustained dedication, contributing Yuwell's strength to the advancement of global healthcare.

With stronger governance foundations and a continued focus on steady long-term development, Yuwell Medical further strengthened the core capabilities supporting its stable and sustainable growth. In 2025, Yuwell Medical continued to improve its modern corporate governance system while steadily expanding the boundaries of health management. We maintained a strategic focus on solutions including respiratory therapy, blood glucose management and POCT, and home health monitoring, while continuing to strengthen our presence in clinical and rehabilitation equipment and actively incubating high-potential businesses such as emergency care and ophthalmology. In particular, we further increased investment and resource allocation toward wearable products such as CGM devices. Our diversified product portfolio continued to evolve and upgrade, the industry-university-research innovation ecosystem advanced at a faster pace, and our business footprint expanded across more than 100 countries and regions, supported by an increasingly mature global operating system. Meanwhile, the Company has strengthened its internal and external risk management and compliance systems, reinforced business ethics and information and data security governance, and continued to build a secure and resilient supply chain system. Through rigorous compliance standards, strong professional ethics, and systematic management mechanisms, we further strengthened the foundation supporting strategic transformation and long-term, steady development.

Guided by a commitment to health and driven by technological innovation, Yuwell Medical continues to reshape the medical device industry through

innovation. Keeping pace with technological evolution and changing user needs in healthcare, the Company has consistently increased R&D investment and expanded its innovation pipeline around core businesses and strategic fields. We have advanced the deep integration of digital intelligence and medical devices, accelerating the development of medical devices toward greater intelligence, wearability, and convenience, and entering a new era of intelligent healthcare built on "hardware + software + ecosystem." Guided by innovative technologies and a strong sense of responsibility, we are committed to delivering higher-quality healthcare solutions to users worldwide. In 2025, leveraging its global R&D network and multiple national, provincial, and ministerial-level research and innovation platforms, the Company collaborated with innovative enterprises across the industry chain, as well as leading universities and research institutes in China and abroad, to carry out frontier technology and applied basic research in areas such as high-end ventilator sensors, next-generation vital signs defibrillation technologies, wearable biosensing technologies, and electrochemical POCT technologies. Benchmarking itself against world-class standards, the Company continued to strengthen its competitiveness and support the accelerated transformation, upgrading, and high-end development of domestically developed medical devices. The Company also deepened its presence in smart healthcare by establishing an efficient end-to-end lifecycle quality management system and a comprehensive omnichannel customer service system to support intelligent product upgrades and enhanced user experience. In 2025, the Company's first-pass yield reached 99.75%, while customer satisfaction among B2B and B2C customers reached 97.7% and 98.4%, respectively, keeping Yuwell Medical at the forefront of the industry in customer satisfaction and product experience.

Putting people first and advancing shared value, we worked together to create a healthier and better future. In line with the strategies of globalization, digital and intelligent transformation, and wearable technology, Yuwell Medical advanced its talent development planning and talent management model, and continued to upgrade the Yuwell Learning and Development Center. We gradually built a comprehensive management mechanism covering talent attraction, training and development, appointment and incentives, and long-term retention, empowering employees' capability building and career development in all respects. These efforts have helped us build a diverse, inclusive, innovative, and dynamic team of high-quality professionals. During the reporting period, the Company received a number of honors, including the Global Talent Magnet Employer New Prominent, the Top Human Resource Management Award – Top Employer of the Year, the China Preferred Employer of the Year, and the Global Expansion Navigator. While continuing to deepen its core healthcare business, Yuwell Medical actively explored public welfare models aligned with the needs of the times and society. In 2025, the Company contributed nearly RMB 40 million in charitable donations to support medical emergency response, chronic disease care, rural healthcare development, and other initiatives, ensuring that every act of kindness creates value for life. In 2025, Yuwell Primedic gradually expanded from a single-product focus to a broader emergency care ecosystem, actively building a multidimensional emergency response network and exploring deeper integration between healthcare services and sports. Its AED and professional first-aid public welfare training programs reached more than 30,000 participants in total, effectively improving access to emergency response during the "golden four minutes." At the same time, it made steady progress in supporting the development of traditional Chinese medicine acupuncture, diabetes patient care, high-altitude medical support systems, and the improvement of primary-level medical services, making every effort to safeguard life and health.

Green development, low-carbon transformation, and environmental responsibility underpin Yuwell Medical's green development philosophy. The Company integrates green ecological principles and sustainability requirements throughout the entire production and operations value chain, and extends its EHS management system across all business segments. We closely monitor climate-related risks and opportunities while systematically advancing initiatives for resource conservation and environmental protection. Through these efforts, we are committed to building a clean, low-carbon, and climate-resilient manufacturing system that promotes the coordinated development of environmental and economic benefits. In 2025, the Company gradually established a closed-loop green value chain spanning green materials, green design, green intelligent manufacturing, and green packaging, systematically advancing the green evolution of products across their full lifecycle from source reduction to end-of-life recycling. In line with the requirements of the ISO 50001 Energy Management System, we carried out comprehensive energy management by establishing an integrated energy management system covering data collection, process monitoring, and energy management functions. Equipment and technologies continued to upgrade, the proportion of green electricity steadily increased, and coordination between production and sales became more efficient, further advancing the development of a clean and low-carbon production system. Comprehensive energy consumption per unit of output, GHG emission intensity, water consumption intensity, and hazardous waste discharge intensity were all effectively controlled, while annual energy management and other environmental targets achieved a 100% completion rate.

Driven by innovation and committed to quality, we continue to move steadily toward our sustainable development goals. Yuwell Medical will remain dedicated to its strategies of globalization, digital and intelligent transformation, and wearable technology. We will pursue greater breakthroughs in new product areas, reshape healthcare experiences through digital intelligence, and expand value boundaries through ecosystem collaboration. Amid ongoing market transformation, we will build stronger momentum for long-term development. Together with our partners, we will uphold a long-term perspective, advance the development of the healthcare industry, and create greater value for society and customers.

Chairman and General Manager of Jiangsu Yuyue Medical Equipment & Supply Co., Ltd.

Wu Qun

About Yuwell Medical

Jiangsu Yuyue Medical Equipment & Supply Co., Ltd. ("Yuwell Medical", Stock Code: 002223) specializes in the R&D, manufacturing, sales, and service of medical devices. As one of China's leading comprehensive providers of medical devices and healthcare solutions, the Company is dedicated to offering high-quality, innovative medical products and services to patients and healthcare institutions worldwide.

Guided by its mission of "alleviating patients' suffering and enhancing doctors' medical capabilities," Yuwell Medical remains focused on the life and health industry with a consumer-centered approach. The Company follows strategic directions of globalization, digital and intelligent transformation, and wearable technology. Its products focus primarily on respiratory therapy, blood glucose management and POCT, and home health monitoring solutions, while maintaining a strong presence in clinical medical devices and rehabilitation solutions. At the same time, Yuwell Medical actively incubates high-potential business areas such as emergency care and ophthalmology, with particular emphasis on expanding investment and resource allocation for wearable products including CGM devices, driving the evolution of medical devices toward greater intelligence, wearability, and convenience. With a clear focus on the vast opportunities in international markets, the Company continues to drive industry transformation through strong R&D capabilities and technological innovation, providing sustained support for improving the quality of life of more people around the world.

Over the years, the Company has consistently maintained high levels of investment in new products and projects while sustaining industry-leading innovation capabilities. Yuwell Medical has established multiple R&D and manufacturing centers in Germany, Shanghai, Nanjing, Suzhou, Danyang, Xizang, and Shenzhen, and has built several national-level innovation platforms, including a National Enterprise Technology Center, a National Industrial Design Center, and a National Postdoctoral Research Workstation. These efforts have enabled the Company to establish a comprehensive global network integrating R&D, manufacturing, marketing, and services, with its products earning broad market recognition. The Company also actively collaborates with medical institutions in China and abroad to jointly advance the development of the healthcare industry. Through diversified business expansion and ongoing international development, Yuwell Medical continues to strengthen its ability to serve the global healthcare sector. For detailed information on the Company's operational and financial performance, please refer to the *Jiangsu Yuyue Medical Equipment & Supply Co., Ltd. 2025 Annual Report*.

Business operations covering

100+ countries
and regions worldwide



**2025 Top 100 ESG Best Practices
for Chinese Listed Companies**

Wind

ESG Benchmark Enterprise Award

Securities Star

**Top 100 in the 3rd Guoxin Cup ESG
Golden Bull Awards**

China Securities Journal

**2025 Zhiyuan Award – Social
Responsibility Pioneer Enterprise**

Cailian Press

**National Digital Pilot Enterprise
/ National Leading Enterprise for
Future Industry Innovation and
Development**

Ministry of Industry and Information
Technology of the People's Republic of China

**First Batch of China's Famous
Consumer Brands**

Ministry of Industry and Information
Technology of the People's Republic of China

**Charity Star of the Yangtze River
Delta – Caring Organization**

Jiangsu Charity Federation

Sustainability Management

Sustainability Governance Framework

Yuwell Medical integrates sustainability principles and requirements into its strategic decision-making and business operations, consistently improving its environmental, social, and corporate governance systems. The Company further strengthens the Board of Directors' oversight of and participation in ESG matters, and regards ESG as an important driver for enhancing compliance management, promoting high-quality development, and strengthening corporate competitiveness. As the highest decision-making and oversight body for ESG matters, the Board of Directors is responsible for assessing the potential impacts, risks, and opportunities of sustainability factors on the Company's business model, defining the Company's ESG development direction and management strategies, supervising the effective implementation of ESG visions, goals, strategies, and plans, and ensuring alignment and coordination between sustainability initiatives and the Company's overall strategy. For details of the Board's expertise and capabilities in overseeing the management of ESG-related impacts, risks, and opportunities, please refer to the section "Strengthening Corporate Governance / Board Diversity and Effectiveness" in this report. During the reporting period, the Board reviewed and approved the *Jiangsu Yuyue Medical Equipment & Supply Co., Ltd. 2024 Sustainability Report* and the revised *Environmental, Social and Governance (ESG) Management Policy*, further clarifying the Company's governance requirements and management mechanisms for sustainability-related matters and promoting the effective integration of ESG principles into corporate governance and business decision-making.

The Company actively adopts quantitative indicators to assess the effectiveness of its ESG management strategies and is gradually incorporating relevant ESG metrics into its compensation assessment system. In 2025, the Company organized dedicated ESG training sessions covering the latest ESG trends and requirements, key priorities for advancing ESG initiatives, and ESG information disclosure, with the aim of enhancing employees' awareness and understanding of ESG and further promoting the effective implementation of ESG practices across the Company.



Sustainability Management Strategy

Yuwell Medical consistently upholds its responsibilities as a corporate citizen. In alignment with the United Nations sustainability Goals (SDGs) and industry development trends, the Company continues to refine its sustainability management strategy, contributing to the long-term advancement of the healthcare industry while ensuring steady business growth.



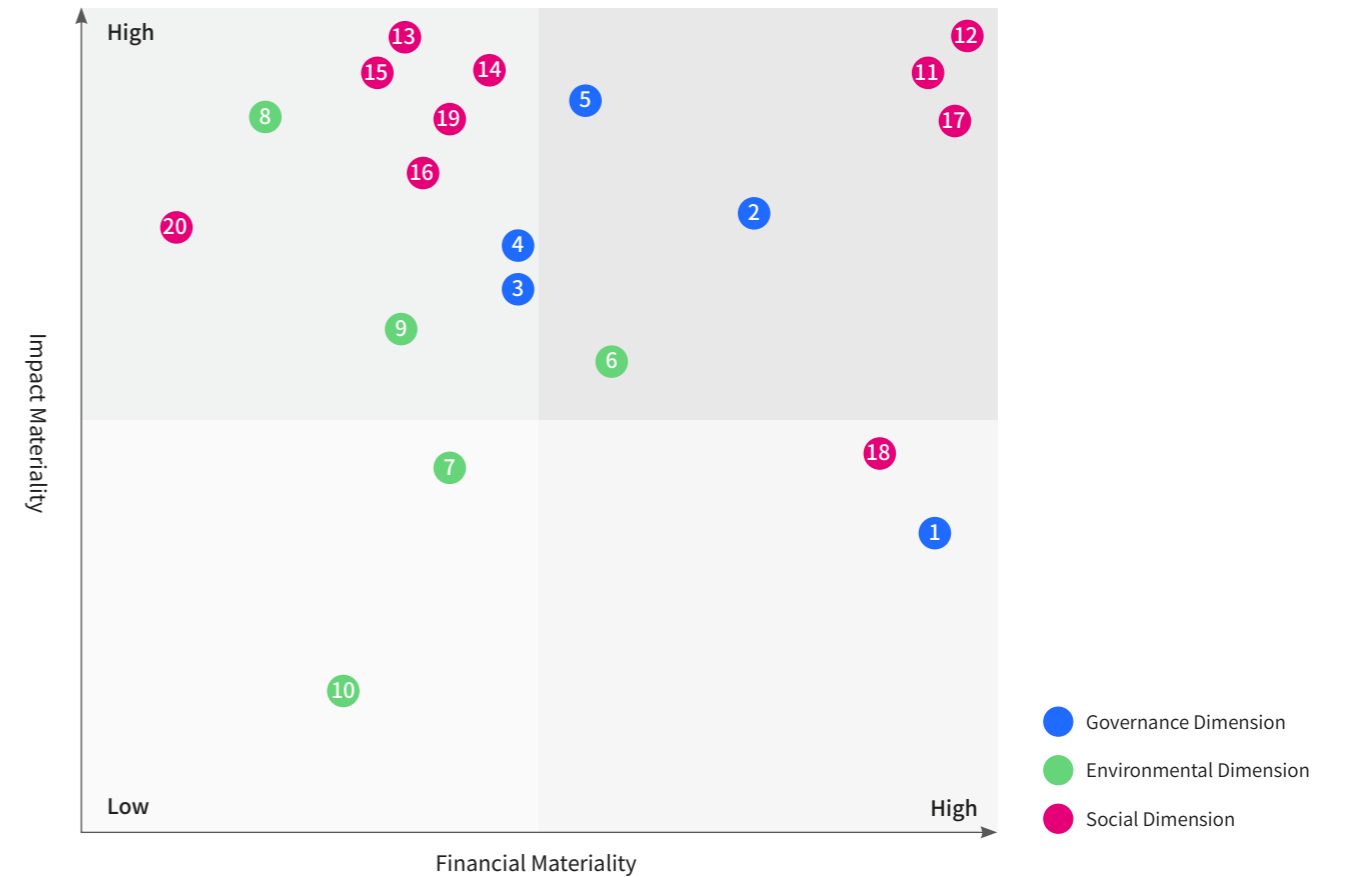
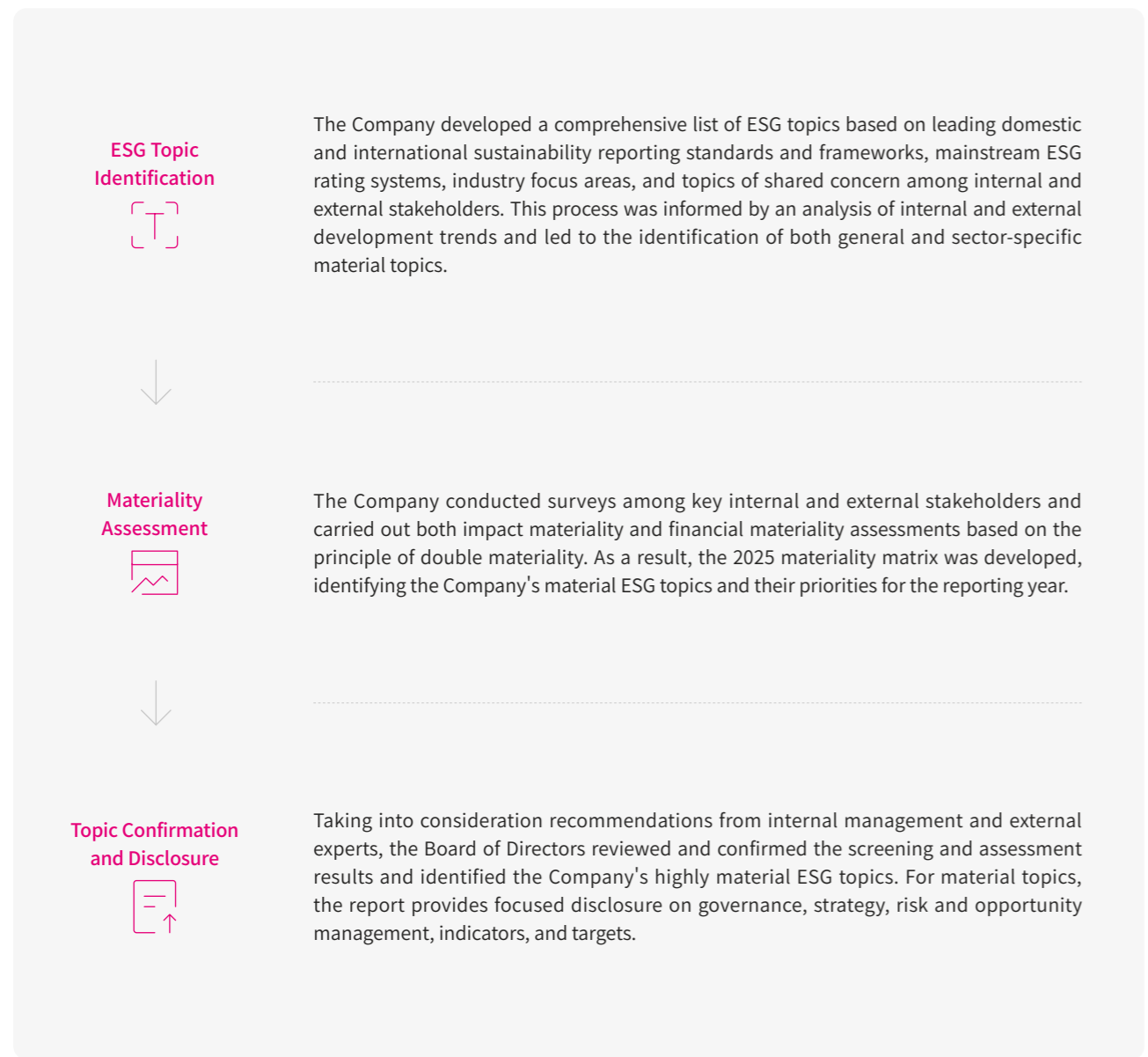
Stakeholder Engagement

With reference to the AA1000 Stakeholder Engagement Standard and global industry best practices, Yuwell Medical systematically identifies its key stakeholder groups and establishes communication channels tailored to different stakeholders. The Company fully incorporates stakeholders' concerns, expectations, opinions, and recommendations into the identification and response to sustainability-related risks and opportunities, the formulation of targets and indicators, and the continuous improvement of management practices, building long-term, mutually trusted partnerships for shared value creation.

Stakeholders	Expectations and Concerns	Communication Methods and Channels
 Government and Regulatory Authorities	<ul style="list-style-type: none"> Compliance operations Product quality and safety Environmental management Support for local development (including rural revitalization) 	<ul style="list-style-type: none"> Specialized meetings or reports Policy consultation and feedback Official visits Compliance regulatory inspections Information disclosure
 Shareholders and Investors	<ul style="list-style-type: none"> High-quality development Stable and sustainable returns Investor relations management 	<ul style="list-style-type: none"> Shareholders' meetings Financial reports and announcements Investor hotline Roadshows Performance briefings and other engagement activities
 Customers	<ul style="list-style-type: none"> Product quality and safety Innovative and low-carbon products Customer service management Business continuity Reliable privacy protection 	<ul style="list-style-type: none"> Customer satisfaction surveys Customer relationship management Customer engagement activities Social media platforms
 Partners	<ul style="list-style-type: none"> Compliance with business ethics Responsible supply chain Industrial cooperation and exchanges 	<ul style="list-style-type: none"> Supply chain audits and training Open cooperation Communication and exchanges Industry conferences
 Employees	<ul style="list-style-type: none"> Employee rights and benefits Occupational health and safety Employee training and development Diversity and equal opportunities 	<ul style="list-style-type: none"> Employee activities and communication Employee training Performance evaluation and feedback mechanisms Internal information communication platforms Employee grievance channels
 Public and Communities	<ul style="list-style-type: none"> Product quality and safety Environmental management Public welfare and charity Community communication and development 	<ul style="list-style-type: none"> Media interaction Information disclosure Public welfare programs Volunteer activities

Materiality Assessment

Materiality assessment serves as the foundation for Yuwell Medical's sustainability planning, risk and opportunity management, and information disclosure. In 2025, the Company updated its ESG topic database with reference to standards and guidelines including the *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information*, the *GRI Sustainability Reporting Standards* issued by the Global Sustainability Standards Board (GSSB), and the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange – Sustainability Report (Trial)*. Based on the principle of double materiality, Yuwell Medical conducted its materiality assessment from two dimensions: "impact materiality" (the significance of impacts on economic, environmental, and social sustainability) and "financial materiality" (the significance of impacts on the Company's financial performance). Through a comprehensive review of stakeholders' key concerns and related financial impacts, the Company identified highly material ESG topics for focused disclosure in this report and continued improvement of ESG management practices, with the aim of better responding to stakeholders' expectations and concerns. The Board of Directors reviewed and confirmed the materiality matrix for the reporting year.














Material in terms of both financial and impact materiality	Material in terms of financial materiality only	Material in terms of impact materiality only	Not material in terms of either financial or impact materiality
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No.	Topic
1	Corporate Governance
2	Business Ethics and Anti-corruption
3	Risk Management
4	Digital and Intelligent Transformation
5	Information Security and Privacy Protection
6	Addressing Climate Change
7	Water Resource Management
8	Emissions and Waste Management
9	Resource Utilization and Circular Economy
10	Biodiversity Protection

No.	Topic
11	R&D Innovation and Technology Ethics
12	Product Quality and Safety
13	Customer Relationship Management
14	Innovative Smart Healthcare
15	Access to Healthcare
16	Protection of Employee Rights and Interests (Including Occupational Health and Safety)
17	Human Capital Development
18	Sustainable Supply Chain
19	Industry Cooperation and Development
20	Rural Revitalization and Social Contribution

Analysis of Impacts, Risks, and Opportunities of Material Topics

Material Topic	Scope of Impact			Impact Timeframe			Risks and Opportunities	Impact Level	UN SGDs
	Upstream	Operations	Downstream	Short-term	Medium-term	Long-term			
Product Quality and Safety	✓	✓	✓	✓	✓	✓	<ul style="list-style-type: none"> There are risks related to product design and R&D, manufacturing and production processes, as well as laws, regulations, and regulatory compliance. Failure to effectively manage such risks may result in regulatory penalties, market access restrictions, and declining market trust in the Company's products. Adopting high standards in safety and quality practices can enhance customer trust, increase market share, and strengthen competitive advantage. 	Negative impact: highly material; Positive impact: highly material	 
Business Ethics and Anti-Corruption	✓	✓	✓	✓	✓	✓	<ul style="list-style-type: none"> Incidents of commercial bribery and corruption may result in significant economic costs, legal consequences, operational risks, and reputational damage to the Company. Efforts in business ethics and anti-corruption help establish sound internal management systems and processes, optimize internal controls, and enhance management efficiency and transparency. 	Negative impact: highly material; Positive impact: highly material	
R&D Innovation and Technology Ethics		✓	✓	✓	✓	✓	<ul style="list-style-type: none"> In the context of technological uncertainty, regulatory volatility, market competition, and global expansion, R&D investment may require significant financial input with no guaranteed commercial returns. Amid technological risks, policy and regulatory risks, market competition, and internationalization challenges, R&D activities may require substantial financial investment while commercial returns remain uncertain and difficult to predict. 	Negative impact: moderately material; Positive impact: highly material	
Information security and privacy protection	✓	✓	✓	✓	✓	✓	<ul style="list-style-type: none"> Amid multidimensional risks including technical risks, human-related risks, and management and operational risks, inadequate management of critical data and customer privacy may lead to data breaches, resulting in compliance risks, reputational damage, and reduced customer trust. Strengthening data security protection helps promote the standardized development of China's home medical device industry, enhance the confidence of international customers in cooperation, and expand access to more high-end markets. 	Negative impact: highly material; Positive impact: highly material	 

Material Topic	Scope of Impact			Impact Timeframe			Risks and Opportunities	Impact Level	UN SGDs
	Upstream	Operations	Downstream	Short-term	Medium-term	Long-term			
Human Capital Development		✓		✓	✓	✓	<ul style="list-style-type: none"> Insufficient employee training and development, ineffective performance management, and organizational culture risks may lead to strategic and organizational transformation risks, as well as increased talent attrition. A well-established employee learning, development, and talent cultivation system, together with optimized talent allocation and succession planning, helps strongly support the achievement of strategic goals and long-term stable development. 	Negative impact: moderately material; Positive impact: highly material	 
Addressing Climate Change	✓	✓	✓	✓	✓	✓	<ul style="list-style-type: none"> Physical and transition risks associated with climate change may result in asset losses, supply chain disruptions, increased operational costs, and shifts in market preferences that impact product strategies. The green transition and changing market demand driven by climate change create opportunities to explore new business directions and develop new product solutions. Strengthening energy and resource management also helps secure long-term and stable power supply and enhance green competitiveness. 	Negative impact: material; Positive impact: material	
Sustainable Supply Chain	✓	✓		✓	✓	✓	<ul style="list-style-type: none"> Quality, supply, compliance, and ESG-related risks within the supply chain may lead to raw material shortages, business interruptions, increased costs, and delivery delays, impacting business continuity and market competitiveness. Strengthening sustainable supply chain management can enhance resilience, ensure business continuity, reduce operating costs, and improve market competitiveness and long-term investor appeal. In addition, improving supply chain collaboration supports the adoption of new technologies and drives corporate transformation and upgrading. 	Negative impact: highly material; Positive impact: highly material	 

STEADY AND LONG-TERM PROGRESS

Proportion of female directors

55.56%

Anti-corruption training coverage

100%

Information leakage incidents

0



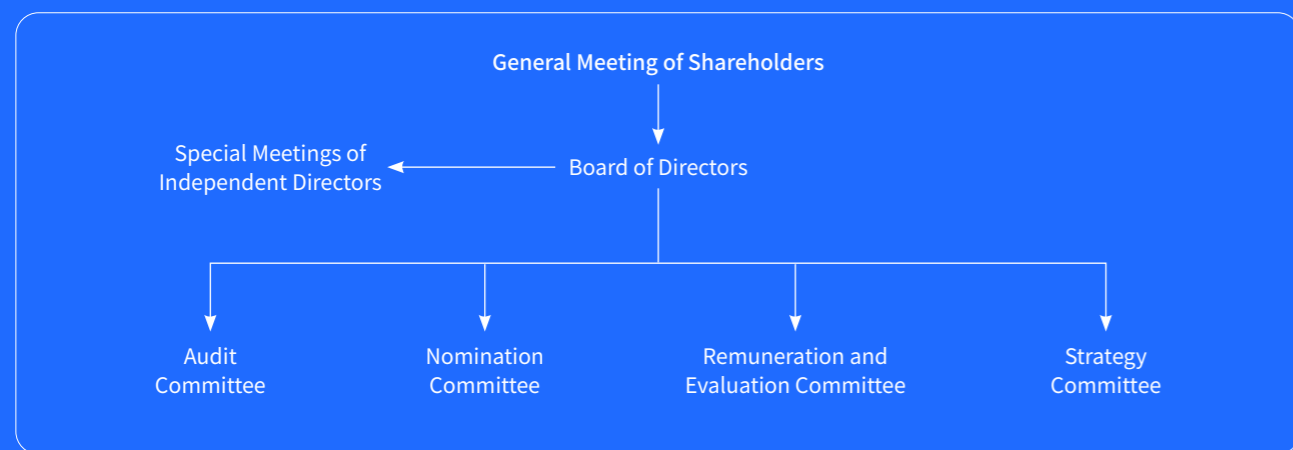
Enhancing Corporate Governance

Standardizing Governance

Yuwell Medical strictly complies with relevant laws, regulations, and regulatory requirements, including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Rules Governing the Listing of Stocks on Shenzhen Stock Exchange*, and the *Shenzhen Stock Exchange Self-Regulatory Guidelines No. 1 for Listed Companies — Standardized Operation of Main Board Listed Companies*. In accordance with the Articles of Association and other internal governance documents, the Company continuously improves its corporate governance structure, standardizes corporate operations, and enhances the standardization and effectiveness of its governance system.

The Company has established a corporate governance structure composed of the General Meeting of Shareholders, the Board of Directors, and senior management, forming a governance mechanism with clearly defined responsibilities, coordinated operations, and mutual checks and balances. In 2025, in accordance with the *Company Law of the People's Republic of China* and the *Articles of Association*, the Company ceased to maintain a Supervisory Board, with the Audit Committee under the Board of Directors assuming corresponding supervisory responsibilities in accordance with the law, further enhancing supervisory effectiveness. The General Meeting of Shareholders exercises decision-making authority over major matters in accordance with the law. Accountable to the General Meeting of Shareholders, the Board of Directors is responsible for formulating development strategies, reviewing major matters, and supervising management. The Board has established four specialized committees, namely the Strategy Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Evaluation Committee, which are responsible for specific matters within the scope authorized by the Board and provide professional advice and recommendations to support Board decision-making. Senior management is responsible for the Company's daily operations and management within the authority delegated by the Board and organizes the implementation of Board resolutions. For detailed information on corporate governance, please refer to the *Jiangsu Yuyue Medical Equipment & Supply Co., Ltd. 2025 Annual Report*.

In response to evolving regulatory requirements and the practical needs of corporate governance, the Company systematically reviewed and continuously improved its governance and internal management systems during the reporting period. These efforts covered areas including the operation of the Board and its specialized committees, information disclosure, investor relations management, related-party transaction management, internal audit, and senior management administration, with corresponding review and disclosure procedures carried out in accordance with relevant requirements.



The Company strictly complies with applicable laws, regulations, and internal policies including the *Rules of Procedure for the General Meeting of Shareholders*, the *Rules of Procedure for the Board of Directors*, and the *Working Rules for Independent Directors' Special Meetings*. Shareholders' meetings and Board meetings are convened in a standardized manner, with proposal submission, deliberation, voting, and information disclosure procedures conducted in accordance with the law, effectively safeguarding the legitimate rights and interests of all shareholders, especially minority shareholders. The Company continues to strengthen its conflict-of-interest prevention mechanisms by strictly implementing recusal requirements for related directors and related shareholders at both the Board and General Meeting of Shareholders levels, ensuring the independence and soundness of decision-making.

General Meetings of Shareholders held during the year

3

resolutions reviewed and approved

12

Board meetings held during the year

8

resolutions reviewed and approved

27

Audit Committee meetings held during the year

6

Strategy Committee meetings held during the year

2

Remuneration and Evaluation Committee meetings held during the year

2

Nomination Committee meetings held during the year

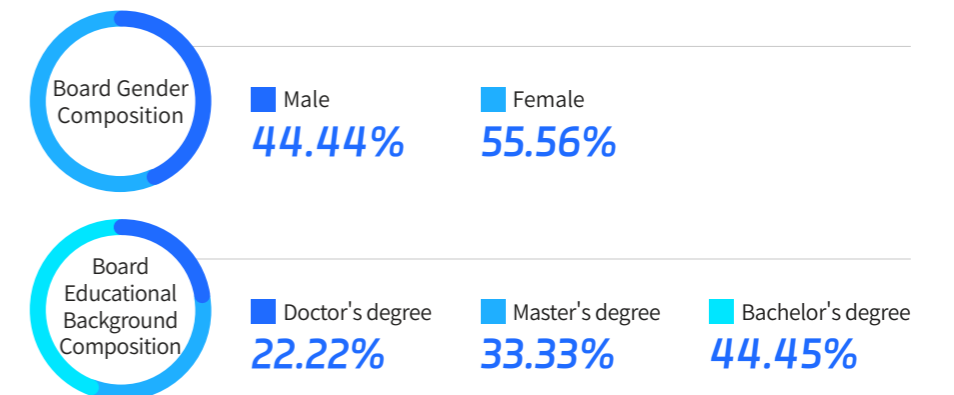
3

Board Diversity and Effectiveness

Yuwell Medical attaches great importance to Board diversity and regards it as an important foundation for enhancing the scientific nature of decision-making, the effectiveness of oversight, and risk management capabilities. The election, re-election, and adjustment of Board members are conducted in strict accordance with the *Company Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Rules Governing the Listing of Stocks on Shenzhen Stock Exchange*, the *Articles of Association*, and the *Working Rules of the Nomination Committee of the Board of Directors*. Diversity is incorporated into the candidate selection and review process, with comprehensive consideration given to candidates' professional expertise, industry experience, performance capabilities, educational background, time commitment, and independence. This helps maintain an appropriate balance of talents, skills, experience, gender, age, and cultural and educational backgrounds within the Board. In addition, the Company places high importance on the ethical conduct and leadership reputation of Board members to support the Company's long-term stable development.

Independent directors are appointed in strict compliance with independence requirements. Their appointments are subject to qualification and independence reviews by the Shenzhen Stock Exchange, election through the cumulative voting system at the General Meeting of Shareholders, and information disclosure procedures in accordance with applicable laws and regulations. Independent directors constitute a majority of the Audit Committee, the Nomination Committee, and the Remuneration and Evaluation Committee under the Board of Directors, and also serve as the chairpersons of these committees, providing independent judgment and professional advice to support the Board's scientific decision-making. During the reporting period, independent directors participated in Board activities through various channels, expressed independent opinions on major matters, and effectively exercised their supervisory functions, safeguarding the legitimate rights and interests of the Company and its shareholders.

The Board of Directors consists of nine members, including three independent directors, accounting for 33.33% of the Board, and five female directors, accounting for 55.56%. Board members possess interdisciplinary expertise and extensive industry experience spanning medical devices, bioengineering, risk management, financial accounting, legal compliance, and finance, demonstrating strong capabilities in identifying industry trends, integrating resources, and managing risks. Among them, the chairperson of the Audit Committee is a financial accounting professional. In addition, multiple directors possess extensive practical experience in internal control and risk management, including establishing comprehensive risk management systems and handling major risk incidents, which provides strong support for the Company's risk identification, risk assessment, risk response, and risk mitigation efforts. The Board maintains a diversified composition in terms of gender structure, cultural and educational backgrounds, professional expertise, and industry experience, effectively enhancing the scientific nature and quality of decision-making. As of the end of the reporting period, the average tenure of Board members was 4.3 years. The Company is committed to building a Board with a well-balanced tenure structure, diversified professional capabilities, and independent and effective oversight.



Position	Name	Gender	Professional Expertise			
			Industry Experience	Risk Management	Financial Accounting	Law
Chairman, General Manager	Wu Qun	Male	✓	✓		
Director, Deputy General Manager	Zhao Shuai	Male	✓	✓		
Director	Wang Lihua	Female	✓			
Director	Chen Jianjun	Male	✓			
Director, Board Secretary	Wang Ruijie	Female	✓			✓
Employee Representative Director	Zhang Jinyan	Female	✓			
Independent Director	Yu Chun	Female		✓	✓	
Independent Director	Wan Suiren	Male	✓			
Independent Director	Zhong Mingxia	Female		✓		✓

To support the effective performance of duties by the Board and its specialized committees, the Company has consistently improved its director support and training mechanisms. During the reporting period, the Company organized and supported directors and senior management in participating in training programs conducted by securities regulatory authorities and industry organizations. Training topics covered listed company governance, information disclosure, business ethics and compliance, internal control, and sustainable development. In addition, through internal communication and knowledge-sharing mechanisms, the Company helped Board members stay informed of changes in regulatory policies and corporate governance requirements, further enhancing their ability to perform their duties.

Protection of Investor Rights and Interests

Yuwell Medical strictly complies with the *Securities Law of the People's Republic of China*, the *Administrative Measures for Information Disclosure of Listed Companies*, the *Provisions on the Registration and Administration of Persons with Insider Information of Listed Companies*, and other relevant laws, regulations, and normative documents. The Company continuously improves systems related to the protection of investor rights and interests, standardizes information disclosure and investor communication practices, and safeguards investors' rights to information, participation, and supervision in accordance with the law. In 2025, the Company revised documents including the *Investor Relations Management Policy*, the *Internal Review Procedures for Information Publication and Responses on the EasyIR Platform*, the *Rules of Procedure for the General Meeting of Shareholders*, and the *Information Disclosure Management Policy*. These revisions further strengthened the institutional foundation for protecting investor rights and interests.

Best Practice Case of Board of Directors of Listed Companies	China Association for Public Companies
Best Practice of Board Office of Listed Companies	China Association for Public Companies
Best Practice in Investor Relations Management of Listed Companies	China Association for Public Companies
16th China Listed Company Investor Relations Tianma Award	<i>Securities Times</i>
16th China Listed Company Investor Relations Outstanding Board Secretary Award	<i>Securities Times</i>

Information Disclosure and Investor Communication

The Company has established the *Information Disclosure Management Policy*, the *Accountability System for Major Errors in Annual Report Information Disclosure*, and other related policies to ensure the authenticity, accuracy, and completeness of information disclosure and further enhance the quality and transparency of information disclosure. During the reporting period, the Company issued four periodic reports and 49 ad hoc announcements, and disclosed information through the Juchao Information Network, *Securities Times*, and *Shanghai Securities News*, ensuring that all shareholders have equal access to information. During the reporting period, the Company's information disclosure practices strictly complied with applicable regulations, with no false records, misleading statements, material omissions, or other violations related to information disclosure.

Based on internal policies including the *Investor Relations Management Policy*, the Company strives to build a transparent and efficient investor communication platform and maintains sound interaction and communication with investors through various channels, including General Meetings of Shareholders, performance briefings, investor surveys, the EasyIR platform, investor hotlines, and the investor relations section of the Company's official website. During the reporting period, the Company convened three shareholders' meetings, all of which provided both on-site and online voting channels. The Company also organized performance briefings, offline investor exchange activities, and investor survey reception activities. The response rate on the EasyIR platform reached 97.06%. Directors and senior management participated in relevant communication activities in accordance with laws and regulations to help investors better understand the Company's operating performance and development plans.

Protection of Minority Shareholders' Rights and Interests

The Company treats all shareholders equally and actively adopts measures to protect the legitimate rights and interests of minority investors. Minority shareholders may attend shareholders' meetings and vote either in person or through online channels. For major matters involving the interests of minority investors, votes cast by minority investors are counted separately and the voting results are disclosed independently. Through reasonable arrangements regarding meeting time and venue, as well as the use of online voting and other digital tools, the Company safeguards the rights of investors, especially minority shareholders, to information and participation in major corporate matters.

Delivering Sustainable Returns to Shareholders

The Company adheres to the principle of delivering stable returns to shareholders and continues to advance its "Quality and Return Enhancement" initiative. It maintains a relatively high level of cash dividends over the long term to provide stable returns to investors. The Board of Directors formulates profit distribution plans after comprehensively considering annual operating results, and submits such plans to the General Meeting of Shareholders for approval to ensure that the legitimate rights and interests of shareholders, especially minority shareholders, are fully protected. During the reporting period, the Company further increased the frequency of dividend distributions by implementing the 2024 annual dividend, as well as interim and first three-quarter dividends for 2025, with the aim of enhancing shareholder returns and strengthening market confidence. For detailed information on the protection of shareholders' and creditors' rights, please refer to the *Jiangsu Yuyue Medical Equipment & Supply Co., Ltd. 2025 Annual Report*.



Risk Management and Internal Control

Yuwell Medical strictly complies with the *Company Law of the People's Republic of China*, the *Audit Law of the People's Republic of China*, the *Basic Standards for Enterprise Internal Control* and its supporting guidelines. In view of stringent regulatory requirements and intricate business workflows across the medical device sector, the Company steadily improves its risk management and internal control system to bolster risk prevention capabilities and ensure effective internal control implementation. Aligned with business development and operational management needs, the Company revised core rules including the *Working Rules of the Board's Audit Committee* in 2025, further consolidating the institutional foundation for risk management.

Governance Structure for Risk Management and Internal Control

The Board of Directors bears ultimate responsibility for the Company's full risk management and internal control system, with supervision functions delegated to the Audit Committee. Following the revision of the *Working Rules of the Board's Audit Committee* in 2025, the Company further clarified the committee's responsibilities in risk identification, rectification of internal control deficiencies, and submission of supervision reports. As an independent oversight body separate from business departments, the Audit Department oversees internal audit and risk supervision initiatives. Through standardized audit procedures, it verifies and evaluates the design and operational effectiveness of internal controls, and puts forward targeted rectification proposals for identified irregularities. Where necessary, the Company engages external professional institutions to conduct special audits and assessments, aiming at enhancing the independence and professionalism of its supervision mechanism.

Risk Identification, Response and Monitoring

The Company adopts end-to-end risk management covering pre-event prevention, in-process oversight and post-event review. It places high priority on core operational risks related to investment, business operation, compliance, finance and sustainability, and enhances its comprehensive risk management capacity through institutional controls, process standardization and ongoing supervision.

In daily risk management, the Company strengthens risk identification and supervision over cross-regional and cross-entity business activities, and incorporates domestic and overseas compliance, financial and operational risks into its unified risk management framework to achieve systematic control. Furthermore, it integrates major ESG risks and opportunities into risk assessment and business planning, and incorporates relevant considerations into operational and financial strategies. This enables the Company to effectively mitigate potential risks and capture new opportunities for business growth and strategic transformation.

During the reporting period, the Company accelerated the deployment of digital platforms for risk identification and supervision, and explored the application of large language model recognition and systematic compliance verification technologies to promptly identify and manage potential risk sources. It also optimized the risk control mechanism for all subsidiaries and branches. While safeguarding their independent and law-abiding operations, the Company formulated approval guidelines for key matters and a priority supervision checklist, and implemented continuous monitoring over subsidiary operational risks. These measures effectively improve the Company's capability to identify and address cross-regional and cross-entity risks, and firmly underpin the advancement of its global development strategy.

Risk Identification

Deploy multiple approaches including questionnaire surveys, document reviews, on-site inspections, technical scanning and penetration testing



Risk Assessment

- ⦿ Assess risk occurrence probability
- ⦿ Evaluate the magnitude of risk impacts
- ⦿ Calculate risk indicators to define risk levels
- ⦿ Verify the effectiveness of existing control measures



Risk Control

- ⦿ Formulate tailored risk mitigation strategies in light of risk levels and actual business conditions, covering risk avoidance, transfer, reduction, vulnerability improvement and impact containment
- ⦿ Establish standardized risk monitoring and early warning mechanisms

Risk Training and Cultural Building

The Company commits to fostering a sound enterprise-wide risk management culture. Regular training and internal advocacy are delivered to elevate employees' risk compliance awareness and professional management competency, forming a full-staff joint risk prevention mechanism. The Company keeps abreast of updates to laws, industrial regulatory policies and relevant standards, conducts in-depth research in a timely manner, and organizes targeted internal learning sessions. Such efforts help all employees fully understand and implement internal control and risk management requirements, and thus keep all potential risks within manageable boundaries.

Tax Management

Yuwell Medical places high priority on tax compliance and tax risk oversight. In strict accordance with the *Enterprise Income Tax Law of the People's Republic of China* and all applicable domestic and overseas tax laws and regulatory requirements, the Company continuously optimizes its tax management system by incorporating tax compliance and risk control into its unified corporate risk management and internal control framework, which enables systematic implementation of tax policy research, tax filing, data submission as well as full-spectrum risk identification, assessment and mitigation. The Company fulfills all statutory tax obligations in compliance with the law, and formulates tax arrangements strictly in line with business substance. It never structures transactions or investment structures to obtain improper tax advantages, nor adopts any tax planning devoid of genuine commercial purposes. In respect of related-party transactions, the Company applies the arm's length principle for transfer pricing management to ensure full compliance with prevailing tax laws and regulatory rules. Following evolving tax policies and regulatory developments, the Company conducts compliance reviews and ongoing process supervision over business operations, cross-border businesses, related-party transactions and investment initiatives that may bring material tax implications. Regular tax training sessions are held to raise practitioners' compliance awareness and professional proficiency, preventing tax risks caused by inaccurate policy interpretation or improper execution. No material tax violations were recorded within the reporting period. Looking ahead, the Company will further refine its tax management mechanism, enhance its tax governance, and strengthen cross-border tax risk prevention in line with its global business layout and operational needs. This will enable seamless integration of tax administration with corporate governance, risk control, and internal control systems.

The Company was rated Class

A in tax credit evaluation during the reporting period



Commitment to Business Ethics

Governance

Guided by the core corporate value of integrity, Yuwell Medical strictly observes the *Company Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and other applicable laws and industrial codes of conduct. It has established and steadily improved its business ethics and anti-corruption governance system, embedding compliance and ethical norms into corporate governance and daily operations to underpin stable, high-quality development.

The Company has set up a full-coverage business ethics and anti-corruption governance framework covering itself and the whole supply chain. As the top decision-making body, the Board of Directors assumes ultimate accountability for the sound operation of relevant governance mechanisms. Entrusted by the Board, the Audit Committee supervises the implementation of business ethics and anti-corruption rules, and reports material compliance and ethical issues to the Board in a timely manner. As an independent internal oversight body, the Supervisory Committee tracks policy updates on national and industrial compliance and ethical standards, identifies and evaluates corresponding risks, drafts and advances the implementation of supporting management regulations, and works closely with the Audit Department to carry out routine supervision. Such arrangements ensure the Company consistently adheres to rigorous compliance and ethical criteria. All functional departments perform their respective duties to enforce ethical requirements and ensure effective implementation of relevant rules across all business scenarios.

The Company has formulated a complete set of business ethics management rules that cover all business segments and functional departments. Core documents include the *Code of Integrity in Business Practices*, the *Anti-commercial Bribery Statement*, the *Management System for Employee Conflict of Interest Declaration*, the *Management System for Reporting Gifts and Gratuities*, the *Management Measures for Supervision*, and the *Code of Professional Conduct for Employees*. These regulations clearly define standardized requirements for anti-fraud, anti-money laundering, anti-corruption, anti-bribery, fair competition, anti-monopoly and conflict of interest prevention. These management rules apply to all directors and employees including part-time staff, and are gradually extended to supply chain partners, distributors and other business collaborators, building a solid ethical compliance barrier across the entire business ecosystem.

Strategy and Management Mechanisms

Taking business ethics as the foundation of its corporate culture, Yuwell Medical integrates ethical norms into its long-term development strategies and operational management systems. In alignment with ISO 37001 anti-bribery management system standards, the Company embeds business ethics and compliance requirements deeply into organizational operations, business procedures and supply chain management via institutional improvement, compliance training, enhanced audit supervision and standardized reporting administration, which underpins its high-quality development. During the reporting period, no major lawsuits or administrative penalties involving corruption, bribery or unfair competition took place.

New Employee Training

3 sessions were delivered to 255 participants, with average training duration exceeding 40 minutes per person.

Targeted Training for High-risk Posts

Specialized integrity and compliance training was provided for sensitive positions including procurement, marketing and business service roles, covering 689 employees with average training duration over 1 hour.

Targeted compliance training for core positions was launched at branches and subsidiaries including Xizang Yuwell Medical Investment Co., Ltd., Suzhou Hwato Medical Appliance Co., Ltd., 66 Vision Tech Co., Ltd., and Jiangsu Yuwell-POCT Biological Technology Co., Ltd., benefiting around 300 staff members.

Business Ethics Training

The Company has established a full-scale business ethics training system covering directors, all employees and external business partners. Training contents focus on workplace integrity, anti-commercial bribery, fair competition norms, conflict of interest management and reporting compliance rules. It also maintains employee integrity records and uses individual compliance performance as a key reference for promotions, honors and performance reviews, which strengthens internal ethical controls and prevents misconduct such as fraud and malpractice. In 2025, the Company rolled out a full series of business ethics and compliance training, achieving 100% coverage of all regular and part-time staff across the Group and its branches and subsidiaries, as well as core business partners and key suppliers. It also engaged external professional institutions to elevate training effectiveness, including inviting procuratorial officials to deliver special lectures on integrity and compliance, helping all staff strengthen risk awareness and self-prevention capabilities.

Business Ethics Audit

Within the unified business ethics management framework, the Company's Supervisory Committee and Audit Department formulate targeted annual audit plans. In accordance with annual audit arrangements and special deployment, they conduct inspections on the implementation of ethical regulations and potential ethical risks across all business segments. All audit outcomes, major identified issues and priority supervision matters are submitted to the Board's Audit Committee and senior management in standardized procedures, ensuring independent and efficient supervision.

Leveraging audit and supervision results, the Company formulates targeted rectification measures and long-term improvement plans, and drives implementation through institutional upgrading, process optimization and awareness training, while conducting regular follow-up reviews on rectification progress. The Company also conducts annual assessment on the effectiveness and compliance status of its internal control system, and incorporates business ethics and anti-corruption requirements into core evaluation criteria to facilitate continuous management optimization.

Supply Chain Ethical Governance

The Company extends ethical standards to the entire supply chain and actively promotes compliant operation among all partners. All suppliers are required to sign the *Anti-commercial Bribery Statement* and confidentiality agreements prior to cooperation, and dedicated external reporting channels are established to identify and defuse ethical risks along the supply chain. The Company conducts regular ethical advocacy activities for suppliers. In 2025, it incorporated business ethics and anti-corruption initiatives into supplier conferences, conveying the values of integrity cooperation, fair competition and long-term stable partnership to 152 supply chain enterprises. Such efforts ensure consistent enforcement of ethical policies throughout the supply chain and foster an honest, transparent industrial ecosystem.

The Company strictly prohibits all forms of corruption, fraud, extortion and embezzlement. Any employee in breach of relevant regulations will be dismissed immediately and permanently banned from re-employment. All cooperative ties with non-compliant business partners will be terminated once violations are verified, and stricter supervision will be applied in subsequent cooperation. The Company reserves the right to conduct regular or unannounced on-site audits of suppliers upon reasonable notice. This ensures ongoing oversight of supply chain compliance and ethical risks, and allows the Company to impose strict sanctions on confirmed violations in accordance with applicable laws and internal regulations. In 2025, the Company completed factory compliance audits on 31 suppliers, with inspection scope covering business ethics and anti-corruption compliance status.

Anti-Unfair Competition Management

In compliance with the *Anti-Unfair Competition Law of the People's Republic of China* and applicable anti-monopoly and fair competition laws in all operating regions, the Company explicitly prohibits improper practices including price manipulation, false advertising and trade secret infringement, fostering a fair and transparent market environment. Relevant requirements are integrated into corporate compliance and business ethics training. Regular themed training ensures all employees fully understand and abide by relevant policies. The compliance supervision team conducts routine inspections and imposes strict sanctions on confirmed violations in accordance with laws and internal regulations. No violations of anti-unfair competition laws took place during the reporting period.

Reporting Management

The Company adopts a zero-tolerance attitude towards corruption, fraud and other unethical behaviors. It has implemented the *Reporting Management System* and established diversified reporting channels. Employees, suppliers, distributors and other stakeholders may report violations and irregularities under real names or anonymously, which enables broad participation in integrity oversight.

All reports are centrally processed by the Supervisory Committee, which reports directly to the Disciplinary Inspection Committee consisting of the Chairman, CFO, Business Deputy General Manager and CHRO, ensuring independent and impartial case handling. The whole procedure, including acceptance, investigation and feedback, is generally completed within 30 days. Verified corrupt behaviors will be disciplined accordingly based on actual circumstances.

The Company fully protects whistleblowers' legitimate rights and interest by maintaining strict confidentiality of their personal information and reporting materials. All cases are filed with unified serial numbers and managed by designated staff under classified confidentiality rules. It is strictly forbidden to disclose whistleblower information and case progress to involved parties or irrelevant personnel. Any retaliatory acts against whistleblowers will be severely punished; serious infringements will be promptly referred to judicial authorities for criminal liability pursuit.

In 2025, Yuwell Medical joined the Enterprise Institute for Internal Controls (Working Committee of Enterprise Anti-Fraud Alliance). The Company also facilitated supervisory staff to obtain professional qualifications including Corporate Compliance Officer (CCO) and Certified Anti-Fraud Professional (CAP), which further enhanced the professionalism of its ethical governance. No substantiated business ethics violations occurred within the reporting period.

Reporting Channels

- 📍 Postal Address:
 Supervision Department, Yuwell Science and Technology Center, No. 1 East Huanyuan Road, Xuzhuang Software Park, Xuanwu District, Nanjing City, Jiangsu Province
- ☎️ Hotline:
 +86 25 8558 2701
- ✉️ Email:
 jubao@yuyue.com.cn

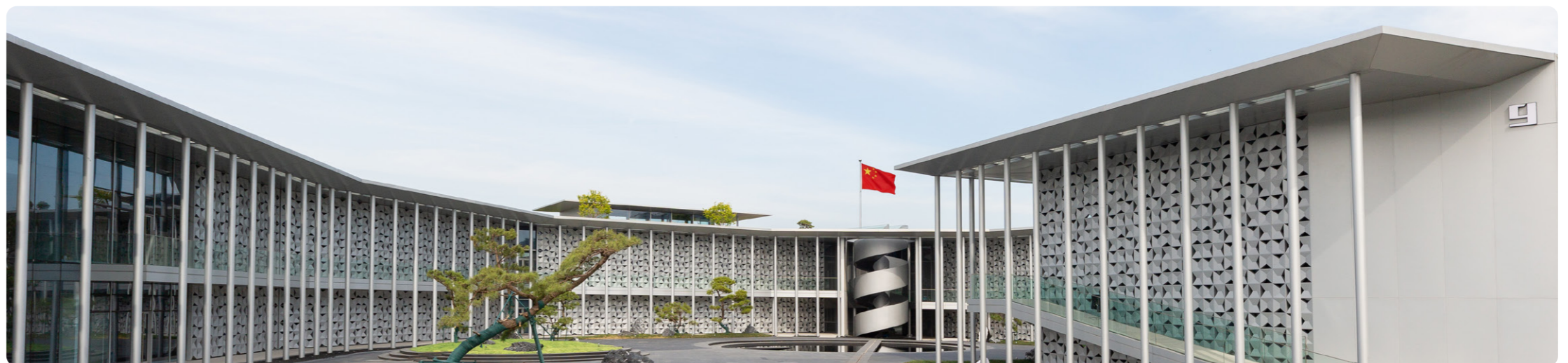
Impact, Risk and Opportunity Management

Yuwell Medical brings business ethics and anti-corruption risks into its enterprise-wide risk management system, which works in synergy with internal control and compliance mechanisms to systematically identify, assess and address ethical risks in daily operations. Based on its business models and industry features, the Company carries out regular ethical risk assessment and analyzes potential risk triggers. It focuses on hidden risks such as conflict of interest, improper benefit transfer and unfair competition existing in academic exchanges, clinical research cooperation, terminal sales and supply chain collaboration. By sorting out business workflows and key posts, the Company defines high-risk scenarios and formulates targeted compliance guidelines to ensure all business activities comply with legal norms and corporate ethical standards.

To realize timely identification and effective control of ethical risks, the Company continuously optimizes its risk monitoring system, and supervises the implementation of ethical codes and key business activities via internal audits, compliance reviews and reporting mechanisms. All external partners are required to sign business ethics and anti-corruption agreements, alongside available reporting channels to expand risk detection sources. Standardized constraints and supervision over partners effectively defuse ethical risks in business and supply chain cooperation, reducing their adverse impacts on corporate operations and brand reputation.

Indicators and Targets

Indicator / Target	2025 Achievement Status
Zero major litigations involving corruption or unfair competition	Target achieved
100% coverage of anti-corruption training	Target achieved 100% business ethics and anti-corruption training coverage for non-independent directors with an average of 1 hour per person 100% business ethics and anti-corruption training coverage for all employees with an average of 3 hours per person
100% signing rate of the <i>Anti-commercial Bribery Statement</i> and <i>Supplier Social Responsibility Commitment</i> among the parent company's suppliers, distributors and partners	Target achieved
100% handling rate of valid reporting	Target achieved



Information Security and Privacy Protection

Governance

Yuwell Medical takes information security and privacy protection as a fundamental guarantee for steady business operation, business continuity and customer trust. Following the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, and applicable local laws and regulations across all operational territories, the Company continuously improves its dedicated management system for information security and privacy protection.

It has established a complete management framework covering IT system security, data security and personal information protection. The Board of Directors assumes ultimate accountability for all major issues in this field. The IT Leadership Group formulates overall development strategies, makes core decisions and oversees policy execution. The Digital Operation Center takes the lead in IT security management and technical defense deployment. All business departments fulfill their respective responsibilities to implement security and data protection requirements via close coordination. The Company also sets quantified information security goals and incorporates relevant performance into employee evaluation systems.

The Company enforces the *Information Security, Privacy, and Personal Identifiable Information Management Manual*, together with a complete set of supporting rules including the *Data Security Management System*, the *Information System Security Management Measures*, the *Account Password and Access Management System*, the *Information Device Usage Manual*, the *Information Security Risk Assessment Management Measures*, the *Cybersecurity Emergency Response Plan*, and the *Overseas Data Security System*. This comprehensive framework covers all business sectors and core operational scenarios, providing solid institutional support for the safe operation of information infrastructure, application systems, business data and client-related information.

Strategy and Management Mechanisms

Upholding the core principle that information assets underpin corporate development and privacy protection is the shared responsibility of all staff, the Company has formulated standardized procedures covering policy formulation, risk impact assessment, full-lifecycle management, emergency response, real-time monitoring and regular audits. These procedures help standardize employee practices in cybersecurity, daily operation and maintenance, data center management, system iteration, personal privacy protection and overseas data security. Regular themed training and periodic compliance audits are conducted to steadily enhance corporate capabilities in information security, privacy protection and personally identifiable information management.

Yuwell Medical has obtained dual authoritative system certifications:

ISO 27001 Information Security Management System

ISO 27701 Privacy Information Management System



Information System and Data Security

To ensure business continuity, safeguard data assets and maintain stable system operation, Yuwell Medical keeps refining its management protocols for information systems and data security. Amid the continuous deployment of digital platforms and business expansion, the Company enforces full-lifecycle security management over information systems spanning planning, construction, launch, modification and decommissioning. By integrating institutional constraints with technical safeguards, it ensures robust, stable and controllable operation of all information systems and thus effectively mitigates various information and data security risks.



Data Backup and Recovery

The Company has formulated standardized data recovery plans with clear specifications for data backup, extraction, application and contingency disposal. Regular full and incremental data backups are performed via cloud platforms and NAS devices. Quarterly restoration drills are conducted in simulated environments to verify data recoverability and validate business continuity capabilities.



Tiered Management of Data Assets

The Company manages data assets covering marketing, production, finance, R&D and other domains under a tiered classified framework. Differentiated protection strategies are implemented for core, important and general data respectively. Optimized hierarchical control and access permission management substantially reduce risks of data leakage, loss and unauthorized misuse.



Technical Defense and Endpoint Management

The Company steadily upgrades its cybersecurity defense capabilities by applying encryption and decryption protocols to data stored on servers and user endpoints. Firewalls, security situational awareness systems and other intrusion detection and prevention tools are fully deployed to enable real-time monitoring, early warning and centralized management of external cyber threats. The Company also strengthens endpoint security and automated defense mechanisms. Unified endpoint management and rapid threat response systems facilitate instant identification and remediation of abnormal activities, boosting the efficiency and reliability of overall security defense. Throughout the year, the Company achieved a 100% phishing incident response rate and intercepted approximately 310,000 external cyber intrusions.



Cybersecurity Emergency Management

The Company continuously revises its *Cybersecurity Emergency Response Plan* and upgrades dedicated early-warning and emergency response platforms to streamline security incident handling and deliver timely and effective protection. Two cybersecurity attack-and-defense drills were carried out during the year to practically test and elevate the overall defense competence and emergency response capacity of the Company's security system. All emerging security incidents were properly resolved without causing material disruptions to business operations, endangering data security or impairing legitimate customer interests.

Overseas Data Security Management

To strengthen data protection for overseas businesses, the Company has established a dedicated *Overseas Data Security System* in compliance with local laws and regulations in all operating jurisdictions. This document defines the entire data workflow, from collection, storage, utilization and transmission to cross-border transfer, helping to mitigate potential risks associated with overseas data management and cross-border data flows.

Supply Chain Cybersecurity Management

Cybersecurity compliance is embedded into supplier admission criteria and partnership agreements. Binding contractual clauses and ongoing operational supervision are enforced to prevent leakage of corporate confidential information and relevant data. In accordance with the *Information Security Outsourcing O&M Management Regulation*, the Company conducts rigorous security assessments and persistent oversight over third-party service providers. This enables timely identification and rectification of operational anomalies, and effectively guards against risks including information leakage, data tampering, service unavailability, unauthorized network access and damage to physical infrastructure.

Personal Information and Privacy Protection

In routine operations, Yuwell Medical strictly abides by the *Personal Information Protection Law of the People's Republic of China*, the *Specification of Data Acquisition and Application for Household Medical Devices*, and other applicable regulations and standards. Aligned with the ISO 27701 Privacy Information Management System and following the principles of legality, legitimacy, necessity and data minimization, the Company improves its privacy management system covering various product data types to ensure full lifecycle compliance in the collection, use, transmission, storage and deletion of personal data.

Privacy protection mechanisms are embedded into system design to grant users full autonomy over data processing. The Company conducts strict necessity assessment before data acquisition and never collects information irrelevant to business functions. Separate explicit authorization is required for all sensitive personal data, and users must sign the *Yuwell Software Service Agreement* to grant prior consent. User-friendly channels are available for users to withdraw data processing consent anytime, or restrict their personal information from being used beyond core service scenarios.

The Company defines clear boundaries for personal information application and enforces transparent supervision. All data shall be used solely for original intended purposes, and shall not be shared, transferred or disclosed to third parties without formal approval. The Company adopts access control, data encryption and desensitization technologies, and verifies data availability

through quarterly backup restoration drills to guard against data leakage, corruption, loss and tampering. Regular internal audits and third-party reviews are conducted on privacy policy compliance, and the Company maintains a zero-tolerance policy toward any privacy breaches. During the reporting period, the personal information protection compliance rate reached 100%.

Through its *Privacy Statement* and supporting policies, the Company ensures customers, employees and partners maintain full control over their personal information, and commits to protecting the core rights of data subjects as follows:

- ⦿ **Right to Access and Transparency:** Users are entitled to know the scope, purposes and processing modes of their personal data.
- ⦿ **Right to Rectification:** Users may request timely amendment of inaccurate or incomplete personal information.
- ⦿ **Right to Erasure:** Users are eligible to apply for data deletion upon service completion, consent withdrawal or account cancellation.
- ⦿ **Specified Retention Period:** The Company publicly clarifies the retention term of all personal data, and performs data destruction or anonymization once the period expires.

Information Security Cultural Development

The Company integrates information security and privacy protection into its regular staff training system, and delivers ongoing awareness-building activities including themed workshops and popularization campaigns to elevate employees' security awareness and compliance competency. During the reporting period, all employees signed confidentiality agreements. The Company organized one corporate-wide information security training session and two specialized training programs targeting IT, R&D and other core roles, benefiting nearly 8,000 participants. Combining institutional norms, typical risk scenarios and incident disposal best practices, these sessions guide all staff to embed security and privacy protocols into daily business operations.

100%

signing rate of employee confidentiality agreements

100%

coverage of information security training

Impact, Risk and Opportunity Management

Yuwell Medical has formulated the *Information Security Risk Assessment Management Measures* and established a standardized end-to-end assessment workflow covering preparation, threat identification, vulnerability detection, risk analysis, risk disposition, residual risk management and holistic control. Dynamic risk management is implemented by matching security risks with actual business scenarios. The Company conducts at least one full-scale risk assessment annually, and regularly updates relevant evaluation results in response to system upgrades, business restructuring and emerging security incidents, ensuring timely and efficient risk management.

During assessments, the Company systematically identifies various latent risks, including technical risks such as system breakdowns and cyberattacks, human-factor risks stemming from operational errors and unauthorized privilege abuse, management risks arising from imperfect rules and flawed workflows, as well as regulatory compliance risks. All identified risks are incorporated into the company-wide risk management system. Leveraging assessment outcomes, the Company pushes forward rectification, review and iterative optimization, forming a closed-loop management cycle of identification, rectification, review and capability improvement, which effectively safeguards corporate information assets and personal user data security. In 2025, centering on core risk areas including access control, system configuration, data access restriction and internet exposure management, the Company carried out security risk assessments on eight core business systems covering financial management, supply chain collaboration, R&D and overseas operations. Through field interviews, centralized vulnerability scanning, penetration tests and manual audits, potential hazards were sorted by risk level for hierarchical rectification. All detected vulnerabilities have been fully fixed and passed retesting verification.

In terms of risk mitigation, the Company embeds information security and privacy protection requirements into institutional frameworks and business workflows. It strengthens dynamic risk supervision through policy optimization, process standardization and technological upgrading, and regularly verifies the effectiveness of managerial and technical measures to better hedge and mitigate cybersecurity risks.

Information Security Audit

Yuwell Medical keeps abreast of cutting-edge advances in information security policies and technologies. Regular targeted audits are conducted across five core domains: user access management, system development, system iteration, logical access control and general operational controls. The Company also engages independent third-party institutions to perform independent audits on its cybersecurity architecture, which helps refine its risk control mechanisms and maintain leading security defense capabilities.

For overseas data operations, the Company assigns dedicated oversight teams to conduct routine supervision over cross-border data processing activities. The teams regularly inspect policy enforcement, review data access logs and analyze security incident records to promptly identify and resolve existing loopholes and irregularities. Internationally accredited third-party cybersecurity firms are also commissioned to perform comprehensive assessments of the Company's overseas data security framework. All identified issues are rectified in strict accordance with audit requirements to steadily upgrade overall data management proficiency.

Indicators and Targets

Indicator / Target	2025 Achievement Status
100% coverage of information security training	Target achieved
100% completion of annual dedicated IT reviews on core business system access	Target achieved
Zero major information security incidents	Target achieved
Zero data leakage incidents	Target achieved
Zero fines arising from security vulnerabilities or cyber incidents	Target achieved

Sustainable Supply Chain

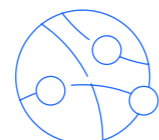
Governance

High-quality, stable and sustainable supply chain operation constitutes a solid foundation for Yuwell Medical's sound business development. The Company has established a streamlined supply chain management system, with the Supply Chain Management Department exercising overall oversight of supplier administration. Its internal functional units cover planned procurement, resource development, advance procurement and indirect procurement, which undertake full-lifecycle supplier management. Functional departments including Quality and R&D participate in supplier admission review, quality audits, performance evaluation and continuous improvement based on respective responsibilities, building a cross-functional collaborative supply chain management system.

The Company strictly complies with the *Law of the People's Republic of China on Invitation and Submission of Bids* and its supporting regulations. It has formulated and implemented internal protocols including the *Supplier Management Control Procedure* and the *Procurement Control Procedure* to standardize the full process of supplier screening, cooperation, assessment and exit, which helps foster a high-quality and resilient supply chain. In 2025, the Company revised the *Supplier Management Control Procedure* to refine tiered supplier management rules and optimize workflows for admission review, performance appraisal and non-compliance rectification.

Strategy and Management Mechanisms

Guided by corporate strategic objectives, Yuwell Medical continuously optimizes full-lifecycle supplier management and enforces sustainable procurement policies. It embraces data-informed decision-making to boost collaborative efficiency, and strives to build a competitive, resilient and sustainable supply chain to underpin the achievement of corporate strategic targets.



Full Lifecycle Supplier Management

Supplier Screening and Admission

The Company adopts rigorous supplier admission standards and conducts comprehensive due diligence across multiple dimensions, including delivery capability, risk management capability, quality assurance capacity, R&D expertise, compliance and sustainable development performance. Only eligible suppliers are enrolled in the *Qualified Supplier Directory* and managed under tiered classification, forming a high-standard supply chain ecosystem. Adhering to transparent procurement principles, the Company treats SME suppliers equally to ensure fair and impartial procurement practices. In 2025, it further refined admission review protocols and core control points in accordance with the *Procurement Control Procedure* and the *Supplier Management Control Procedure*.

Total number of suppliers

506

Note: Data covers only Yuwell Medical's parent company.

Supplier Audit and Performance Evaluation

The Company implements tiered classified supplier management, with clear requirements for supplier audits, performance evaluation frameworks, usage restrictions and exit criteria stipulated in the *Supplier Management Control Procedure*. Annual audit schedules are formulated for all onboard suppliers, together with standardized *Supplier Evaluation Forms*. The Company conducts regular assessments and ongoing monitoring on suppliers' contract fulfillment, quality control, social and environmental compliance via on-site inspections and remote reviews. Suppliers are categorized into four tiers (A, B, C, D) based on overall scores with differentiated management strategies applied.

Tier	Overall Score	Management Strategies
A	≥ 90	Prioritize procurement and expand cooperation scale
B	70–89	Maintain regular procurement and stable partnership
C	60–69	Impose rectification deadlines and reduce procurement volume
D	< 60	Cut procurement share and mandate rectification; terminate partnership upon unmet standards

For deficiencies identified in evaluations and audits, the Company issues formal *Supplier CAPA Notices* to specify rectification requirements, deadlines and verification criteria, and verifies the effectiveness of improvement measures. Rectification outcomes are taken as key references for subsequent performance reviews and tiered classification. Where necessary, the Company offers professional training and technical guidance to help suppliers develop targeted improvement plans, take timely corrective actions, and resolve existing issues, so as to jointly strengthen sustainable supply chain management. Suppliers failing to complete effective rectification will face further procurement restrictions, while those with persistent non-compliance will be placed under enhanced supervision or removed from the supplier roster.

Clear exit triggers are defined throughout all management phases, including annual Tier D rating, unresolved non-compliance of Tier C suppliers, repeated unsatisfactory performance, and major violations involving quality, safety and compliance. Once triggered, the exit procedure will be initiated. The Company will meanwhile adjust procurement strategies and deploy alternative supply solutions to mitigate supply chain risk exposure and guarantee business continuity as well as consistent product quality and safety.

Total suppliers reviewed via desktop assessment or on-site audit

481

Suppliers receiving support while implementing corrective actions and improvement initiatives

191

Suppliers participating in corporate capacity-building training programs

176

Suppliers terminated due to substantial actual or potential adverse impacts

0

Note: Data covers only Yuwell Medical's parent company.

Case

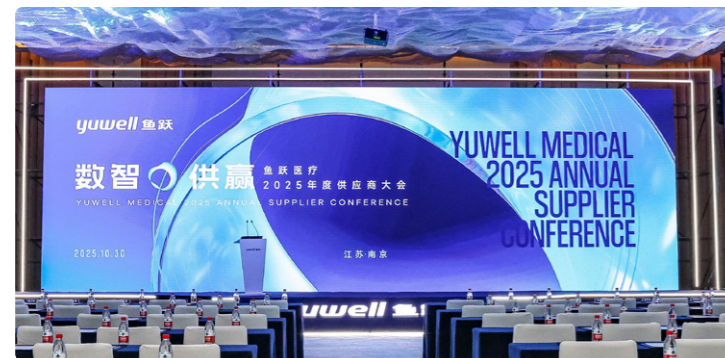
Raw Material Supplier Management

Yuwell Medical takes raw material quality control as a core source-level safeguard for product safety and reliability. Based on component application scenarios, production process complexity, quality safety impact and sample verification results, it implements tiered classified management for raw material suppliers, and conducts regular system audits and performance appraisals as scheduled. Exit and restriction mechanisms are embedded across all supplier management stages. Suppliers failing pilot production validation will be eliminated at the onboarding phase. During annual reviews, underperforming suppliers are required to complete rectification within a set period with follow-up verification. Those consistently failing to meet standards will be subject to usage restrictions, grade demotion or complete supplier qualification revocation in accordance with internal regulations.

In 2025, the Company added standardized management clauses for OEM and ODM suppliers to its supplier management policies. Stricter oversight was enforced throughout onboarding reviews, quality agreement execution and in-process supervision, which effectively mitigated quality and compliance risks inherent in such cooperation models.

Synergistic Development with Suppliers

The Company fosters sound interactive partnerships with suppliers. Through specialized training, regular conferences and daily communication channels, it synchronizes production requirements, quality benchmarks and management norms to strengthen supply-demand synergy. To address the development needs of small and medium-sized suppliers, it offers compliant operational support to optimize the overall supplier ecosystem. In 2025, the Company held multiple themed exchange sessions and convened its annual supplier conference in October. Under the philosophy of "Win-Win Supply Chain Empowered by Digital Intelligence," the conference standardized supply chain cooperation rules and management criteria to reduce operational misalignments. The initiative covered 83 suppliers of the parent company and 69 suppliers serving its branches and subsidiaries.



Yuwell Medical 2025 Annual Supplier Conference

Sustainable Procurement

Yuwell Medical integrates sustainable development principles into its full supply chain management system. While guaranteeing consistent product quality and stable delivery, the Company steadily strengthens oversight over supply chain sustainability risks. It mandates full consideration of environmental, social and governance criteria in all procurement activities, and requires all suppliers to sign the *Supplier Anti-Commercial Bribery Commitment* and *Supplier Social Responsibility Commitment*, ensuring their full compliance with the Business Social Compliance Initiative (BSCI) codes of conduct and applicable laws and regulations. Through supplier pre-qualification review, contractual binding clauses, policy advocacy and periodic audits, the Company facilitates and supervises the implementation of sustainable procurement practices. Suppliers are obliged to formulate and implement targeted rectification plans for identified non-conformities, with continuous progress tracking and re-assessment conducted to ensure supply chain sustainability.

In addition, the Company treats all suppliers with integrity and fulfills its payment obligations in strict accordance with legal requirements. To protect the legitimate rights and interests of SMEs, it ensures timely fund settlement and achieved a 100% on-time payment rate for SME payables in the reporting period.

ESG Compliance Focus

Implementation Measures



Product and Service Quality

Unified quality requirements are specified in the *Quality Agreements* and *Freight Transportation Services Contracts*. A quality information sharing mechanism is established with suppliers, alongside regular quality audits and evaluations. Targeted quality training and technical collaboration are provided as needed to fully control quality risks across all procedures.

See the "Product Quality and Safety" section for more details

Coverage of supplier quality assessment	100%
Suppliers holding quality management system certifications	267
Suppliers signing quality assurance agreements	425



Business Ethics and Compliance

All suppliers are required to sign the *Anti-commercial Bribery Statement*. The Company delivers regular compliance training and conducts project-based due diligence and audits when necessary, committing to long-term partnerships with suppliers adhering to rigorous ethical standards.

See the "Commitment to Business Ethics" section for full details

Signing rate of the <i>Supplier Anti-Commercial Bribery Commitment</i> and <i>Supplier Social Responsibility Commitment</i>	100%
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Environmental Protection, Labor Rights, Occupational Health and Safety

Aligned with BSCI standards and local laws, suppliers are required to sign the *Supplier Social Responsibility Commitment* and undergo dedicated social responsibility audits with formal *Supplier Social Responsibility Assessment Reports* issued accordingly. Relevant regulations cover child labor prohibition, elimination of forced labor, occupational health and safety protection, working hour and salary management, and anti-discrimination. Suppliers with valid environmental and occupational health & safety system certifications are given priority in admission reviews and annual audits.

Coverage of supplier environmental performance evaluation	100%
Suppliers holding environmental management system certifications	72
Suppliers holding occupational health and safety management system certifications	32

Note: Data covers only Yuwell Medical's parent company.

Resilient Supply Chain

Building a resilient supply chain and safeguarding business continuity are core priorities for sustainable supply chain development. Focusing on critical material assurance, logistics coordination and emergent risk response, Yuwell Medical keeps refining its supply chain resilience management system to sustain stable operations. In 2025, the Company maintained steady raw material supply with no production disruptions caused by material shortages.

Dual-sourcing Strategy

- The Company optimizes supplier portfolios for core categories and key materials. By building diversified supply networks and adopting primary-alternative material supply mechanisms, it mitigates reliance on single suppliers and thus eliminates production disruptions stemming from supply breakdowns.

Digitalized Management

- The Company advances supply chain digital transformation. Real-time operational tracking enhances the visibility and predictability of material supply, enabling timely identification and resolution of potential issues to secure stable raw material provision.
- Intelligent warehouse systems are upgraded to facilitate real-time inventory monitoring and demand forecasting for key and high-risk materials, with safety stock reserves established to guarantee smooth production execution.
- The Company also optimizes logistics layouts and transportation solutions, and forges long-term stable partnerships with logistics service providers to improve delivery efficiency while ensuring full compliance and operational safety.

Emergency Preparedness and Business Continuity

- Tailored emergency response protocols and backup plans are formulated based on business attributes and risk levels, enabling swift response and rapid operational recovery amid unexpected incidents.
- A multi-site production layout is further optimized to realize mutual backup across manufacturing bases. This mechanism ensures uninterrupted business delivery and consistent fulfillment of customer demands in the event of natural disasters, operational accidents and major external environment changes.

Impact, Risk and Opportunity Management

Yuwell Medical is exposed to a wide spectrum of supply chain risks, including quality risks related to raw materials, finished goods and service delivery; supply risks such as supplier disruptions, material shortages and logistics delays; financial risks driven by price fluctuations and market shifts; regulatory compliance risks involving violation of laws and internal policies; as well as ESG risks covering labor rights protection, occupational health and safety, business ethics and anti-corruption practices. Internal management protocols including the *Supplier Management Control Procedure* and *Procurement Control Procedure* fully embed supply chain risk prevention mechanisms to underpin the development of a high-quality, resilient supply chain.

The Company integrates sustainability-related risks into the full lifecycle of supplier management. It conducts annual systematic identification and evaluation of all supply chain risks including ESG-related ones, and formulates annual supplier audit plans accordingly. Through on-site and remote audits, the Company conducts ongoing oversight and comprehensive evaluation over supplier qualifications, contract performance, quality management as well as social and environmental impacts to dynamically grasp overall supply chain risk profiles. Targeted risk mitigation measures are developed for different supplier categories to achieve effective risk containment.

Suppliers with unsatisfactory evaluation results will receive formal *CAPA Notices* and be subject to targeted risk control measures, with rectification progress closely tracked and reviewed to mitigate existing risks. Those sustaining high-risk status or failing to deliver satisfactory improvement will be subject to sourcing restrictions, suspended or terminated from the supplier network to prevent risk spillover. The Company also conducts ongoing monitoring and periodic reviews on the implementation effect of risk control measures, ensuring all governance mechanisms are fully implemented in practical business scenarios.

Indicators and Targets

Indicator / Target	2025 Achievement Status
Zero business interruptions	Target achieved No production tasks were delayed due to supply chain disruptions.
98.50% incoming material inspection pass rate	Target achieved Actual incoming material inspection pass rate: 99.54%
100% supplier assessment covering environment, quality and safety	Target achieved

ROOTED IN HEALTH DRIVEN BY TECHNOLOGY

R&D investment during the year

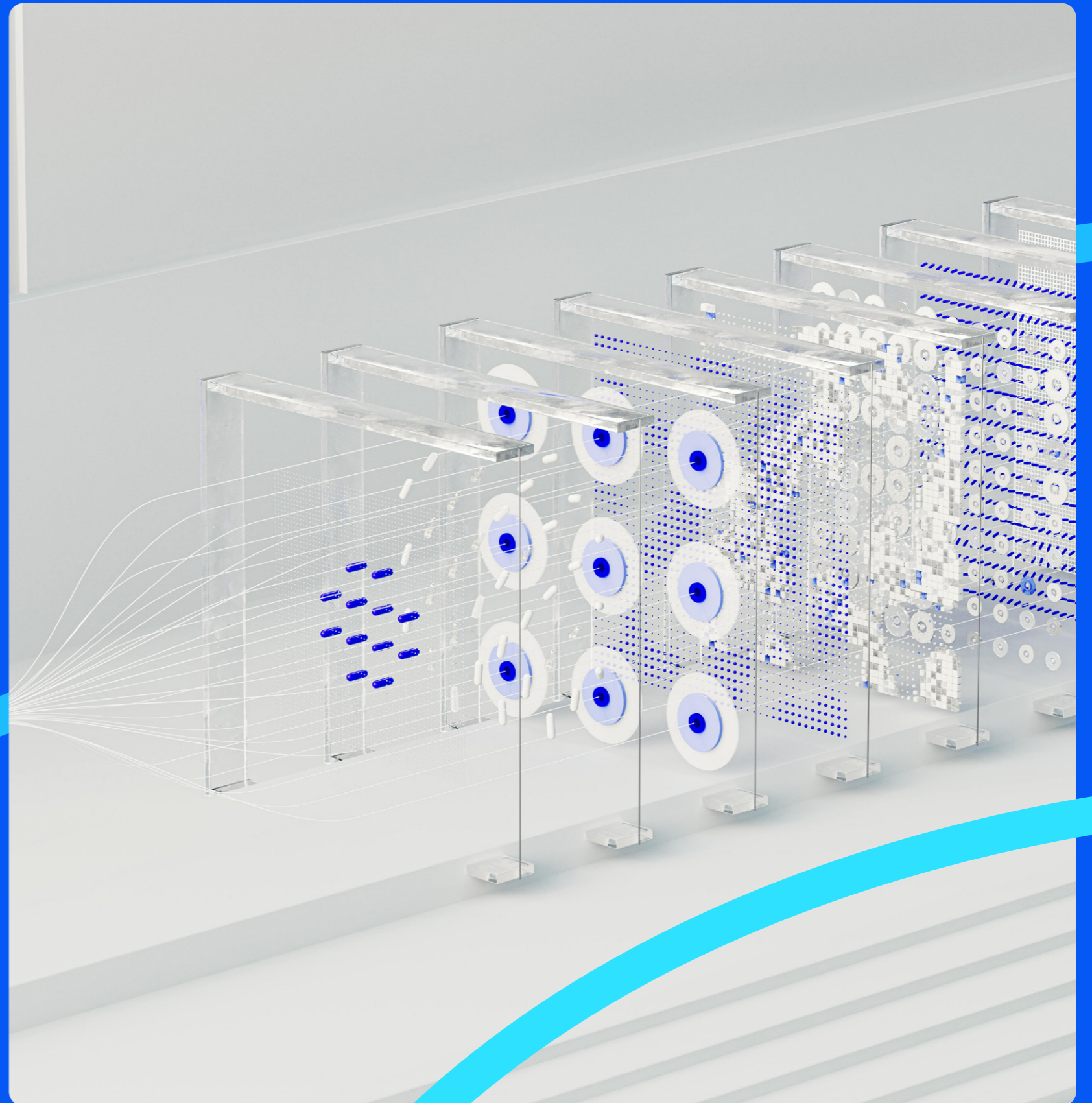
RMB **570.15** million

Digital health services cover

500,000+ Yuwell health devices

First-time inspection pass rate

99.75%



Enabling Health with Innovation

Governance

As the core driver of new quality productive forces, technological innovation underpins the Company's exploration of new development paths and the building of differentiated competitive advantages. Focusing on technological progress and industrial upgrading trends within the healthcare sector, Yuwell Medical has established a scientific and efficient decision-making and management system for innovation-driven R&D projects. The Board of Directors oversees and makes decisions on major innovation-related matters, ensuring R&D priorities are fully aligned with the Company's overall development strategy. The senior management team coordinates resource allocation and tracks R&D project implementation progress via dedicated innovation management review mechanisms. The R&D Department, in collaboration with the Industrial Design Center, takes charge of executing specific R&D initiatives, driving technological breakthroughs, product iteration, and the commercialization of R&D outcomes. To enable the seamless linkage of innovation achievements across R&D, production transfer, and market promotion, the Company has also put in place a cross-departmental collaboration mechanism that promotes efficient communication and coordination among R&D, marketing, production, and quality functions. This allows the Company to capture opportunities arising from the intelligent, precision, and international transformation of the healthcare industry. To standardize R&D operations and elevate overall innovation efficiency, the Company has formulated a complete set of R&D management documents, including the *Yuwell Medical R&D Management System*, the *Yuwell Medical R&D Cost Collection and Accounting Management Measures*, the *Yuwell Medical Measures on Rewards and Penalties for Technological Achievements and Innovation*, and the *Yuwell Medical Industry-Academia-Research Collaboration Management Measures*. These policies clarify standardized requirements for R&D project initiation, implementation, production handover, achievement management, and incentive and restraint rules. The framework accelerates the cultivation and development of new quality productive forces and strengthens the Company's core industrial competitiveness.

Strategy and Management Mechanisms

Guided by its corporate vision of leading industry development through innovation and enhancing the health of millions of families and its development strategy of reshaping medical devices through innovation, Yuwell Medical keeps pace with technological advances and evolving user demands in the healthcare industry. Centered on the three major directions of globalization, digital and intelligent transformation, and wearable technology, the Company consistently expands its R&D pipeline, promotes iterative innovation of products and services, and advances the deep integration of digital and intelligent technologies with medical devices, in an effort to deliver high-value medical solutions to society.

In R&D practices, the Company adopts a user-centric and scenario-driven approach, embedding human-centric design and ease of use as core principles into product design and technological development. On the premise of meeting functional and safety standards, it optimizes interaction logic and simplifies operational complexity to enhance product adaptability and user experience in real-life application scenarios. Green development principles are integrated into the full product lifecycle to advance the coordinated development of technological innovation and sustainable development goals. Leveraging cross-departmental Integrated Product Development (IPD) and Product Lifecycle Management (PLM) systems, the Company standardizes end-to-end R&D governance and improves innovation efficiency. To meet medium- and long-term development needs, it also conducts forward-looking research and builds technology reserves, paving the way for smart medical solutions.

Innovation System

Committed to building a global R&D and manufacturing network, Yuwell Medical operates multiple R&D and production centers in Germany, Shanghai, Nanjing, Suzhou, Danyang, Xizang, and Shenzhen, forming a collaborative domestic and international R&D and industrial layout. The Innovation Institute focuses on exploring cutting-edge technologies and accelerating their industrialization, while regional R&D centers prioritize market-driven product development projects, which creates a three-tier R&D operating model: technology pre-research, platform-based technology commercialization, and end-product development. The Company integrates internal and external resources to build a high-level, open technological innovation platform and a comprehensive innovation ecosystem. By adopting a diversified R&D approach that combines independent research with collaborative innovation, it continuously fuels its high-quality growth and the advancement of the broader healthcare industry.

Based on strategic objectives, market and user demands, and healthcare technology dynamics, the Company has established a trinity innovation demand management system to enhance the forward-looking layout, targeted positioning, and collaborative synergy of R&D project initiation. A dual-driven R&D framework has been formed, integrating technology pre-research with product development and combining organizational entities with project-based operations. By balancing breakthroughs in cutting-edge technologies with research on generic and key industrial technologies, this layout steadily improves capabilities for original technological innovation and the commercialization efficiency of R&D outcomes. In line with the R&D characteristics of medical devices, the Company consistently optimizes its IPD system and cross-functional collaboration mechanisms, enabling efficient coordination across technology, product, supply chain, quality, and marketing functions, which supports rapid iteration and upgrading of product lines.

Upholding the principle of open collaborative innovation, Yuwell Medical has issued the *Industry-Academia-Research Collaboration Management Measures* and partners with top-tier external institutions to jointly advance the development of China's healthcare industry toward an integrated model of "hardware + AI + ecosystem." The Company has established long-term industry-academia-research cooperation with renowned institutions, including the Chinese Academy of Sciences, Tsinghua University, Beijing Institute of Technology, Nanjing University, Southeast University, Sichuan University, Peking Union Medical College Hospital, and the Obstetrics and Gynecology Hospital of Fudan University.

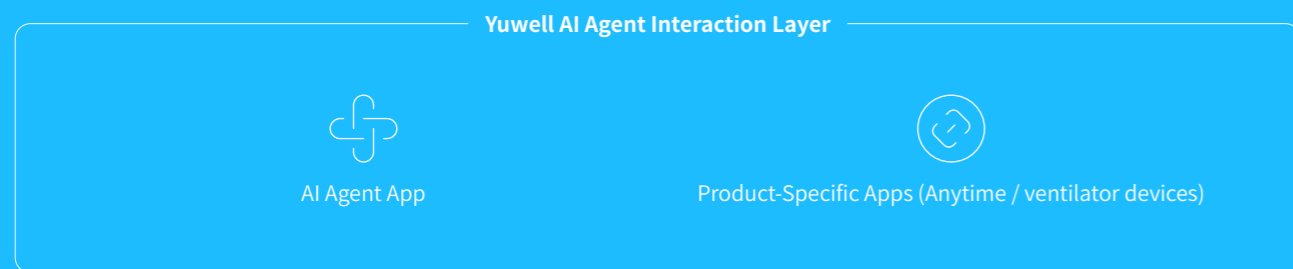
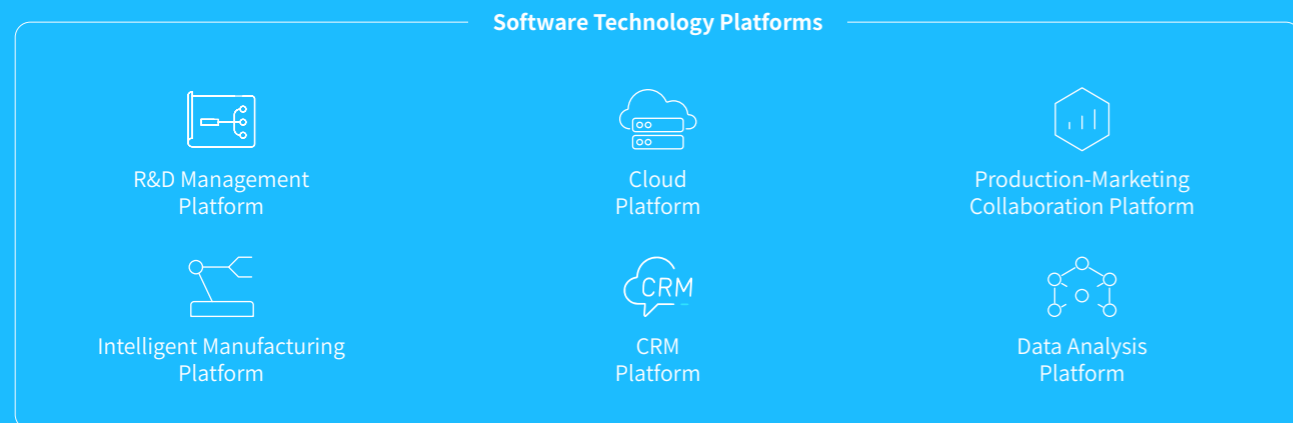
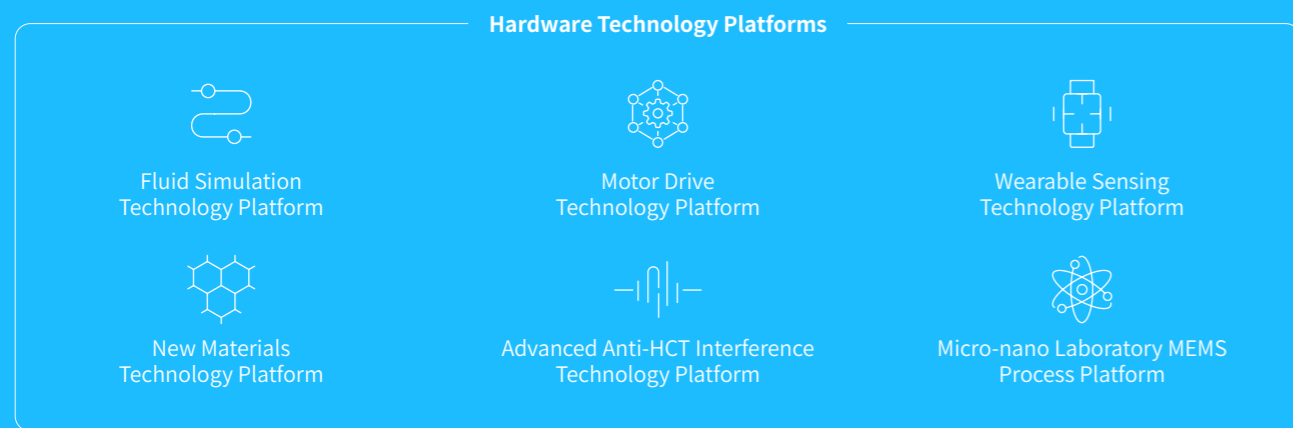
R&D Project Management

Built on the IPD system, the Company has established an end-to-end product R&D workflow covering market requirement analysis, R&D planning, functional prototype development, engineering prototype verification, pilot production, and mass production. By adopting multi-level technical reviews and a stage-gate management mechanism, it systematically evaluates technical feasibility, implementation risks, and commercialization readiness, facilitating collaborative decision-making among R&D, engineering, and other relevant departments. The Company also consistently optimizes its PLM system to enhance the transparency, traceability, and standardized management of the entire R&D process.

Throughout R&D management, the Company embeds human-centric usability design into every phase of product development, underpinned by standardized management protocols that encompass market requirement research, functional and engineering prototype development, pre-launch validation, and post-market performance evaluation. Leveraging user research and real-world application data feedback, the Company systematically assesses the clinical suitability and user experience of product designs. Insights are applied to continuous optimization and iterative upgrading of next-generation products, forming a user-demand-driven closed-loop improvement mechanism. In 2025, the Company launched the Anytime Future Partner Recruitment Program, which recruited 500 end-users to participate in product R&D. This allows real user needs to be integrated into the upfront product design phase, continuously optimizing the overall product service experience.

R&D Technology Platforms

The Company has built a comprehensive R&D technology platform matrix aligned with each business unit's R&D needs, which supports collaborative innovation and iterative upgrades across multiple product lines. Leveraging national, provincial, and ministerial-level platforms, including a National Enterprise Technology Center, a National Industrial Design Center, and a National Postdoctoral Research Workstation, it accelerates the commercialization and industrialization of technological achievements.



Drawing on its profound R&D expertise, Yuwell Medical collaborates with upstream and downstream partners and leading universities worldwide to conduct cutting-edge and applied basic research in key fields, including high-end respirator sensors, next-generation vital sign monitoring and defibrillation technologies, wearable biosensing technology, and electrochemical POCT technology. Through these efforts, the Company is committed to accelerating the transformation, upgrading, and high-end development of domestic medical devices.

Received
4 national-level science and technology innovation awards during the year

Received
42 national-level science and technology innovation awards cumulatively

Received
8 provincial-level science and technology innovation awards during the year

Received
102 provincial-level science and technology innovation awards cumulatively

Operate
12 high-tech enterprises

Operate
3 Specialized, Refined, Differentiated, and Innovative (SRDI) SMEs

Operate
3 national-level scientific and technological innovation platforms

Respiratory Therapy Business

The Company's respiratory and oxygen therapy product portfolio prioritizes stable oxygen supply while simultaneously optimizing equipment energy efficiency, operating noise, and overall user comfort. With nearly 100 patents, its products achieve globally leading pressure stability performance and deliver innovative solutions for home-based and mobile healthcare applications for conditions such as chronic obstructive pulmonary disease (COPD) and sleep apnea. In 2025, its oxygen concentrators achieved major breakthroughs in the domestic localization of core components, including lithium molecular sieves, DC variable-frequency compressors, high-precision valve assemblies, and sensors, with targeted enhancements to operational stability and long-term service performance. For instance, the YH-925 Auto Bi-level Positive Airway Pressure Respirator operates below 30 decibels and employs an upgraded algorithm to automatically identify multiple sleep events and intelligently generate sleep analysis reports, while the S-5W Scroll Oxygen Concentrator is equipped with a built-in variable-frequency scroll compressor, which extends its service life to 20,000-30,000 hours.

Continuous Monitoring Business

As a core strategic pillar, continuous monitoring technology transforms the Company's products from standalone diagnostic tools into data entry points for full-lifecycle health management, setting the stage for smart healthcare development.

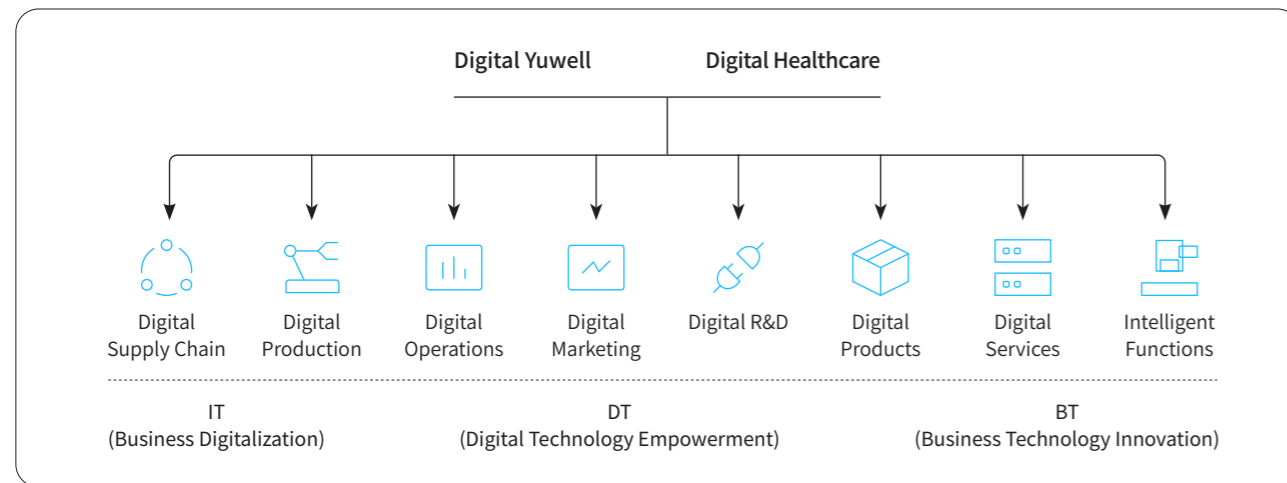
In terms of continuous glucose monitoring (CGM), the Anytime 4 and Anytime 5 series of continuous glucose monitors have obtained medical device registration certificates, covering both in-hospital clinical treatment and home health management scenarios. To further improve data stability and monitoring reliability under long-term continuous use, the Company upgraded supporting sensors and algorithm platforms in 2025. A patented vital sign anomaly recognition function suspends abnormal data output upon detecting abnormal device operation, reinforcing safety protection through underlying technological design.

For continuous dynamic blood oxygen monitoring, the YX5 series pulse oximeter obtained medical device registration approval in 2025. Featuring an adaptive silicone finger ring structure paired with high-precision chips and optimized algorithms, the device delivers enhanced measurement performance under low perfusion and physical motion conditions.



Digital Intelligence Integration

Yuwell Medical consistently advances its digital and intelligent transformation strategy centered on two core pillars: Digital Yuwell and Digital Healthcare. The Company builds end-to-end digital capabilities spanning product R&D, supply chain management, smart manufacturing, and customer terminal services, forming a fully data-driven operation system across the entire product lifecycle. This framework enables the delivery of more competitive products and professional healthcare services. In 2025, the Company further optimized its information system architecture and underlying data infrastructure, strengthened cross-system synergy and scenario-based application deployment, and empowered digital functionality implementation across key business scenarios.



Focusing on system interconnection, data-driven operations, and intelligent decision-making, Yuwell Medical is accelerating the construction of smart factories. By integrating core systems including APS (Advanced Planning and Scheduling), ERP (Enterprise Resource Planning), PLM (Product Lifecycle Management), MES (Manufacturing Execution System), and WMS (Warehouse Management System), and leveraging enabling technologies such as big data, cloud computing, AI, and the industrial internet, the Company has deployed intelligent, flexible production lines. These lines feature automated manufacturing, real-time data collection, and automatic fault identification and intervention, achieving end-to-end automation and closed-loop data management from raw material warehousing to finished product delivery. In recent years, the Company has systematically advanced intelligent manufacturing and automation through targeted project implementation, launching around 30 automation initiatives. Technologies such as AI visual inspection, CCD image recognition, truss robots, automatic screwing and assembly, intelligent performance testing, and flexible manufacturing are now widely used in processing, assembly, quality inspection, and packaging, significantly boosting the Company's ability to respond rapidly to complex global order demands.

Listed among the **first batch of National Excellent Smart Factories**

Selected as a **National Digital Pilot Enterprise**

Recognized as a **National Leading Enterprise in Future Industry Innovation and Development**



2025 Yuwell Medical Developer Conference

Talent Development and Innovation Culture

Regarding talent as the core driver of technological innovation, Yuwell Medical has established a comprehensive talent management system covering attraction, cultivation, retention, and deployment, with a strategic focus on high-end R&D talent and echelon building. The Company's talent development ladder is structured as: domain experts - technical backbones - young professionals. The core R&D team gathers high-caliber technical professionals, including recipients of the National Major Talent Project, selected experts under the Chinese Academy of Sciences' Hundred Talents Program, outstanding young talents from Beijing, and participants in Jiangsu Province's Entrepreneurship and Innovation Program. The team comprises 20 members holding doctoral degrees or senior professional titles.

In terms of R&D competency development, guided by the *R&D Center Mentorship Management System* and the *High-Potential Talent Development Management Measures*, the Company enhances R&D staff's industry vision and technical skills through specialized training, cross-module exchanges, and thematic seminars, both internally and externally. Industry-leading experts are regularly invited to provide technical consultation and professional guidance aligned with R&D project priorities and technological directions, supporting targeted problem-solving and continuous optimization in core technical fields. The Company also standardizes qualification assessment for R&D roles to build a sustainable talent pipeline.

To foster an innovation-driven culture that encourages exploration and tolerates reasonable failure, the Company has introduced diversified innovation incentives, including the Quarterly R&D Star Selection. These mechanisms grant priority resources to outstanding projects, fully stimulating employees' innovative potential and sustaining long-term development.

Case

Online Training Camp for Outstanding R&D Technical Managers

In 2025, the Company launched an online training camp to empower technical management personnel, in an effort to systematically enhance participants' project management capabilities and cross-team collaboration skills. Centered on core challenges faced by technical experts transitioning into management roles, the training offered practical courses covering project coordination, team governance, and technical decision-making. This helped technical professionals adapt rapidly to management responsibilities, while further strengthening organizational efficiency and project delivery quality across the entire R&D system.



Technology Ethics

Upholding its ethos of integrity and responsible practice, Yuwell Medical prioritizes the ethical implications of technological activities and integrates technology ethics requirements into daily operations. The Company prohibits the research and application of any technologies detrimental to the natural environment, human health, public safety, or social ethics. Through the development of innovative, practical products, technologies, and processes, it aims to create positive value and drive social progress.

Data Collection and Application

Adhering to the principles of legality, legitimacy, necessity, and data minimization, the Company ensures full compliance in the collection, storage, and utilization of personal data, while protecting the legitimate rights and interests of data subjects through strict permission management and comprehensive information security safeguards.

➔ For detailed provisions, please refer to the "Information Security and Privacy Protection" section of this report.

Protection of Participants' Rights and Interests

In clinical research activities, the Company strictly complies with the *Declaration of Helsinki*, the *Good Clinical Practice for Medical Devices*, and the ISO 14155 management system. All clinical research projects must be reviewed and approved by an independent ethics committee prior to implementation, with ongoing monitoring and evaluation conducted throughout the research process. Before project initiation, researchers fully inform participants of the research purpose, procedures, and potential risks, and obtain written informed consent to guarantee participants' right to information and self-determination. All data collection and usage activities are conducted in full compliance with regulatory requirements to protect participant privacy and data security. The Company continuously monitors participants' physical condition throughout the study and provides timely medical support when needed, fully safeguarding their legitimate rights and interests.

Responsible AI Governance

Throughout the AI R&D and application lifecycle, the Company upholds strict ethical standards: safety and effectiveness, privacy protection, fairness and non-discrimination, transparency and explainability, and accountability and traceability. By implementing compliant R&D workflows, data anonymization, algorithm reviews, real-time risk monitoring, employee ethics training, and proactive external oversight, it ensures the safe, controllable application of AI technologies.

Intellectual Property Protection

Yuwell Medical strictly abides by the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and relevant regulatory rules for the medical device industry. It has formulated a complete set of administrative measures including the Intellectual Property Management System, and has established a dedicated intellectual property management department to underpin the Company's technological innovation capabilities and market competitiveness.

The Company advances its global trademark and patent portfolio through enhanced daily monitoring and professional review. In light of market access rules and competitive landscapes in key regions, it proactively conducts patent risk analysis and formulates response plans. The Company has established a standardized patent dispute handling mechanism and legal reserve system to support the compliant development of overseas businesses. In 2025, it continued to expand its patent portfolio in core product segments, including respiratory therapy, blood glucose management and POCT, and home health testing.

The Company also prioritizes raising employees' awareness of intellectual property protection. Regular IP training and external exchanges are organized to enhance the understanding of IP compliance management and risk prevention among R&D and relevant functional teams. In 2025, four specialized IP training sessions were held, covering core legal provisions, internal IP management systems, and patent infringement risk control. External professional institutions were invited to deliver a special training session on Practical Guidelines for Trade Secret Protection at Yuwell's Global R&D Headquarters in Nanjing, further strengthening employees' compliance awareness and comprehensive risk prevention capabilities.

Cumulative valid patents granted

1,355

Cumulative valid invention patents granted

193

New patent applications filed in 2025

335

New patents granted in 2025

193

New invention patents granted in 2025

36

Cumulative software copyrights registered

208

New software copyrights registered in 2025

18

Impact, Risk and Opportunity Management

Facing a spectrum of key risks including rapid technological iteration, industry disruption driven by emerging technologies such as AI and big data, uncertainties in new product development, technical talent mobility, and evolving policy and regulatory requirements, Yuwell Medical has established a cross-departmental IPD management workflow. This framework ensures risk management is embedded throughout the entire product R&D process.

Through cross-functional collaboration among R&D, marketing, production, procurement, and after-sales teams, the IPD process enables rapid information sharing and cross-departmental synergy. It supports multi-dimensional risk identification covering technical feasibility, market adaptability, supply chain stability, and regulatory compliance. The Company consistently optimizes its R&D risk database to dynamically monitor and manage potential R&D-related risks. To address uncertainties in technological R&D, the IPD mechanism adopts a market-demand-oriented approach. Product development is closely aligned with customer needs, with phased assessment and flexible adjustment of R&D priorities and technical solutions to mitigate the risk of R&D deviation from market demands. The Company also emphasizes the sustainability of risk management. It conducts regular reviews of risk registers, evaluates the effectiveness of existing risk response strategies, and adjusts risk management arrangements in a timely manner based on project progress and changes in the external environment. Dedicated risk early-warning and reporting systems have been established to enable rapid response and effective risk control. In external cooperation and open innovation initiatives, the Company rigorously assesses partners' regulatory compliance status and technical capabilities. Formal confidentiality agreements and cooperation terms are signed to clarify respective rights and obligations, consequently minimizing collaborative risks.

The Company integrates intellectual property risk prevention into routine R&D project management. Guided by the *R&D Intellectual Property Risk Assessment Form*, it conducts systematic IP risk evaluation at key stages including project initiation, technical solution evaluation, and achievement commercialization. Strict IP protection strategies are implemented to proactively guard against technology leakage and infringement risks. In 2025, the Company strengthened end-to-end IP risk identification across the full R&D process. Global patent searches were conducted for core technical directions at the project initiation phase, and comprehensive IP compliance reviews were organized prior to product launches. Continuous monitoring and targeted research were carried out to track potential infringement risks, with focused oversight applied to high-risk scenarios such as e-commerce sales platforms, overseas exhibitions, and cross-border business operations.

Indicators and Targets

Indicator / Target	2025 Achievement Status
Sustain adequate R&D investment to drive product upgrading and business growth through technological innovation	<p>Target achieved</p> <p>Total R&D investment: RMB 570.15 million, accounting for 7.17% of operating revenue</p> <p>R&D personnel: 1,370, accounting for 20.52% of total workforce</p>
Steadily increase annual patent applications and granted patents	<p>Target achieved</p> <p>Cumulative valid patents granted: 1,355; New patent applications filed in 2025: 335; New patents granted in 2025: 193</p>

Commitment to Quality

Product Quality and Safety

Governance

To deliver high-quality and highly reliable products, Yuwell Medical has built a high-standard full-lifecycle quality management system. Through clear quality policies, strategic objectives, institutional frameworks, and core quality principles, it effectively guides and standardizes company-wide quality practices. Corporate quality policies and quality objectives are formulated and issued by top management. As the overall coordination and promotion body, the Quality Department is staffed with full-time quality professionals including quality officers, quality managers, quality engineers, and system engineers, who oversee the daily operation and continuous improvement of the quality management system. A robust cross-departmental collaboration mechanism is also in place. Functional departments including R&D, procurement, production, sales, and after-sales services participate in quality management and risk control in accordance with defined responsibilities, ensuring rigorous quality requirements are embedded across the entire product lifecycle.

The Company strictly complies with the *Product Quality Law of the People's Republic of China*, the *Regulations for the Supervision and Administration of Medical Devices*, and the *Good Manufacturing Practice for Medical Devices*, while also aligning its operations with relevant international quality management standards.¹ It has formulated and implemented the corporate Quality Manual and a complete set of supporting procedural documents, including the *Design and Development Control Procedure*, the *Incoming Inspection Control Procedure*, the *In-process and Final Inspection Control Procedure*, the *Non-conforming Product Control Procedure*, the *Document Control Procedure*, and the *Risk Management Control Procedure*. This establishes a high-standard quality management and full-lifecycle risk prevention system. In 2025, the Company kept abreast of updates to medical device regulations and technical standards in China and major overseas markets. Accordingly, it revised 23 quality management procedural documents covering design and development control, supplier management, and non-conforming product handling, alongside updates to 500 inspection specifications. These revisions ensure all production processes fully comply with the latest operational standards, substantially elevating the overall quality level of the Company's products.

Strategy and Management Mechanisms

A user-centric full-value-chain collaborative management model underpins Yuwell Medical's core operational strategy. Centered on customer demands, the Company integrates user requirements and stringent quality standards into every business link, covering product design, R&D, procurement, production, sales, and after-sales services. Supported by standardized workflows and a complete institutional framework, including management systems, performance indicators, incentive policies, and team building mechanisms, the Company embeds rigorous quality and risk management across the entire product lifecycle. This guarantees consistent product quality and agile responsiveness to customer needs, with clear feedback and execution mechanisms at every business stage. The Company is thereby able to deliver customer-oriented high-quality products and strengthen overall market competitiveness.

In addition, Yuwell Medical accelerates digital and intelligent transformation by building an end-to-end digital operation ecosystem integrated with APS, ERP, PLM, MES, WMS, and other core systems. The framework enables horizontal data integration across functions such as R&D, supply chain, manufacturing, and service workflows, while also supporting vertical business integration across the Group. This data-driven intelligent manufacturing system helps ensure stable and consistent product quality.

¹ Applicable standards and regulations include: the GB/T 42061-2022 (identical to ISO 13485:2016 *Medical devices - Quality management systems - Requirements for regulatory purposes*), the GB/T 19001-2016 (identical to ISO 9001:2015 *Quality management systems - Requirements*), the GB/T 42062-2022 (identical to ISO 14971:2019 *Medical devices - Application of risk management to medical devices*), the *Good Manufacturing Practice for Medical Devices*, the EU Medical Devices Regulation (MDR), the EU In Vitro Diagnostic Medical Devices Regulation (IVDR), the Brazilian Health Regulatory Agency Resolution No. 665 (RDC ANVISA 665/2022), the U.S. Code of Federal Regulations Title 21, Part 820 - Quality System Regulation, the Japan MHLW Ministerial Ordinance No. 169 *Ordinance on Standards for Manufacturing Control and Quality Control of Medical Devices and In Vitro Diagnostic Reagents* (MHLW Ministerial Ordinance No. 169), the Quality Management System requirements of the Conformity Assessment Procedures of the Australian Therapeutic Goods (Medical Devices) Regulations (TG[MD]R Sch3), the Korea Medical Device (GMP) Regulations, the Canadian Medical Devices Regulations (SOR/98-282), and the Medical Device Single Audit Program Audit Approach (MDSAP AU P0002.008).



Major Product Certifications

EU Medical Device CE (Conformité Européene) Certification

EU MDR (Medical Device Regulation) Certification

U.S. FDA (Food and Drug Administration) Certification

KGMP (Korea Good Manufacturing Practice) Certification

164 valid China Class II and III medical device registration certificates

198 valid China Class I medical device filing records

Quality Management System Certifications

The Company has obtained the following authoritative system certifications:

- [ISO 9001 Quality Management System](#),
- [ISO 13485 Medical Devices Quality Management System](#),
- [Medical Device Single Audit Program \(MDSAP\)](#)

Note: Medical device registration and filing data cover Yuwell Medical's parent company, Suzhou Medical Appliance Factory, Suzhou Yuwell Medical Technology Co., Ltd., Primedic (Jiangsu) Medical Science and Technology Co., Ltd., Jiangsu Yuwell-POCT Biological Technology Co., Ltd., 66 Vision Tech Co., Ltd., Xizang Yuwell Medical Investment Co., Ltd., Nanjing Yuwell Software Technology Co., Ltd., Shanghai Zhongyou Pharmaceutical High-Tech Co., Ltd., and Chalice Solution PTE Ltd.

End-to-End Full Product Lifecycle Quality Management

R&D and Design

- ◉ Leveraging the cross-departmental IPD framework, the Company has established an end-to-end management mechanism covering user demand identification, product design, verification and validation, and design transfer. This ensures R&D and design outcomes are fully aligned with user expectations. A dedicated Design Quality Assurance (DQA) team and user expert panel are set up to embed quality control requirements into every critical upstream stage, deeply integrating quality standards into the entire IPD process. The system enables full quality traceability from initial requirement definition to official market launch, mitigating R&D risks at the source.
- ◉ The PLM platform boosts cross-functional collaboration efficiency between R&D and other departments, enhancing project reliability and predictability. Rigorous quality reviews are conducted at key R&D milestones. Quality gates including technical reviews and business decision reviews ensure design deliverables comply with established quality benchmarks and regulatory requirements. In the middle and later stages of product development, real end-users are invited to conduct usability testing on functional and engineering prototypes under near real-world application scenarios. Identified defects are prioritized for rectification and managed under closed-loop protocols, maintaining stringent design quality standards.

Certification and Registration

- ◉ Product registration and certification management are fully embedded into the corporate quality management system. During the product development phase, the Company defines applicable regulatory and certification criteria for different product categories and target markets. These requirements are implemented throughout subsequent R&D, validation, and production processes to guarantee product quality and compliant market access. The quality management system operates in synergy with regulatory compliance management, with compliance performance included in regular management reviews to ensure ongoing alignment with evolving regulatory standards.

Procurement

- ◉ The Company has established a quality and compliance-oriented supplier management framework supported by the *Supplier Management Control Procedure*. It implements rigorous supplier access audits, execution of quality agreements, change management protocols, and ongoing supplier performance evaluation. Advanced quality testing equipment and technologies are deployed to build a comprehensive raw material quality control system, ensuring supply stability while meeting international quality and safety standards.
- ➔ For further details on procurement management, refer to the "Supply Chain Quality Control" section of this report.

Production

- ◉ Standard Operating Procedures (SOPs) are fully formulated and strictly enforced. Critical in-production control points including first-piece inspection, in-process patrol inspection, and final finished inspection are rigorously implemented. Production equipment undergoes regular maintenance and calibration to sustain stable and controllable manufacturing workflows. Full batch management is applied to all raw materials and finished products, ensuring complete transparency and traceability across the production process.
- ◉ The Company continues to advance intelligent manufacturing and digital management to enhance lean management capabilities, effectively reduce operational errors, rapidly identify areas for improvement, and optimize quality control strategies, ensuring stable, efficient, and high-quality production processes. Through the application of its production-sales platform and related systems, operational efficiency improved by approximately 30% in 2025, supporting the stable and reliable operation of production processes. In addition, the Yuwell Wuliubao application enables full-process visual tracking of transportation and logistics, allowing precise control over delivery quality.
- ◉ Non-conforming products are managed in accordance with standardized graded disposition procedures. For major or recurring quality incidents, the Corrective and Preventive Action (CAPA) procedure is activated, covering root cause analysis (RCA), corrective action implementation, and effectiveness verification to achieve closed-loop quality remediation.

Sales

- ◉ Seamless data connectivity is realized across production-to-end-user workflows. A cross-departmental collaborative user experience optimization mechanism is established, including regular cross-functional user experience workshops and external service coordination meetings. The Company extensively collects, integrates, and conducts in-depth analysis of product feedback and operational data from service channels. Monthly and quarterly product feedback analysis reports are compiled, with cross-functional teams jointly formulating actionable improvement measures to drive fundamental enhancements in product quality and user experience.
- ◉ The Company conducts real-time monitoring of market customer complaints and regulatory random inspection results. Strict post-warehousing re-inspection procedures are enforced for medical devices to sustain consistent product quality and prevent non-conforming products from entering clinical use. Packaging quality review and control are further strengthened to guarantee product integrity throughout distribution.

Post-market Management

- ◉ A comprehensive post-market quality management system is established, covering adverse event surveillance, risk assessment, and product recall mechanisms to continuously monitor the safety and efficacy of marketed products. Adhering to the principle of reporting any suspected adverse event, the Quality Department implements timely and effective post-market risk control for medical devices.
- ◉ The Company regularly organizes cross-functional reviews involving quality, R&D, production, and technical teams to analyze high-risk and frequently occurring adverse events. Standardized workflows for event analysis, impact evaluation, and corrective action deployment are formalized to sustain the long-term safety and effectiveness of all marketed products.

Quality Testing

Yuwell Medical has established a comprehensive quality inspection and testing system. Its Product Safety Laboratory has been accredited by the China National Accreditation Service for Conformity Assessment (CNAS) and holds multiple internationally recognized qualifications, including ISO 17025, CTF Testing Laboratory, and UL Witnessed Laboratory certifications. The Laboratory regularly participates in professional training, academic seminars, and proficiency assessments organized by domestic and international third-party institutions to ensure its testing capabilities remain aligned with industry-leading standards. Beyond mandatory verification cycles, the Company conducts regular internal random inspections and daily performance monitoring on key testing equipment such as oxygen analyzers and blood pressure simulators. This helps proactively identify potential performance deviations and enables forward-looking prevention of quality risks. For product standard revisions and new product model launches, the Company conducts in-house testing supplemented by third-party verification to validate safety and reliability prior to mass production. In 2025, the pass rate for submitted product testing reached 100%, alongside a 100% pass rate for regulatory random sampling inspections.

In terms of preventive quality control, the Company has formulated standardized procedures for incoming material inspection, in-process inspection, and finished product inspection. Multi-layered testing and monitoring mechanisms are deployed for key quality risk points, enforcing rigorous quality oversight from raw material receipt through to product shipment. This effectively mitigates potential product safety and quality hazards. In 2025, through pre-delivery inspections of new products and dynamic sampling of finished goods inventory, the Company completed supplementary testing for 130 product batches and validation testing for materials undergoing specification changes. Over 1,000 CMM inspections were conducted to reduce quality fluctuation risks at the source.

Product Safety Management

In strict accordance with regulatory requirements including the *Good Manufacturing Practice for Medical Devices*, the *Regulation of Medical Devices Recall Administration*, and the *Measures for the Management of the Monitoring and Reevaluation of Medical Device Adverse Events*, Yuwell Medical has formulated and implemented internal management systems such as the *Medical Device Adverse Event Monitoring Management System*, the *Protocol for Active Reporting of Adverse Events*, the *Domestic Recall Control Procedure*, and the *Overseas Medical Device Adverse Event Reporting and Recall Control Procedure*. These policies help standardize the full process management of adverse event reporting, risk assessment, and product recall protocols. Regular mock recall exercises are conducted to validate and optimize recall workflows, enhancing the timeliness and effectiveness of risk response. No product recalls were initiated during the reporting period.

The Company operates a proactive adverse event monitoring framework guided by the principle of reporting any suspected adverse event. Customer feedback is promptly reviewed and assessed. Where a potential medical device adverse event is identified, standardized reporting procedures are triggered immediately, alongside RCA and targeted risk control measures. This enables early detection and containment of post-market risks. Enhanced adverse event monitoring is implemented for core product lines, which continuously improves the Company's capability to identify and respond to post-market risks.

Number of product recalls during the year

0

Proportion of products recalled due to safety and health reasons

0%



Company-wide Quality Culture

To fully implement its corporate quality policy, Yuwell Medical promotes company-wide engagement in quality management. A diversified quality training curriculum has been developed to comprehensively elevate all employees' quality awareness and professional expertise. The Company formulates an annual quality training roadmap, implements post-training assessments and effectiveness evaluations, and conducts regular training reviews and curriculum optimization to ensure sustained training outcomes. In 2025, it launched company-wide quality culture campaigns and universal quality management training. Through workshop briefings, on-site patrol guidance, and scoring assessments, quality awareness was deeply embedded into the Company's long-term development ethos. Quality training was integrated into the mandatory induction curriculum for new employees, and specialized training was provided for staff in core quality roles, ensuring all key practitioners hold valid certifications and maintain ongoing competency compliance. At Yuwell Medical's parent company, annual quality training recorded 3,537 attendances, achieving 100% coverage for quality personnel and a 100% assessment pass rate. Employees' quality awareness and professional operational capabilities have seen steady improvement.



Yuwell Medical on-site quality training

Supply Chain Quality Control

Yuwell Medical has formulated internal management documents including the *Supplier Management Control Procedure*. To ensure product quality and safety, it implements closed-loop management covering supplier qualification audit, incoming material inspection, performance evaluation, and continuous quality improvement. Potential suppliers are subject to rigorous quality management system audits and are only admitted to the qualified supplier database upon passing assessment. All suppliers are required to sign a formal *Quality Agreement*; the 2025 revised version further strengthens management requirements for critical category changes.

The Company adopts graded quality control for raw materials. All incoming materials undergo mandatory inspection upon receipt, with full batch number management implemented to ensure complete traceability of key raw materials. Strict incoming inspection is enforced for critical raw materials and components to guarantee quality consistency while effectively improving supplier on-time delivery performance. During the trial production phase of new material adoption, the Company conducts close process monitoring to secure new material quality. Intelligent inspection equipment, including intelligent flash testers, intelligent weighing devices for axillary crutches, and AI label recognition detectors, is deployed to upgrade overall incoming inspection capability. The Company also collects and analyzes supplier incoming quality data on a monthly basis, facilitating full material traceability and driving continuous supplier quality improvement.

A comprehensive supplier audit mechanism has been established, supported by a formal annual audit plan and rigorous on-site execution. Audits cover multiple dimensions: quality management system, product design and development, material supplier management,

manufacturing process control, change management, non-conforming product handling, continuous improvement, and after-sales service. The Quality Department and relevant functional teams jointly review and analyze supplier audit results, follow up on rectification progress, and conduct re-inspection for closed-loop resolution. When necessary, the Company provides quality training, professional guidance, and technical support to help suppliers upgrade their quality management capabilities and achieve sustained improvement. To strengthen quality synergy across the supply chain, Yuwell Medical held a supplier quality conference in 2025, which clarified unified quality requirements, compliance standards, and collaborative improvement priorities for all suppliers. Targeted training was delivered on regulations including RoHS, REACH, drinking water safety standards, and toxic substance control laws, aiming to raise overall compliance awareness throughout the supply chain.

In the event of supplier product quality non-conformities, the Company issues a CAPA report in accordance with the *Corrective and Preventive Control Procedure*. For suppliers with willingness to improve, the Company provides tailored support to formulate improvement plans, including quality management system optimization, production process capability enhancement, and document and procedure standardization. For suppliers with frequent or major quality incidents, dedicated quality engineers are assigned to develop and track special improvement plans, ensuring effective resolution within a defined timeframe. During the reporting period, the Company conducted on-site quality audits of 37 suppliers, covering quality management systems, manufacturing process control, and change management; no major quality non-conformities were identified among any audited suppliers.

Impact, Risk and Opportunity Management

Yuwell Medical integrates product quality risk into its comprehensive risk management framework. It conducts systematic identification, assessment, control, and monitoring of quality risks across the entire product lifecycle, and verifies the effectiveness of the quality system through internal and external validation mechanisms. During quality risk assessment, the Company focuses on four core risk categories: design and development risks, raw material and supplier risks, production and process risks, and regulatory and supervisory compliance risks. Quality risk management requirements are embedded into every stage of design and development, procurement, production, sales, and post-market management. In adherence to ISO 14971 and ISO 13485 standards, the Company closely tracks the latest regulatory updates and technological advancements. It proactively identifies and exercises strict control over potential quality risks throughout the product lifecycle, and applies tiered management protocols for risks of different severity levels to ensure timely and proper resolution.

To sustain the effective operation of the quality management system, the Company conducts regular internal quality audits and accepts external audits from regulatory authorities, certification bodies, and business partners, which continuously enhances the completeness and operational effectiveness of the quality system. In 2025, the Company completed 81 internal quality audits,

covering organizational structure and personnel management, facility and equipment administration, document control, design and development, procurement, production management, quality inspection and control, sales and after-sales services, non-conforming product management, adverse event monitoring, analytical review, and continuous improvement. These audits helped identify management gaps and drove targeted corrective actions. The Company also underwent 55 external quality management system audits conducted by government regulators and third-party institutions, achieving a 100% pass rate. For any quality deviations arising during production, the Company promptly launches CAPAs and applies RCA to pinpoint fundamental causes, ensuring the quality management system maintains reliable high-standard operation.

In response to potential operational disruptions stemming from supply chain volatility, capacity fluctuation, logistics uncertainty, and policy adjustments, the Company has built a dynamic risk assessment and early-warning mechanism. It also enhances resilience via robust supply chain construction, flexible production scheduling, logistics guarantee arrangements, and real-time regulatory policy tracking. During the reporting period, the Company further advanced the development of its intelligent manufacturing system to steadily improve production efficiency and quality stability.

Indicators and Targets

Indicator / Target	2025 Achievement Status
Production first-pass yield \geq 99.30%	Target achieved Actual first-pass yield: 99.75%
100% product sampling inspection pass rate	Target achieved
100% training coverage for quality personnel	Target achieved
Zero major quality accidents	Target achieved

Note: Data covers only Yuwell Medical's parent company.

Professional Services

Upholding a user-centric operational philosophy, Yuwell Medical prioritizes customer needs as the foundation of all service delivery. In compliance with GB/T 27922 *Evaluation System for After-Sales Service of Commodity* and relevant industry requirements, the Company has established a full-lifecycle service system covering pre-sales consultation, in-sales technical support, and after-sales warranty services. Through standardized process management and digital tool deployment, it enhances customer demand response efficiency and problem resolution quality, which optimizes users' end-to-end service experience and overall satisfaction.

During the reporting period, the Company fully adhered to customer service compliance requirements. There were no regulatory violations related to the health and safety impacts of products and services, no irregularities involving product and service information and labeling, and zero substantiated complaints concerning customer privacy infringement or personal data loss.

Listed in China **Top 100** Service Brands 2025



Proactive Service

The Company has formulated the *Yuwell Medical Service Process and Standards* and built an omnichannel customer service ecosystem featuring front-end multi-channel access, mid-end collaborative platforms, and back-end supporting systems. A product insight and operational analysis platform has been developed to enable seamless linkage between brand development, user operation, and product iteration. The Company consistently optimizes its service strategies and quality through proactive service layout to elevate overall user experience.

Diverse Channels



- The Company provides real-time interactive services through multiple touchpoints, including the 400-service hotline, WeChat official account, dedicated mobile application, Enterprise WeChat, and mainstream e-commerce platforms.
- The Company steadily expands its nationwide after-sales service network, having established over 400 service outlets covering provincial capitals and major cities to deliver localized support and improve service accessibility and stability.

High-Quality Services



The Company has built a preventive service quality management system, shifting its service model from passive response to proactive risk prevention.

- A real-time Voice of Customer (VOC) monitoring system has been deployed, leveraging data analysis platforms to continuously identify abnormal customer feedback, drive timely issue resolution, evaluate implementation effectiveness, and iteratively optimize service protocols.
- An automated service quality scoring mechanism has been adopted to assess customer service performance, identify operational weaknesses, and facilitate data-driven continuous improvement.
- Service risk control has been strengthened with standardized workflows for real-time risk logging, rapid response, and full-process tracking; solutions are archived in the corporate knowledge base, and regular review meetings are held to address outstanding issues and dynamically optimize service strategies.

User Care

Based on deep insight into user demands, the Company delivers differentiated, personalized value-added services to build a humanistic service system. For daily product use, online wearing guidance and one-on-one video tutoring are provided to ensure standardized operation and guarantee optimal user experience. For vulnerable groups including elderly people living alone, individuals with disabilities, and economically disadvantaged communities, the Company offers door-to-door services, freight and maintenance fee exemptions, free accessory gifts, and standby equipment support. Through AI customer service, member ecosystem development, and regular user return visits, it provides more personalized and considerate services. In addition, the Company has established an integrated online-offline user education and training system. By offering operational guidance courses, visual tutorials, knowledge brochures, and short video content, it empowers users with self-health management capabilities, achieving a service upgrade from product supply to long-term companion health management.

Case

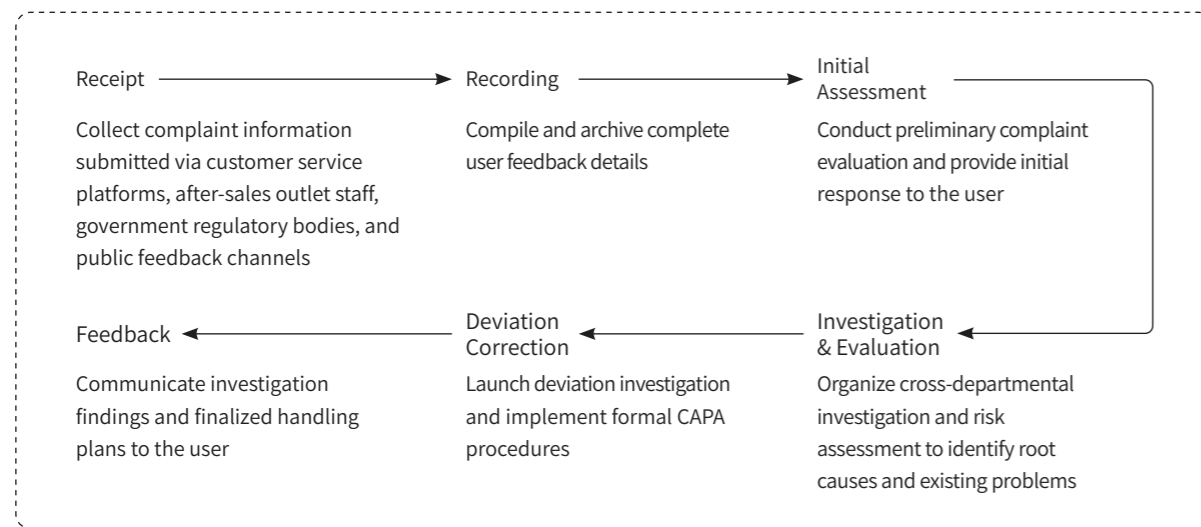
Yuwell Medical Hosts the Inaugural Co-voice · 2025 Brand User Day

In October 2025, Yuwell Medical held its inaugural Co-voice · 2025 Brand User Day. Nearly 100 invited users toured the Company's national-level smart factory, where they observed the complete medical product manufacturing process. Through face-to-face exchanges with core product and R&D teams, participants provided authentic user needs and suggestions, enabling the Company to refine product iteration and service optimization. This event fully demonstrated the Company's user-centric philosophy and drove targeted product and service improvements based on real user feedback.



Complaint Response

By issuing the *Yuwell Medical Complaint Management Regulation*, the Company consistently refines its mechanisms for the receipt, processing, tracking, and oversight of user feedback. Customer complaints are centrally accepted through multiple channels, including the corporate customer service platform, offline after-sales outlets, e-commerce platforms, public feedback channels, and government regulatory authorities. All feedback is handled promptly and efficiently. Targeted CAPAs are formulated and implemented, and insights from complaint cases are integrated into process optimization and employee training, which drives iterative upgrades to product quality and overall service performance.



Yuwell Medical Complaint Handling Workflow

To enhance overall response efficiency, the Company has established a tiered, collaborative customer service system. AI service robots are deployed across all channels to rapidly resolve standardized consultations and routine inquiries. Human customer service teams focus on addressing complex requests, personalized demands, and matters requiring cross-departmental coordination. This human-machine collaboration model effectively improves customer satisfaction. Supported by cloud platform infrastructure, the Company has built an intelligent knowledge base that archives standardized resolution guidelines for common customer issues. The knowledge base enables consistent and accurate responses by service staff and supports user self-service inquiries, which substantially shortens overall response lead time. Robotic Process Automation (RPA) digital employees and upgraded automated work order platforms optimize the full workflow of complaint receipt, task assignment, and case disposal. The launch of an intelligent after-sales assistant further elevates the end-to-end user service experience.

Within the after-sales workflow, a unified centralized service platform enables users to submit repair requests and track processing status in real time. This creates digital closed-loop management across the entire repair process, ensuring compliance, process control, and continuous optimization.

Customer complaint handling rate during the year

100%

Customer complaint closure rate

99.8%

Customer Satisfaction Management

Through regular satisfaction surveys, the Company gathers authentic customer opinions and evaluations. These surveys provide comprehensive insights into user feedback and improvement suggestions, guiding continuous quality upgrades for its products and services. The 2025 customer satisfaction survey covered core dimensions including product quality, delivery performance, pricing, after-sales service, and technical support, with a 100% questionnaire distribution and recovery rate. Survey results serve as a core reference for service management, and are integrated into service quality assessment, employee training arrangement, and business process optimization. A dedicated tracking and verification mechanism has been established for improvement initiatives, forming a closed-loop management cycle of monitoring → analysis → improvement → validation for customer satisfaction management. In 2025, the Company optimized standardized operational protocols for key service nodes, strengthened cross-departmental collaboration mechanisms, and adopted AI-powered intelligent service quality supervision tools. These improvements further enabled rapid response, precise case disposal, and premium user experience, driving steady growth in overall customer satisfaction.

B2B customer satisfaction

97.7%

B2C customer satisfaction

98.4%



Responsible Marketing

In all marketing and promotional activities, Yuwell Medical strictly complies with the *Advertising Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Regulations for the Supervision and Administration of Medical Devices*, the *Measures for the Administration of Registration and Filing of Medical Devices*, the *Regulations on the Administration of Medical Device Instructions and Labels*, and other applicable laws and regulatory provisions. The Company has formulated supporting internal policies including the *Responsible Promotion Policy*, the *Front-end Marketing Service Standards and Specifications*, and the *Internal Audit Management Procedure*. These frameworks clarify the information dissemination mechanism for product content and promotional campaigns, ensuring all products are marketed in an ethical, scientific, and objective manner. The Company prohibits sales and business expansion through commercial bribery, unfair competition, or any other illegal means.

Yuwell Medical has established a robust source control mechanism for marketing content. In accordance with internal guides such as the *Document Standardization Guidelines*, all promotional materials must be strictly compiled based on officially approved product registration dossiers, filing records, and published academic literature. A comprehensive compliance review and control process is embedded throughout the entire marketing workflow. All externally released materials related to product promotion, campaign activities, and market communications are subject to multi-level rigorous review prior to publication, ensuring full alignment with applicable laws, regulatory requirements, and internal management standards. Product packaging design delivers clear and accessible information for users across different regions, with regular reviews conducted to maintain consistency with the latest clinical evidence and official approved documentation. The Company strengthens compliance training for marketing personnel and integrates compliance performance into the sales team's formal assessment system, which effectively mitigates marketing-related compliance risks.

Furthermore, through a unified corporate knowledge base and AI robot corpus, the Company systematically organizes and regularly updates product information, policy guidelines, and compliance tips covering core business scenarios. A negative list of prohibited and restricted promotional wording has been established to ban exaggerated efficacy claims and misleading statements, ensuring all marketing content remains scientific, accurate, standardized, and internally consistent.



Access to Quality Healthcare

Guided by its corporate vision of leading industry development through innovation and enhancing the health of millions of families, Yuwell Medical advances the accessibility of quality healthcare by expanding geographic product coverage, optimizing scenario-based product adaptation, and adopting inclusive product design. While ensuring product quality and regulatory compliance, the Company balances product performance with affordability to make high-quality medical devices accessible to broader populations.

Product Accessibility

Expanding Global Geographic Reach

Leveraging its global production layout and comprehensive market service network, the Company supports stable product supply and localized after-sales services across countries and regions worldwide. By the end of the reporting period, Yuwell Medical's products were available in more than 100 countries and regions globally.

During 2025, Yuwell-POCT further expanded its presence in low- and middle-income markets, with its products launched in North Africa, South Africa, India, Vietnam, Thailand, Brazil, Indonesia, and other regions. The company actively participated in government procurement projects in Russia, India, and other markets, supporting local healthcare resource allocation through targeted product adaptation and optimized supply planning. Through patient education and medical knowledge dissemination initiatives, it helped end users and medical professionals better understand the application of blood glucose monitoring in chronic disease management and improved product accessibility at primary healthcare facilities.

In the emergency response sector, Yuwell Primedic promotes the targeted deployment and scenario adaptation of AED devices across diverse application environments. AED products are widely deployed in educational institutions, cultural and tourism venues, medical and healthcare facilities, industrial sites, emergency rescue systems, and public spaces, supported by standardized operational training and emergency response mechanisms to enhance real-scene usability and emergency rescue efficiency. The Company's emergency products cover over 150 countries and regions across Europe, the Asia-Pacific, the Middle East, and South America.

Human-Centric and Inclusive Design

Prioritizing product usability, safety, and comfort, Yuwell Medical adopts human-centric, inclusive design. Special attention is given to elderly users, people with special needs, and home health management scenarios, enabling safe and convenient product use for diverse populations in household and primary healthcare settings. The Company allocates dedicated funds to strengthen core R&D capabilities, accelerate the development of digital and intelligent medical devices, and launch user-friendly smart products. Through high-quality, cost-effective, and sustainable product offerings, it fulfills its corporate vision of enhancing the health of millions of families.

Anytime 5 Pro

A CGM product equipped with voice broadcast and a large-font display to accommodate elderly and visually impaired users; support family data sharing and connectivity with smart wearables for convenient remote monitoring.



Yuwell Primedic AEDs

Feature a built-in camera and SOS alarm to markedly improve rescue response and survival rates within the critical "golden four minutes" of emergency treatment.



Suzhou Hwato Vacuum Cupping & Manual Negative Pressure Cup Series

Adopt a flameless negative pressure design to lower inherent safety risks and significantly improve ease of use for household scenarios.



Improving Product Affordability

Upholding the WHO's fair pricing principles, Yuwell Medical adopts a value-based, equitable, and transparent product pricing strategy. The Company develops sustainable pricing models that balance stringent product quality standards with affordability goals, which enhances healthcare accessibility in underdeveloped regions and primary care settings. Tailored pricing frameworks are formulated according to the development maturity of individual markets, ensuring rigorous implementation of pricing policies, full price transparency, and broad product accessibility. These measures enable the Company's innovative medical devices to benefit wider populations worldwide.

For developing economies, the Company applies differentiated pricing to blood glucose monitoring products. Without compromising product performance, safety specifications, or regulatory compliance, the pricing of these products is maintained at approximately two-thirds of comparable European and American brands, effectively easing the economic burden of chronic disease management in resource-limited regions.

Addressing Major Chronic Diseases

Yuwell Medical prioritizes major chronic diseases that impose heavy long-term health and economic burdens on patients. In response to prolonged diagnosis-treatment cycles and strong home-based management demand, the Company consistently develops widely applicable, intelligent, and high-precision products and wearable devices. These offerings support healthcare institutions and end users in conducting standardized, full-cycle chronic health management.

Committed to advancing remote chronic disease management, the Company has built an out-of-hospital continuous health monitoring system to empower users with independent home health management. For further details, refer to the *Yuwell Medical 2024 Sustainability Report* and the "Smart Healthcare" section of this report. By integrating vital sign testing devices, the Company enables multi-indicator home monitoring, covering blood pressure, pulse rate, blood oxygen, body temperature, blood glucose, and uric acid. Intelligent linkage of multi-dimensional health indicators facilitates early identification and timely intervention of potential health risks, advancing the front-end prevention and management of chronic diseases.

Smart Healthcare

To accelerate the in-depth development of smart healthcare, Yuwell Medical integrates traditional medical devices with cutting-edge technologies such as the IoT and AI. By building an open enabling platform, establishing comprehensive personal and family digital health records, and empowering industry partners to develop digital medical service ecosystems, the Company remains committed to delivering innovative, high-quality, and accessible medical services to broader communities.



Digital Health Services

Yuwell Medical has launched an Internet of Medical Things (IoMT) management platform and built the Smart Yuwell digital health management ecosystem. By consistently upgrading intelligent medical hardware and expanding the boundary of digital health services, the Company accelerates the deployment of AI-enabled healthcare products to offer users smarter, more precise, and more efficient health management solutions.

Digital health services cover

500,000+

Yuwell health devices

- Frontend User Interaction** User engagement is established through online channels including e-commerce platforms, social media, and mini-programs, as well as offline touchpoints such as partner pharmacies and medical institutions.
- Mid-end Platform Capabilities** Leveraging IoT, big data, and AI technologies, the Company has developed an integrated medical device health management platform that supports compliant health data collection, analysis, and management. Multi-channel synergy is enabled via the Family Health Cloud Platform, the Yuwell Health Manager mobile application, and the WeChat official account, which supports real-time health monitoring and remote medical consultation to facilitate personalized health management. In 2025, the Company launched the Yuwell AI Agent powered by large-model technology. Integrated with the Yuwell Health Manager platform, it delivers personalized health guardianship services.
- Backend Operation Support** Intelligent manufacturing and operational maintenance management ensure consistent product quality and efficient service response, underpinning the stable and reliable operation of digital health services.

Case

Remote Chronic Disease Management

Remote chronic disease management is a core component of Yuwell Medical's "Internet + Healthcare" strategy. Through the linkage of intelligent hardware, a digital remote chronic disease management platform, and online service terminals, users can monitor and manage health data in real time via mobile devices, access remote consultations, and participate in interactive follow-up care, which improves the efficiency and accuracy of medical services. The Company further promotes the integration of AI technology into remote chronic disease management. Driven by proprietary AI algorithms, smart health devices conduct personalized health analysis based on continuous high-precision data streams.

The Anytime 5 series adopts advanced AI algorithms and supports multi-terminal interconnection, enabling continuous data output every 3 minutes for up to 16 consecutive days. Core technical indicators, including a MARD value of 8.58% and continuous wear time, have reached internationally leading standards. In 2025, the CGM product line was further optimized with real-time blood glucose data sharing, intelligent blood glucose fluctuation alerts, and personalized management functions. Cloud data uploading also assists physicians in remotely optimizing treatment plans, forming a complete "hardware + software + service" closed-loop healthcare ecosystem.

Smart Healthcare Ecosystem

Guided by the corporate strategy of reshaping medical devices through innovation, Yuwell Medical steadily advances the development of a smart healthcare ecosystem by integrating home healthcare, clinical medical services, and internet medical resources. The Company empowers partners across multiple application scenarios and delivers end-to-end health management services spanning preventive care through rehabilitation. This continuously improves the accessibility of primary healthcare and the overall effectiveness of home-based health management.

Healthcare Institution Collaboration

Through the standardized aggregation of home medical device data, the Company facilitates the creation of personal health records. In full compliance with regulations, it enables secure data sharing with large public hospitals, community health centers, and internet hospitals. By empowering medical institutions to conduct remote patient follow-up, real-time health monitoring, and targeted interventions, these efforts extend chronic care beyond hospital walls and shift disease management toward long-term, home-based care.

Pharmacy Service Collaboration

To address the need for integrated medication and health management services, the Company opens its data platform to enable OTC pharmacies to participate in building personal and family health records within compliance boundaries. By combining medication records with device health data, the Company provides users with periodic, targeted health support services, which expands pharmacies' service scope in comprehensive health management.

Holistic Health Institution Collaboration

By opening its standardized data platform, the Company supports primary healthcare institutions, such as community health centers, in establishing personal and family health records. It also enables compliant data interconnection with medical institutions within the tiered diagnosis and treatment system. This facilitates targeted health intervention and standardized management for chronic disease populations, enhancing the participation and service continuity of primary healthcare providers in public health management.

PEOPLE-CENTERED APPROACH

Average training hours per employee during the year

37.43

Average organizational climate score

4.25

Total charitable donations

approx. RMB **40** million



Human Capital Development

Governance

Yuwell Medical consistently optimizes its human resource management system, aligning HR strategies closely with the Company's overall development roadmap and operational objectives. Under the Board of Directors, the Remuneration and Evaluation Committee, chaired by an independent director, is responsible for formulating evaluation criteria, remuneration policies, and incentive plans for directors and senior management, as well as overseeing the implementation of remuneration frameworks and incentive schemes. The Company has established a dedicated Human Resources Center to oversee overall HR strategy planning, organizational management, talent development, performance management, and compensation and benefits. Based on annual operational plans and business priorities, it collaborates with business divisions to deploy standardized HR practices. Subsidiaries and affiliated enterprises implement HR management in accordance with the Group's unified management requirements while adapting to their own business characteristics and operational realities, ensuring stable and sustainable development across all business units.

The Company has formulated and iteratively improved a comprehensive set of HR management systems covering organizational management, talent recruitment and retention, vocational training and career progression, performance appraisal, and compensation and benefits. Aligned with corporate strategy and business needs, it conducts systematic HR planning and has built a strategic talent reserve mechanism. By supporting employee career growth and competency enhancement while standardizing performance management and incentives, the Company enables every employee to contribute their strengths and create tangible value.

Strategy and Management Mechanisms

Centered on the corporate strategies of globalization, digital and intelligent transformation, and wearable technology, Yuwell Medical has rolled out a tailored talent development plan and management model that aligns with long-term business growth. The Company adopts a dual talent strategy of internal cultivation and external recruitment, offering competitive compensation and benefits, structured vocational training, and clear career advancement pathways. By refining performance management and incentive mechanisms, it has built a closed-loop talent management system that integrates talent attraction, development, appointment, and long-term retention. In 2025, the Company targeted emerging strategic fields including international expansion, AI-enabled wearable technology, and technological innovation to attract, recruit, integrate, and deploy high-caliber talent. Priority was given to the construction of high-end professional technical teams and overseas sales talent pools, providing robust human capital support for business innovation and global market layout.

Yuwell Medical's parent company received the following honors:

Global Talent Magnet Employer New Prominent

Top Human Resource Management Award – Top Employer of the Year

**China Preferred Employer of the Year
Global Expansion Navigator**

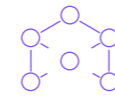


Talent Attraction and Retention

In line with its corporate strategy and business planning, the Company conducts regular organizational and talent assessments. It proactively formulates human resource plans, optimizes its talent workforce layout, and consistently diversifies talent recruitment channels that span both domestic and global markets. Apart from external channels, including internship programs, campus recruitment, and social recruitment, the Company also partners with globally renowned job portals, regional platforms, and overseas agencies to enhance recruitment precision and efficiency, so as to meet the talent demands driven by corporate strategy and rapid business expansion. Internally, it advances strategic talent reserve and succession planning, operates an internal talent marketplace, and establishes standardized mechanisms for employee referrals, internal transfers, and re-employment. Adhering to the principles of comprehensive evaluation, fairness, and integrity with professional competence, the Company strives to build a professional, globally competitive talent team.

Responding to its global business layout and talent demands in emerging technology and product sectors, the Company dynamically adjusted its talent supply structure in 2025. Committed to building a diversified, high-caliber talent pipeline, it further strengthened the recruitment of professional and international talent.

Campus Recruitment & Early Talent Engagement



The Company has launched graduate and intern recruitment programs to underpin long-term talent pipeline development, recruiting over 80 management trainees and more than 500 interns in 2025.

Early Talent Engagement: The Company implemented the Campus Early Talent Engagement Program, visiting universities to deliver customized career empowerment courses for graduating students and overseas returnees. A total of 10 sessions were held during the year, reaching more than 3,000 prospective graduates. The Company also established and improved internship and employment cooperation mechanisms with multiple universities, receiving visits and exchanges from more than 1,000 teachers and students from over 10 institutions throughout the year.

Joint Talent Development: The Company actively carried out industry-academia-research cooperation with universities and research institutes, jointly establishing student internship and employment bases as well as technology research institutes with institutions including Shanghai Jiao Tong University, Beijing Institute of Technology, and Southeast University. For example, Yuwell-POCT collaborated with the University of Shanghai for Science and Technology on projects such as the "AI-Based CGM Blood Glucose Alert Algorithm," further enhancing both employer branding and research capabilities.

Professional Talent Recruitment



Leveraging business expansion momentum, the Company has further strengthened its premium employer brand image and recruited R&D technical specialists and overseas sales professionals with solid medical industry backgrounds. By deepening cooperation with professional external agencies specializing in global talent sourcing, it has formed a multi-channel recruitment ecosystem covering online platforms, regional channels, campus recruitment, and headhunting services—an approach that has significantly improved recruitment efficiency for core roles, professional specialists, and top industry talent. In 2025, multiple vacancies were published on global and local job platforms, engaging over 10,000 overseas professionals and enhancing the Company's global employer brand and international talent reserve capacity.

Internal Talent Mobility Channels



The Company has formulated the *Internal Transfer Management Measures* and the *Internal Referral Management Measures*, which formalizes mechanisms for employee referrals, internal transfers, and re-employment. This enables talented and high-integrity employees to gain career advancement opportunities, supports talent retention, and ensures a continuous pipeline of high-performing individuals ready to take on diverse roles. A total of 12 internal transfer projects were launched during the year.

Total number of employees

6,676

New hires during the reporting period

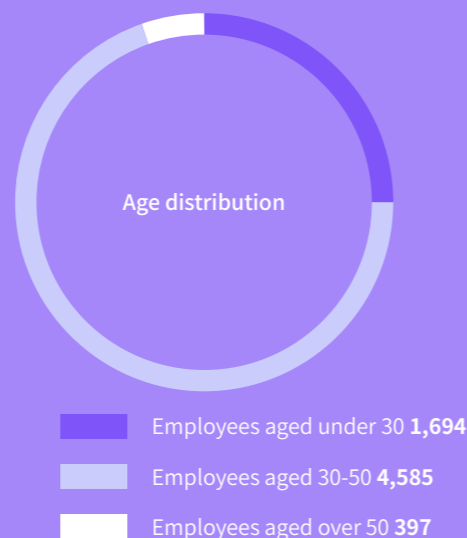
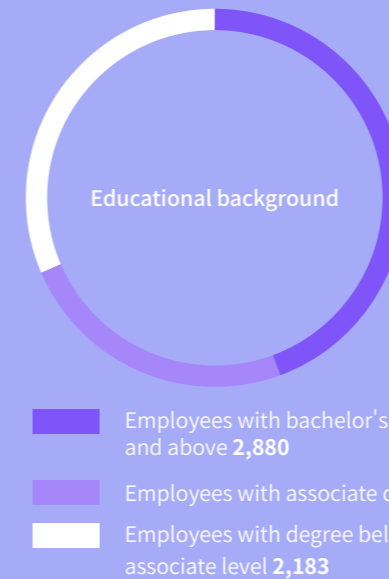
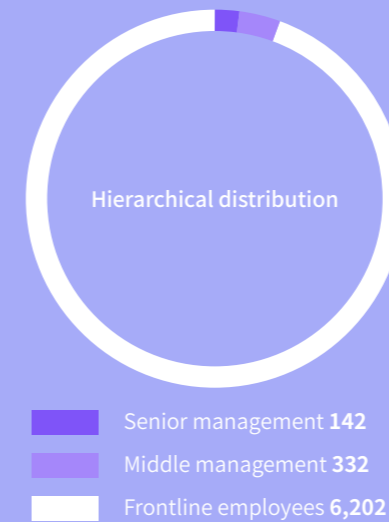
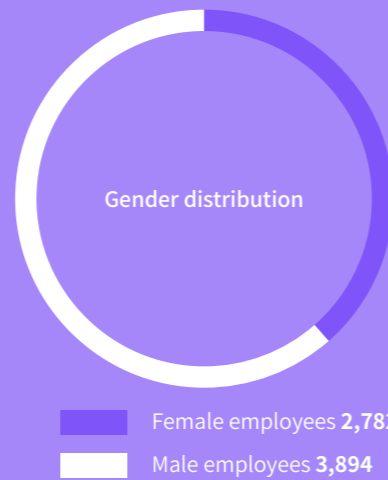
2,286

Proportion of female employees among new hires during the reporting period

38.5%

Newly recruited fresh graduates

226



Employee Training

Employee Training System

Centered around its business development and internationalization strategy, Yuwell Medical has established the Yuwell Learning and Development Center. Based on future business growth demands, it identifies core organizational capabilities and continuously upgrades the employee training and development system to strengthen the Company's overall talent competitiveness. Supported by the Learning and Development Center, a tiered and categorized training framework has been established for new employees, professional specialists, management staff, and high-potential talent. Leveraging learning roadmaps, standardized course systems, and digital learning platforms, the Company strengthens role-specific competency building for all employees, empowering professional skill growth and long-term career development. The Company also fosters a dual training ecosystem: internally, it systematically builds an internal trainer team to institutionalize and replicate accumulated organizational experience and professional capabilities; externally, it connects with industry experts and arranges benchmark enterprise visits to broaden employees' industry vision and professional horizons.

As the core repository of the Company's institutional knowledge and practical experience, Yuwell Academy consistently expands its course offerings and learning resources to meet growing demand for versatile, globally competent professionals amid corporate strategic upgrading and business expansion. By closely integrating employee learning with on-the-job practice, the Academy has built a targeted, forward-looking training content matrix tailored to organizational development needs.

Total courses available on the Yuwell Academy digital learning platform:

1,911

Cumulative learning hours:

153,179.9

Talent Development Programs

With a product-oriented mindset, Yuwell Medical designs differentiated talent development programs aligned with future strategic needs, creating systematic training pathways for professional specialists, management personnel, and new recruits (including social hires and management trainees). By integrating theoretical learning with practical assignments and using diverse training formats, the programs systematically enhance employees' professional expertise and managerial skills. All talent initiatives are practice-driven, combining structured coursework, on-the-job tasks, and phased assessments to support skill development and role transitions. The Company also conducts multi-dimensional evaluation and feedback for all training programs, along with annual learning outcome assessments, making training quality and effectiveness fully measurable and traceable to support continuous course improvement.


Total investment in employee training:
RMB **2.1** million

Employee training coverage rate:
100%

Total employee training attendances:
41,650

Total employee training hours:
249,900

Average training hours per employee:
37.43



Training coverage by gender	
Male employees	100%
Female employees	100%
Training coverage by hierarchical level	
Senior management	100%
Middle management	100%
Frontline employees	100%
Average training hours by gender	
Male employees	37.78
Female employees	37.09
Average training hours by hierarchical level	
Senior management	18.43
Middle management	32.76
Frontline employees	49.55

New Employee Training

Yuwell Medical attaches great importance to the onboarding integration and career development of new employees. Through the online New Employee Learning Program and offline centralized induction training, the Company enables new recruits to quickly grasp corporate fundamentals, understand business workflows and product expertise, and integrate into the corporate culture. This supports rapid adaptation to workplace roles and organizational environments.

Leadership Development and Training

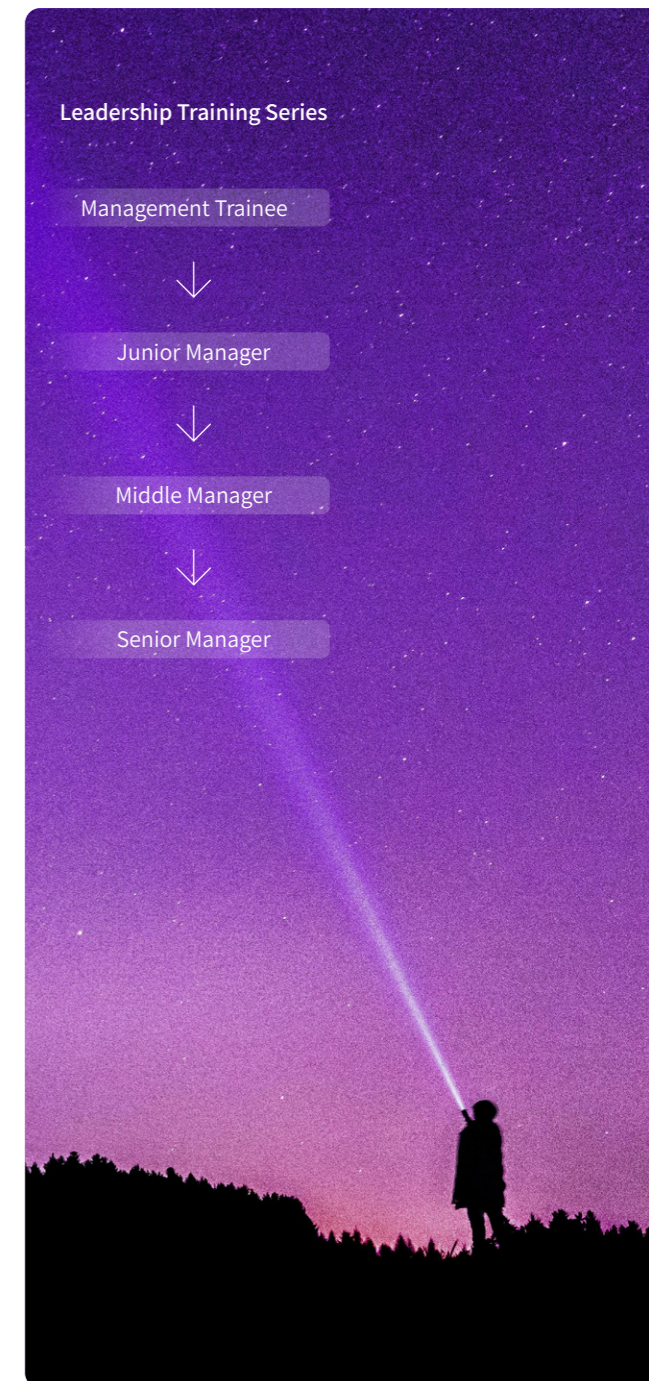
Aligned with corporate strategy and business development priorities, the Company has established core leadership competency standards centered on strategic vision, business execution, and talent cultivation capabilities to further optimize the leader selection, evaluation, and development mechanisms. By refining the leadership development system, it elevates overall managerial competence and accelerates the growth of young high-potential talent.

The Company has put in place a regular talent review and assessment mechanism to dynamically manage high-potential employees. It has formulated the *High-Potential Talent Development Management Measures* and consistently refined leadership evaluation criteria and industry-specific practical courses. Partnering with world-renowned institutions such as the Wharton School, Korn Ferry, and Kenexa, it designs customized management development programs that support leadership cultivation for managers and high-potential talent, systematically enhancing their strategic vision, executive leadership, and strategic thinking. To build a key talent pipeline, the Company establishes formal management succession pipelines and a strategic reserve pool for high-potential talent. By identifying, screening, and assessing readiness for key roles, and strengthening targeted coaching for newly appointed managers, it ensures a stable and continuous talent supply for core positions.

Since the launch of the Yuwell Star Management Trainee Program in 2018, the Company has promoted more than 20 fresh graduates to management and technical expert positions, continuously building a pipeline of outstanding young talent.

Tailored to employees' different career growth stages, the Company implemented four tiered talent development programs in 2025: Setting Sail, Hoisting Sails, Cruising, and Navigating. These programs cover new employees and management trainees, junior managers, high-potential talents, and middle and senior managers, strengthening the corporate leadership pipeline. During the reporting period, four dedicated junior manager training camps were held to support core professionals transitioning smoothly into management roles.

As a flagship initiative for recruiting innovative talent and cultivating future core leaders, the Yuwell Star Program employs a diversified training approach that includes pre-employment online courses, centralized induction camps, a dual-mentor system combining business supervisors with business partner mentors, and a workplace evolution camp. By the end of 2025, the program had successfully nurtured 493 management trainees.



Professional Skills Training

For core roles in R&D, production, and marketing, the Company designs role-specific learning roadmaps and professional training programs. It identifies critical capabilities for improvement over the next 3-5 years, focusing on nurturing young professionals. Clear qualification criteria and career development blueprints are established for R&D positions, driving continuous upgrading of overall competency and professional competencies through integrated theoretical training and on-the-job practice. For production staff in key process roles, specialized training courses are provided, with rigorous assessments required before formal deployment. In response to the corporate transformation toward wearable technology and digital intelligence, the Company strengthened training on AI technology and practical application in 2025, along with benchmarking exchanges with industry leaders. Training covered AI algorithm principles, data analysis methodologies, and medical device regulatory compliance (including FDA and CE marking requirements), substantially supporting new product R&D and overseas market expansion.

To strengthen the professional training system and build internal organizational knowledge, the Company steadily advances the development of its internal trainer team. During the reporting period, through internal FDA trainer certification programs and the internal trainer cultivation mechanism at the Suzhou site, 26 certified internal trainers were certified and 27 proprietary courses were developed, enabling the transfer of professional expertise and practical experience across the organization.

Case

Overseas Regulatory Registration Training

To align with U.S. FDA requirements, Yuwell Medical has systematically rolled out FDA regulatory training and promoted its internal application. In 2025, the Company provided internal FDA training to staff in regulatory affairs, registration, R&D, and platform management, covering general requirements, registration rules, R&D compliance, and post-market surveillance. A total of 12 open refresher sessions were also held, reaching over 500 employees. These initiatives have notably improved staff understanding of overseas regulations and strengthened their compliance execution.

External Joint Training

Leveraging high-quality external training resources, the Company actively collaborates with universities, research institutions, and professional consulting firms to expand employee learning and development channels. In 2025, Yuwell Medical partnered with multiple prestigious universities, medical device industry associations, and professional consulting organizations on topics including operational management, digital intelligent transformation, regulatory compliance, design innovation, and cross-cultural leadership, which were delivered through specialized courses, thematic seminars, and benchmarking study tours. Selected employees participated in external benchmarking visits and industry exchanges to learn advanced management models and best practices, broadening their industry perspectives and enhancing professional capabilities. These efforts effectively support corporate strategy implementation and organizational capability building.

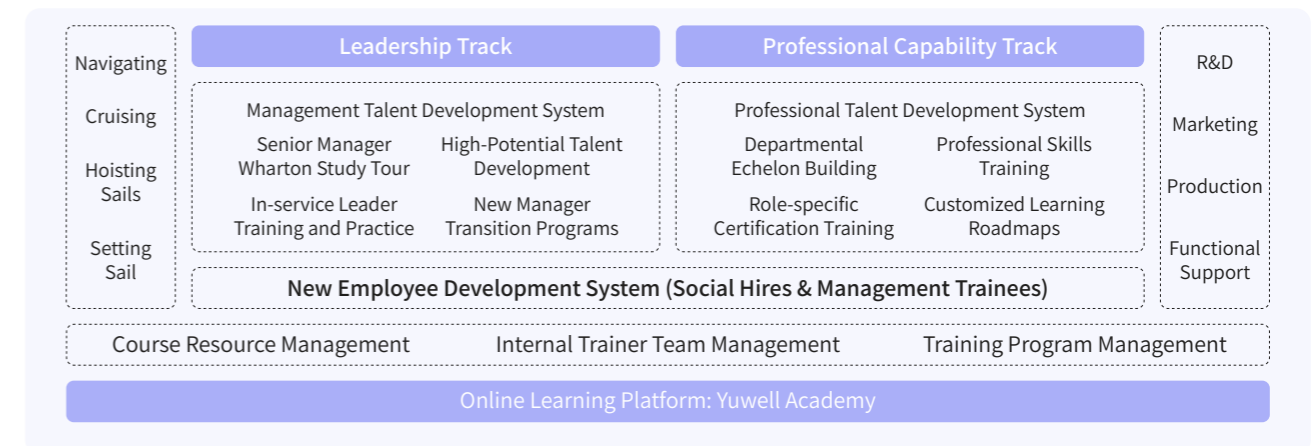


Employee Development

Aligned with its strategic planning and business priorities, the Company systematically advances employee development and talent pipeline building by linking individual competency enhancement with long-term career growth. Regular talent reviews help accurately map key roles and talent cohorts. By proactively defining competency requirements for different development stages, the Company enables every employee to leverage their strengths and excel in suitable positions.

Dual-Track Talent Development System

Adhering to a talent strategy of prioritizing internal cultivation supplemented by external recruitment, Yuwell Medical has established a clear dual-track career development framework that provides employees with sustainable career pathways and aligns personal aspirations with organizational needs. On the management track, the Company has developed standardized leader management systems and tiered leadership programs, formalizing procedures for leader selection, appointment, evaluation, and promotion to unlock the growth potential of management personnel at all levels. On the professional track, a structured qualification system and tiered pathways are established for different job families, supporting sustained professional growth in specialized fields. In 2025, responding to international business expansion and organizational restructuring, the Company refined competency criteria for core roles, including overseas country managers, project managers, e-commerce operations managers, and provincial/regional sales managers. By compiling historical best practice cases and providing targeted guidance and application support for relevant business lines, it helped employees clearly understand role requirements and career development trajectories.



	Defining Competency Standards for Key Roles	Identifying and Developing High-Potential Talent	Evaluation and Continuous Improvement
Management Track	Establish a comprehensive management competency framework centered on the Yuwell Leadership Standards.	Conduct annual talent reviews for management and specialized talent based on organizational development needs to accurately identify high-potential employees. Design differentiated development plans tailored to individual career tracks, using targeted training, cross-industry exposure, mentorship, and job rotations to support development across both management and professional tracks and strengthen succession readiness.	Regularly track the progress of high-potential employees through phased assessments and structured feedback. Continuously refine the development system to support steady competency growth and smooth role transitions.
Professional Track	Roll out a unified professional qualification system to help employees clarify their role positioning and identify competency gaps.		

Education and Qualification Support

The Company advocates a lifelong learning culture and has issued institutional policies including the *Research Personnel Continuing Education Management System* and the *On-the-Job Postgraduate Training Management System*. It encourages and supports all employees (full-time and part-time) to pursue job-related degree programs and professional certifications, helping them continuously upgrade their competencies. Reasonable tuition subsidies are provided for employees pursuing further education or approved study programs. As of the end of the reporting period, 24 employees were enrolled in higher education programs, expanding their long-term career development and promotion opportunities.

Diversity and Equal Opportunity

Upholding the philosophy of diversity, inclusion, dedication, and work-life balance, Yuwell Medical embeds diversity and inclusion principles into every stage of talent recruitment, employment management, performance evaluation, and employee development. This mitigates the impact of unconscious bias and unfair practices on employment decisions, ensuring equal opportunities and broad career development platforms for all employees. The Company holds annual company-wide diversity training and thematic activities. Regular face-to-face communication sessions between management and staff, together with team-building initiatives led by HR Business Partners (HRBPs), promote cultural integration across diverse backgrounds. Through these efforts, the Company is committed to fostering a diverse, equitable, inclusive, and vibrant workplace culture.

Recruitment and Hiring

Guided by the *Yuwell Medical Recruitment Management System* and the *Yuwell Medical Employee Handbook*, the Company institutionalizes equal opportunity principles throughout recruitment frameworks and workflows. All job candidates are evaluated fairly without discrimination based on gender, age, education, ethnicity, religion, marital status, or cultural background. Fair employment opportunities are extended to career re-entry professionals such as returning working women and qualified persons with disabilities, advancing diversified and inclusive employment practices.

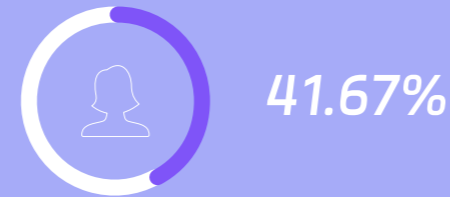
Recruitment practitioners participate in regular unconscious bias training to prioritize job competency and performance during candidate assessment. This minimizes the influence of irrelevant personal factors on hiring outcomes and enhances the fairness and consistency of the overall recruitment process.

Work and Welfare Support

Respecting diverse employee needs, the Company consistently optimizes workplace conditions to provide a healthy and comfortable working environment. For employees with disabilities, it upgrades accessible facilities and tailors workplace arrangements to role requirements, thereby safeguarding equal employment rights.

Female employees enjoy equal opportunities in recruitment, employment, training, and promotion, with strict adherence to the principle of equal pay for equal work. Statutory entitlements including prenatal examination leave, maternity leave, and breastfeeding leave are fully guaranteed. The Company also encourages male employees to take paternity and parental leave to support balanced career and family responsibilities. During the reporting period, 35 employees (including male staff) took parental leave, achieving a 100% return-to-work rate after leave. For female employees resuming work post-childbirth, the Company provides a humane transition adaptation period to support a gradual return to full duties and sustain long-term career continuity. Female employees are offered equal access to education, professional training, and promotion pathways to support career growth and skill diversification. The Company actively empowers women to break through the glass ceiling, take up key leadership and professional roles, and explore broader career development possibilities.

Female employee ratio



Female representation in management roles (including management talent pipeline, middle and senior management)



Female representation in senior management



Female representation in STEM (R&D technical) roles



Female representation in management positions of revenue-generating business lines



Ethnic minority employee ratio



Employees with disabilities ratio



Talent is the Company's most valuable asset, and diversity and inclusion form the fertile ground that nurtures talent growth. Recognizing that genuine global competitiveness stems not merely from market expansion, but from respecting and integrating diverse perspectives and thinking within the organization, Yuwell Medical has strived to break geographical and cultural boundaries over the past year. By fostering an open and inclusive workplace where all employees can build consensus amid diverse viewpoints, it ignites innovation through cross-cultural dialogue and idea exchange.

Compensation and Incentives

Compensation and Incentive Framework

Based on its *Compensation Management System*, the Company has established a performance- and value contribution-oriented remuneration mechanism suited to its business characteristics. All employees (including non-managerial and non-sales staff) are covered by a standardized pay structure consisting of fixed and variable income components. When designing or adjusting remuneration schemes, the Company comprehensively benchmarks market salary levels, industry compensation trends, and internal operating conditions to continuously enhance the external competitiveness of its overall pay package.

The remuneration system comprises base salary, variable performance bonuses, and long-term incentives, all linked to corporate operational performance, departmental organizational performance, and individual performance outcomes. Variable performance rewards and long-term incentives are allocated differentially based on job category, scope of accountability, individual contribution, and the performance results of the Company and respective departments. This approach ensures that remuneration is closely aligned with actual performance, driving sustained performance improvement and strengthening the retention of core talent.

Performance Evaluation and Feedback

The Company has established a tiered, categorized performance appraisal mechanism that links performance management with corporate strategic goals, operational plans, and individual job responsibilities. Annual formal performance evaluations are conducted for regular employees within the assessment cycle, covering multi-dimensional criteria such as work performance, professional competency, and conduct. Appraisal results serve as a core basis for employee career development and remuneration decisions. Annual corporate strategies and operational targets are cascaded down to departments, teams, and individual roles. This goal alignment and responsibility deployment ensure consistency across organizational, departmental, and individual performance, underpinning the effective execution of corporate strategy. During the reporting year, 98.02% of regular employees completed formal performance and career development reviews.

For middle and senior management personnel, Yuwell Medical employs a comprehensive 360-degree talent assessment and performance feedback system that gathers input from supervisors, peers, subordinates, and cross-functional collaborative departments. The appraisal framework follows three standardized stages covering the full evaluation process, which enhances the fairness and credibility of performance reviews. In the preparation stage, tailored assessment questionnaires are designed for different employee groups based on evaluation objectives, and 360-degree assessment tools are fully deployed to all relevant assessors and participants. In the assessment stage, the entire evaluation process is conducted anonymously, with strict confidentiality maintained for all assessment data and final reports, fostering an open and impartial evaluation environment. In the

For short-term incentives, the Company continuously refines its performance reward policies in alignment with annual operational goals and business priorities. In 2025, special performance incentive plans were introduced to support key strategic initiatives, including new product launches and business expansion. For long-term incentives, the Company launched Employee Stock Ownership Plans (Phase I and Phase II) in 2021 and 2023, covering directors, supervisors, senior executives, middle managers, and other core employees across the Company and its controlled subsidiaries. By linking core employees' personal financial returns to the Company's medium- and long-term development objectives, these mechanisms strengthen employees' focus on sustainable value creation and foster mutual growth between individuals and the enterprise. The incentive framework incorporates standardized restrictive provisions that tie incentive eligibility to professional ethics, regulatory compliance, and on-the-job performance. For employees involved in disciplinary violations or dereliction of duty, the Company may defer, recover, or adjust performance bonuses and equity incentives in accordance with internal management regulations.

feedback stage, structured performance feedback and one-on-one coaching are delivered to assesses, helping them recognize personal strengths, development gaps, and organizational expectations, while clarifying pathways for future improvement.

The Company prioritizes transparent performance communication and structured result feedback, encouraging employees to actively participate in goal setting and post-evaluation reviews. Comprehensive feedback is provided to all assesses upon completion of evaluations. High-performing employees receive both monetary and non-monetary recognition to foster internal motivation. For employees with below-standard performance or those temporarily unable to meet role requirements, a Personal Improvement Plan (PIP) is promptly initiated to establish clear improvement objectives and provide targeted support, with progress continuously tracked in subsequent assessment cycles. Employees who disagree with appraisal outcomes may file formal appeals through established internal procedures. The HRBP team coordinates cross-functional communication and delivers official feedback following management review. A robust supervision and restraint mechanism, including disciplinary violation reporting and investigative interviews, safeguards employees' legitimate rights and interests, ensuring the objectivity, fairness, and impartiality of the entire performance management system.

Building a Happy Yuwell

Upholding the corporate ethos of work diligently and live happily, the Company provides comprehensive non-monetary welfare benefits and diversified employee wellbeing initiatives. By fostering a healthy, comfortable, harmonious, and warm workplace environment, it steadily enhances employees' sense of fulfillment and organizational belonging.

Through cultivating multicultural teams and organizing cross-cultural exchange activities, the Company empowers every employee to act as a cultural bridge connecting global markets. The rich diversity of internal perspectives deepens the organization's understanding of external customer needs. This internal cultural insight transcends geographical and linguistic boundaries, enabling employees to deliver professional services with greater empathy and elevate the overall customer experience.

Basic Welfare Benefits

- Social insurance package and housing provident fund; comprehensive paid leave entitlements including sick leave, work-related injury leave, marriage and bereavement leave, prenatal examination leave, maternity leave, paternity leave, breastfeeding leave, parental leave, and annual leave.

Employee Health Support

- Annual comprehensive physical examinations, personal accident insurance, illness condolence grants, and summer high-temperature allowances.
- Additional employer liability insurance for frontline operational and field staff.
- Regular on-site wellness activities including TCM health consultations and shoulder & neck physiotherapy sessions.
- Partnerships with professional psychological assessment institutions to provide psychological evaluation and counseling services for employees in need.

Work-Life Balance & Stress Relief

- Regular team-building events, sports competitions, and recreational activities including outdoor excursions, basketball tournaments, Yuwell running club activities, sports challenge check-ins, online game events, vlog contests, blind box activities, and pet-friendly gatherings to help employees relax and relieve work pressure.
- A special Yuwell Summer Vacation arrangement to support work-life balance during peak and off-peak business cycles.
- Annual Family Day events with employees' families and children, fostering a harmonious and supportive workplace culture.
- Continuous optimization of office layout and facilities to enhance workspace comfort and flexibility.

Employee Care Initiatives

- A dedicated employee welfare fund to provide timely financial assistance to employees and their families facing serious illness or hardship, which has supported over 600 individuals cumulatively, including 62 vulnerable employees in 2025.
- Additional family visit leave (beyond statutory and annual leave entitlements) for expatriate employees to facilitate family reunions.



The 5th Chairman's Cup Basketball Tournament



Little Flying Fish Summer Camp – Family Day Event



Overseas Employee Training in Brazil



Employee Satisfaction Management

To capture employees' genuine perceptions of organizational management and the workplace environment, the Company has conducted annual organizational climate surveys for five consecutive years. The survey adopts a validated question bank from a leading external consulting firm, tailored to the Company's operational characteristics. It evaluates six core dimensions: basic welfare needs, supervisor support, institutional authority and process efficiency, team collaboration, cultural identity, and learning and development opportunities. In the 2025 organizational climate survey, 3,788 valid questionnaires were collected, representing an effective response rate of 80.5%. The overall average organizational climate score reached 4.25 out of 5, and overall employee satisfaction stood at 82.9%.

Targeted improvement plans have been formulated and implemented to address employee feedback related to career development, institutional workflows and cross-departmental collaboration. Initiatives include conducting regular talent pipeline reviews, further upgrading the training system and refining tiered, categorized training programs, advancing the standardized development of internal systems and processes, and strengthening cross-departmental communication via company-wide thematic activities. The Company will continuously track and evaluate the implementation outcomes of all improvement measures.

Impact, Risk and Opportunity Management

Recognizing human capital as a core strategic resource that underpins business strategy execution and long-term growth, Yuwell Medical has established a systematic human capital risk management framework. The Company continuously monitors changes in internal and external environments and systematically analyzes potential human capital-related risk factors. Aligned with corporate strategic objectives, it conducts standardized identification, assessment, response, and ongoing monitoring of human capital risks to maintain effective risk control. This approach drives ongoing optimization of organizational capabilities and talent structure, providing robust support for sustainable development amid intense market competition.

Key human capital risks include talent attrition, insufficient supply of core professionals, ineffectiveness of performance management systems, misalignment between training resources and development needs, inadequate fairness and market competitiveness of compensation and incentives, employment compliance risks, and gaps in organizational synergy and cultural development. In response to these identified risks, the Company optimizes HR management systems and workflows, dynamically adjusts talent development strategies in line with corporate planning and business expansion, and builds a full-lifecycle growth support system for employees. It refines the end-to-end talent management cycle of attract-develop-deploy-retain, and mitigates business disruption caused by key personnel changes through regular talent reviews and succession planning. This approach builds a resilient, adaptive organization capable of navigating market and industry cycles.

Indicators and Targets

Indicator / Target	2025 Achievement Status
Maintain 100% employee training coverage	Target achieved
Continuously enhance overall employee satisfaction	Target achieved Employee satisfaction reached 82.9%, a year-on-year increase of 1 percentage point over 2024.
Achieve no less than 80% completion rate for key talent recruitment targets	Target achieved Key talent recruitment completion rate reached 81.8%.

Employee Rights Protection

Labor Rights and Interests

Yuwell Medical fully complies with the *Company Law of the People's Republic of China*, the *Labor Law of the People's Republic of China*, and other applicable laws and regulations, as well as international human rights frameworks including the *International Bill of Human Rights*, the *ILO Conventions*, and the *UN Guiding Principles on Business and Human Rights*. The Company strictly prohibits exploitative employment practices such as child labor and forced labor, adheres to all statutory employment regulations, and fully safeguards employees' legitimate labor rights and interests. Confidential anonymous grievance channels have been established to protect employees' rights to voice opinions and report violations in accordance with the law, with clear anti-retaliation safeguards in place. No incidents involving child labor, forced labor, or employment discrimination occurred during the reporting period.

Human Rights Due Diligence Management

To consistently strengthen its human rights due diligence system, the Company has formulated and implemented a complete set of internal policies and procedures, including the *Anti-Discrimination Management Procedure*, the *Labor Employment Procedure*, the *Special Working Environment Assessment for Female Workers*, the *Management of Child and Minor Workers*, the *Yuwell Work-related Injury Accidents Management Measures*, and the *Employee Handbook*. These institutional frameworks ensure all employees receive fair opportunities and respectful treatment throughout recruitment, employment, promotion, and daily work, effectively preventing and mitigating internal human rights risks. As part of its ongoing supply chain risk reviews, the Company requires all suppliers to adhere to social responsibility benchmarks, reducing human rights exposure across the supply chain.

Labor and Human Rights Risk Prevention

Focus Area	Preventive & Mitigation Measures
Prohibition of Child Labor	<ul style="list-style-type: none"> The <i>Yuwell Medical Recruitment Management System</i> explicitly bans the recruitment and employment of child labor. Rigorous identity verification and pre-employment background screening are conducted for all applicants. For campus recruits, official school employment recommendation documents are verified; for social recruits, prior employer social insurance records are cross-checked to ensure that no child labor is employed.
Prohibition of Forced Labor	<ul style="list-style-type: none"> Employees enjoy full freedom to sign or terminate labor contracts voluntarily. The Company formulates targeted recruitment plans based on business development forecasts to ensure adequate staffing levels. Each business unit reviews operational plans quarterly and adjusts recruitment strategies accordingly. The Group leverages the Beisen recruitment platform for standardized talent management and long-term talent pipeline development to maintain stable staffing. All forms of forced labor are strictly prohibited. Standard working hour and leave management policies are enforced, and an attendance monitoring system ensures reasonable working hours and full protection of statutory leave entitlements.

Labor contract signing rate for regular employees:

100%


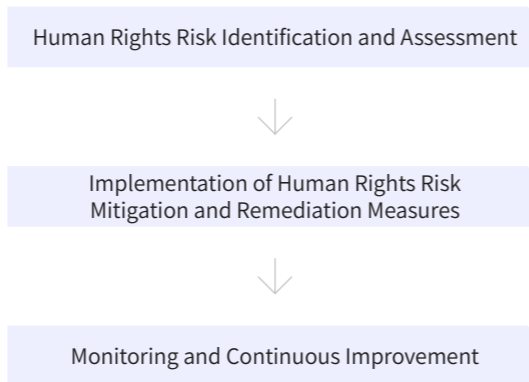
Social insurance coverage rate for regular employees:

100%

Note: Rehired personnel are exempted from labor contract signing; rehired personnel and local overseas employees are not covered under domestic social insurance schemes.

Number of major labor and human rights incidents:

0









Focus Area	Preventive & Mitigation Measures
Anti-Discrimination & Anti-Harassment	<ul style="list-style-type: none"> Recruitment teams complete regular unconscious bias training to ensure fair evaluation of candidates regardless of background during both social and campus recruitment, hiring, and promotion processes. Anti-discrimination and anti-harassment provisions are clearly stipulated in the <i>Employee Handbook</i>, aiming to eliminate all forms of unfair discrimination, prejudice, and workplace harassment. Zero discrimination or harassment incidents were recorded during the reporting year.
Fair Compensation & Equal Pay	<ul style="list-style-type: none"> The Company establishes and dynamically updates minimum compensation benchmarks to ensure all employees receive at least a living wage. A compensation data analysis mechanism is implemented; pay gaps are regularly assessed by role, grade, and tenure, with periodic pay fairness audits conducted to uphold the principle of equal pay for equal work.
Freedom of Association & Collective Bargaining	<ul style="list-style-type: none"> The Company respects and supports employees' legal right to join trade unions and participate in collective bargaining. In 2025, trade union and collective bargaining agreement coverage reached 100% of employees.
Occupational Health & Safety	<ul style="list-style-type: none"> A comprehensive occupational health and safety management system has been established to strictly monitor and control workplace health hazards across all operating sites. For detailed information, refer to the "Occupational Health and Safety" section of this report.

Employee Communication and Grievance Mechanisms

To fully respect and safeguard employees' rights to participation, free expression, and institutional supervision, the Company has established diversified internal communication channels, including employee representative meetings, face-to-face communication sessions with the Chairman, 360-degree evaluations for management, internal publications, and dedicated employee online forums. These channels encourage employees to submit constructive suggestions on organizational management, workplace conditions, career development, and other work-related matters.

The Company has formulated and strictly implemented the *Employee Complaint Management Procedure* and the *Reporting Management System*, which establish standardized workflows for complaint intake, investigation, review, and escalation to ensure timely and regulated resolution. All employees are encouraged to report unfair treatment to their direct supervisors or the HR department. Designated staff are responsible for receiving and following up on employee complaints and reports, with timely feedback provided to the relevant employees. Strict confidentiality is maintained for all complaint and report records, and the Company takes firm action against any form of retaliatory behavior. The Company regularly analyzes closed complaint and report cases, and optimizes internal management systems and workflows based on findings to prevent the recurrence of similar issues.

- 
Employee Representative Meeting
 Held on a regular basis to collect employee feedback on welfare policies, career development, and other workplace concerns.
- 
Face-to-Face Communication Session with the Chairman
 Senior management including the Chairman and General Manager holds direct dialogues with employee representatives on organizational development, business operations, and corporate culture to listen to grassroots voices.
- 
360-degree Evaluations for Management
 Collect multi-level employee feedback to drive continuous improvement in managerial performance.
- 
Internal publication *Yuwell New Horizon*
 Release corporate news and management updates, and share employee work experience and best practices.
- 
Employee Online Forum "Fish Pond"
 An open platform for free employee expression and concern submission; the official account provides unified and timely responses to widely discussed workplace topics.

Occupational Health and Safety

Yuwell Medical strictly abides by the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Safety Administration of Hazardous Chemicals*, the *Provisions on the Supervision and Administration of Occupational Health at Work Sites*, and the *Requirements of Work Safety Management System for Large and Medium-sized Enterprises*. Benchmarking against the ISO 45001 management system standard, the Company has developed a complete set of internal specifications, including the *EHS Management Manual* and the *Work-related Injury Accidents Management Measures*, forming a comprehensive occupational health and safety management system. The General Manager assumes overall responsibility for workplace safety management, and occupational health and safety targets are incorporated into formal management performance assessments.

Occupational Health & Safety Target	2025 Achievement Status
Zero work-related fatalities among employees	Target achieved
Zero incidence of occupational diseases among employees	Target achieved
100% coverage of employee health and safety training	Target achieved
Workplace hazard rectification rate \geq 98%	Target achieved
100% certification rate for special operation personnel	Target achieved
100% compliance rate of workplace hazard factor monitoring results	Target achieved

Yuwell Medical's parent company and four subsidiaries have obtained **ISO 45001 Occupational Health and Safety Management System certification**

Work-related injury insurance coverage for regular employees

100%¹

Health and safety training attendances

7,461

Lost workdays due to work-related injuries

1,216.5

Work-related injury rate

0.30%



¹ Note: Rehired personnel and local overseas employees are excluded from coverage.

Prevention and Control of Occupational Hazards

By implementing the "three simultaneities" principle—under which occupational disease prevention facilities are designed, built, and put into operation concurrently with the main project—the Company embeds occupational health and safety standards into the entire production process from process design to production layout. Qualified third-party institutions are commissioned to conduct regular monitoring of workplace occupational hazard factors such as noise and dust, and to carry out systematic hazard identification, risk grading, and targeted control measures. Individual occupational health files are established for all employees, and regular occupational health examinations are arranged. Safety warning signs and dedicated protective facilities are installed in high-risk work areas, and employees are equipped with job-matched personal protective equipment. Identified workplace hazards are rectified promptly, with implementation progress tracked and reviewed to maintain a healthy and safe working environment.

The Company consistently updates its overall emergency response plans and special safety incident contingency protocols, and organizes regular training and emergency drills. During the reporting period, two company-wide fire emergency drills were completed as scheduled. For scenarios including electric shock, mechanical injury, and hazardous chemical leakage, the Company adopted a combined approach of tabletop exercises and on-site practical drills. All drills were followed by post-event summaries, evaluations, and targeted process improvements.

Health and Safety Training

To build a robust workplace health and safety culture, the Company provides mandatory three-level safety induction training and fire safety training for all employees. Annual themed campaigns are also hosted, such as Work Safety Month and Fire Safety Month. Through centralized awareness promotion, specialized training, and scenario-based emergency drills, the Company comprehensively enhances employees' hazard identification capabilities and emergency response skills. All safety training content is incorporated into the annual training plan and formal assessment system for standardized implementation.

Mastery of CPR and AED operation is designated a mandatory training course and integrated into the fixed curriculum for new employee onboarding.

A total of

5 specialized health and safety training sessions were held during the year,

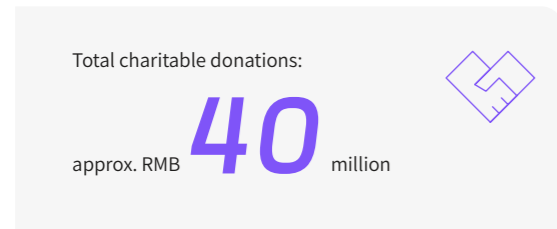
recording

450 attendances



Protecting Life and Health

Guided by its mission to "alleviate patients' suffering and enhance doctors' medical capabilities," Yuwell Medical addresses public health needs through ongoing public welfare initiatives in emergency medical care, chronic disease support, and public health protection, contributing to the long-term development of healthcare.



Commitment to Diabetes Care

Diabetes ranks among the most prevalent chronic diseases worldwide, and Yuwell Medical is deeply engaged in chronic disease management. Drawing on profound insights into the needs of people living with diabetes, as well as evolving health management trends, and leveraging its technological expertise in blood glucose monitoring devices and digital health management, the Company consistently drives product innovation and technological upgrading. Its CGM Series 4 and Series 5, together with the 921-fingertip blood glucose monitoring system, fully meet long-term diabetes management needs in terms of monitoring continuity, stability, and ease of use.

Beyond delivering precision blood glucose monitoring technology, the Company strives to build a warm, supportive ecosystem for diabetic patients, safeguarding their health through professional technology and thoughtful services. In 2025, Yuwell Medical partnered with hospitals and professional medical institutions to advance diabetes prevention and treatment initiatives. The Company sustained operation of the Yuwell Diabetes Community and collaborated with hospital experts to host regular offline Yuwell Health Camps, providing face-to-face professional guidance on blood glucose management, complication prevention, and lifestyle intervention. On key public health dates, including International Nurses Day (May 12) and World Diabetes Day (November 14), the Company sponsored dozens of free public welfare clinic events nationwide, delivering compassionate care to diabetic communities.

Yuwell Diabetes Community

The ongoing Yuwell Diabetes Community serves individuals with Type 1, Type 2, and gestational diabetes. Through professional health education and interactive community engagement, it helps users establish standardized blood glucose monitoring habits and daily management awareness.

Registered platform users:

0.62 million

Cumulative community page views:

2.21 million

Total community posts:

0.25 million



The 19th Nanyi Summer Camp for Type 1 Diabetes

Driving Progress in TCM Acupuncture

As an inheritor and promoter of traditional Chinese medicine (TCM) acupuncture culture, Suzhou Hwato Medical Appliance Co., Ltd., a subsidiary of Yuwell Medical, contributes steadily to TCM education and talent cultivation, injecting new vitality into the prosperity of this ancient practice. Since 1991, the company has established the Hwato Scholarship at Nanjing University of Chinese Medicine, supporting thousands of outstanding TCM students. It also co-founded the Hwato Gold Needle Award with provincial and municipal acupuncture associations to recognize medical professionals who have made outstanding contributions to the development of TCM acupuncture. In 2025, the company signed a strategic cooperation agreement with the China Association of Acupuncture-Moxibustion to sponsor five competition sessions of the Hwato Cup Acupuncture and Moxibustion Contest over the next ten years, supporting multi-dimensional talent development in TCM acupuncture and tuina disciplines.

Supporting Rural Revitalization

Focused on rural revitalization and primary medical capacity building, the Company allocates resources to develop primary medical institutions, optimize high-altitude healthcare support system, and strengthen emergency response capabilities in remote regions. Through these efforts, it promotes the grassroots deployment of high-quality medical resources.

Building a High-Altitude Healthcare Support System

Addressing oxygen supply shortages in high-altitude regions, Yuwell Medical launched the Xizang Oxygen Supply Project in 2016 and completed construction of the Yuwell Medical High-Altitude Oxygen Industrial Park in Lhasa in 2018. The Company has developed a diversified product portfolio covering centralized oxygen diffusion systems, modular oxygen supply systems, portable oxygen generators, vehicle-mounted oxygen systems, personal nasal oxygen delivery, and shelter-style oxygen supply solutions. These offerings cater to oxygen demand across residential households, public venues, institutional premises, and emergency rescue scenarios. A localized operation and maintenance team and a standardized 1+1 service model have been established, supported by an intelligent remote monitoring platform. The system ensures one-hour response service within urban Lhasa and one-day service coverage for remote areas, significantly improving equipment maintenance efficiency and emergency response capacity.

To strengthen local capacity building, the Company carries out industry-academy cooperation with regional universities to train local technical personnel in equipment installation, operation and maintenance, and technical support. This gradually enhances regional medical service capabilities and drives the evolution of high-altitude health security—from equipment provision to sustainable local capacity development.



High-altitude oxygen supply solutions



Yuwell oxygen supply shelter

Improving Primary Healthcare Service Infrastructure

In response to insufficient medical equipment allocation and limited chronic disease management capacity in rural and remote areas, the Company donates blood pressure monitors, oxygen therapy equipment, AEDs, and basic diagnostic devices to primary medical and elderly care institutions via charitable organizations and local collaborative partnerships. These donations enhance the capacity for screening and daily management of common and chronic diseases. Since 2021, the Company has participated in targeted rural revitalization initiatives, improving local medical service conditions through equipment donations, grassroots professional training, and industrial collaboration.

To advance the national primary healthcare infection prevention and control system, Zhongyou Likang Pharmaceutical High-Tech (Chengdu) Co., Ltd. has exclusively supported the National Health Commission's Inspiring China primary infection control training program since 2017, and has established the Inspiring China Hospital Infection Prevention and Control Research Fund. In 2025, the company delivered

specialized infection control training for primary medical institutions across 29 provincial-level healthcare-associated infection quality control centers, recording 4,741 attendances.



2025 Inspiring China Basic Training on Hospital Infection Management, Shanxi Province

Focusing on Emergency Medical Care

Since its founding, Yuwell Primedic has upheld the corporate mission of "saving lives, anytime, anywhere." Focusing on the medical first aid sector, the company advances the widespread deployment of emergency equipment and the popularization of first aid practical skills. Domestically, over 10,000 volunteers receive standardized professional first aid training from Yuwell Primedic each year. Globally, its emergency rescue network spans more than 150 countries and regions, contributing to the rescue of more than 100 individuals annually. Yuwell Primedic AEDs have long served as designated emergency support equipment for high-intensity sporting events including marathons and cycling races.

Advancing Systematic First Aid Solutions

In the field of public emergency equipment and integrated rescue services, the Company is evolving from single-product supply to full-scenario ecosystem development, actively exploring emergency response models tailored to the risk levels of different locations. In 2025, leveraging the active SOS alarm function of the Primedic HeartSave H7 AED series, the Company built basic emergency response units centered on AED deployment. Each unit is configured with one AED device, three one-touch emergency call terminals, and six professional first aid volunteers. These units are deployed hierarchically based on site risk classification, improving the efficiency and feasibility of on-site emergency response in public venues and large-scale events through device triggering, emergency call linkage, and coordinated deployment of on-site rescue personnel. Building on this foundation, the Company is gradually establishing a comprehensive emergency ecosystem spanning standalone products to integrated emergency scenario solutions. In pre-hospital emergency care, centered on defibrillation support, the Company promotes integrated linkage between hardware devices and digital systems, enabling data synchronization throughout the ambulance Circulation-Airway-Breathing-Defibrillation (C-A-B-D) workflow and improving overall pre-hospital treatment efficiency. Equipped with a built-in camera, SOS alarm, and map navigation functions, the HeartSave H7 AED supports real-time emergency alerts and remote physician guidance, effectively boosting patient survival rates during critical rescue windows.

Building a Multi-layered Urban Emergency Response Network

Targeting public transport hubs and urban public spaces characterized by high pedestrian density, population mobility, and elevated risk of sudden health incidents, the Company consistently advances the deployment of emergency facilities and the development of on-site emergency response capabilities. By pre-positioning core emergency equipment such as AEDs at key locations and delivering first aid skills training in transport hubs, schools, corporate campuses, and sporting events, the Company fosters a socially capable volunteer base with basic first aid competencies. This enhances the accessibility and timeliness of emergency intervention within the "golden four minutes". In 2025, the Company delivered professional first aid training across multiple transport hubs and donated AEDs and health monitoring equipment to key public venues. These public welfare emergency support initiatives helped rescue nearly 100 individuals.

Supporting Safe Operation of Sports and Large-scale Events

Upholding the corporate ethos of "elevating health, celebrating sport," Yuwell Medical extends professional medical device expertise into public health management, leveraging technological innovation to support scientific sports participation and healthy lifestyles for all. To deepen the integration of healthcare services and sports industry development, the Company provides sustained emergency medical support for sporting competitions and large public events, contributing to the development of a strong national sports sector. During the reporting period, the Company provided on-site medical support for 53 sporting events. AEDs and oxygen therapy equipment were deployed along race routes and key venues, with dedicated post-event recovery zones established to cover high-intensity sporting scenarios including marathons, cycling races, and ball games.



Partnered with the Shanghai Marathon to jointly build a public health ecosystem under the theme "elevating health, celebrating sport."

The Company also explores innovative integration of emergency equipment with urban public amenities to improve AED availability and accessibility in public spaces. Dedicated emergency call buttons are installed and linked to elevator systems for direct connection to emergency rescue floors, optimizing emergency response pathways in high-rise buildings and residential communities. Leveraging 24-hour self-service convenience stations, the Company supplements and expands the urban emergency response network. Combined with mobile emergency scenarios such as the Urban Ferrymen initiative, it develops a deployable first responder mechanism to enhance the temporal and spatial coverage of urban emergency resources.

Yuwell Primedic has hosted

500+ public welfare training sessions on AED operation and professional first aid skills,

with

30,000+ attendances nationwide

By integrating fixed emergency facilities deployed in transport hubs and public spaces with mobile resources including vehicle-mounted AEDs, the Company is gradually constructing an urban emergency network featuring fixed-site coverage supplemented by mobile emergency capacity. This framework improves response continuity and overall efficiency for sudden health emergencies across diverse scenarios, offering a replicable and scalable model for public emergency system development.

Railway System



In October 2025, Yuwell Primedic completed large-scale AED deployment across the national railway system, installing devices at 97 core railway hub stations in Jiangsu, Zhejiang, Anhui, and Shanghai. AEDs are placed in high-density and high-risk areas including waiting halls, main station exits, logistics distribution centers, maintenance depots, and large workshop facilities, which enhances on-site emergency response efficiency for sudden cardiac arrest and other acute incidents.

Vehicle-mounted System



In collaboration with public welfare organizations, the Company launched a vehicle-mounted AED pilot program across 8 cities nationwide, deploying equipment in 240 vehicles. Volunteer drivers with certified first aid qualifications are equipped with vehicle-mounted AEDs to increase the density of mobile emergency responders within urban traffic and mobile population groups.



Launched the Red Cross first aid station donated by Yuwell Primedic at the Khunjerab National Border Scenic Area, which improves emergency rescue capacity for high-altitude border tourism areas.



Hosted public welfare health activities and delivered professional AED and CPR first aid skills training at Nanjing South Railway Station.



Donated 1 million emergency care packages for urban couriers participating in Taobao Flash Sale campaigns, providing reliable health protection for frontline delivery workers.



Delivered professional medical support for the Namtso Lake Mountain Bike Challenge to elevate emergency safety assurance capabilities in extreme environments.

ENVIRONMENTAL FRIENDLINESS

Total investment in environmental protection

RMB **4.47** million

GHG emission intensity (Scopes 1 and 2, market-based)

0.0260 tCO₂e/RMB 10,000 revenue

Compliance rate for three wastes emissions

100%



Strengthening Environmental Management

Yuwell Medical adheres to the green development philosophy and strictly complies with national environmental legislation, including the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Water Pollution Prevention and Control*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*. Benchmarking against the ISO 14001 Environmental Management System standard, the Company consistently optimizes its overall EHS management framework.

The Company has established a robust EHS management structure supported by internal documents including the *EHS Management Manual*. By strictly implementing EHS responsibilities at all levels, strengthening operational monitoring, and ensuring ongoing improvement, it minimizes corporate environmental footprint while enhancing comprehensive competitiveness. No environmental pollution incidents, administrative penalties for environmental violations, or major environmental accidents occurred during the reporting period.



EHS Management Structure

The Company has established a standardized three-tier EHS management framework. The General Manager serves as the primary person responsible for environmental protection, overseeing overall EHS strategic planning and top-level management. The Management Representative, appointed to support the General Manager, is responsible for formulating EHS work plans, ensuring the establishment, implementation, and maintenance of the environmental management system, and submitting regular progress reports to the General Manager. All functional departments execute EHS management system regulations and operational requirements to ensure the achievement of established environmental policies and performance objectives. The EHS management system covers 100% of the Company's core business segments. During the reporting period, the Company signed hierarchical safety and environmental responsibility agreements across all levels. EHS performance fulfillment is fully integrated into management performance appraisals, with annual reward and penalty mechanisms linked to accountability outcomes.

<p>General Manager</p>	<p>The General Manager takes overall responsibility for the Company's EHS management, including formulating EHS policies and objectives, allocating resources for effective EHS system operation, and managing overall environmental risks.</p>
<p>Management Representative</p>	<p>The Management Representative assists the General Manager in establishing, implementing, and maintaining the EHS management system to ensure the achievement of EHS policies and objectives. The Representative also organizes risk and opportunity assessments, leads investigations and resolutions of major environmental and safety incidents, and oversees the implementation of response measures.</p>
<p>Functional Departments</p>	<p>Functional departments implement all EHS system regulations and requirements, performing related duties to facilitate the achievement of EHS policies and objectives.</p>

Environmental Management Objectives

The Company regularly conducts operational environmental impact assessments, formulates annual environmental management targets, and tracks implementation progress dynamically. Timely rectification is carried out for identified deviations to achieve closed-loop environmental performance management. Environmental management objectives are incorporated into formal management performance evaluations, with a one-vote veto mechanism applied for major adverse environmental incidents. Corporate environmental targets are cascaded and decomposed to relevant departments, tied to the performance assessment of department heads and key role holders.

Indicator / Target	2025 Achievement Status
Maintain 100% hazardous waste standardized management rate; achieve 90% recyclable waste comprehensive utilization rate	Target achieved
Plant boundary noise complies with Class 3 standards in GB 12348-2008 <i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (Day ≤ 65 dB, Night ≤ 55 dB); zero related public complaints	
Plant boundary fugitive emissions fully meet regulatory standards; zero external complaints	
On-site rainwater and sewage diversion fully implemented; all wastewater discharge complies with standards	
Factory greening rate ≥ 15%	

Environmental Risk Management and Control

The Company has formulated standardized procedures including the *Environmental Aspect Identification and Evaluation Control Procedure* and the *Emergency Preparedness and Response Procedure*. It conducts annual identification and review of environmental hazards covering wastewater discharge, exhaust gas emissions, hazardous waste disposal, soil and groundwater pollution risks, and noise impact. Risk assessments are dynamically adjusted in response to process upgrades and site operational changes. For identified environmental risk points, targeted corrective measures are formulated with clear departmental accountability. Environmental emergency plans are revised regularly to ensure risk response protocols align with on-site operational realities. The Company also conducts routine environmental monitoring covering wastewater, organized and fugitive exhaust gas, soil, groundwater, and noise pollution. Pollutant discharge data is effectively monitored, and environmental monitoring results are publicly disclosed in a timely manner to accept regulatory oversight and public supervision.

A dedicated emergency command center and on-site emergency response teams have been established, alongside a formal *Emergency Plan for Sudden Environmental Incidents*. Specialized emergency drills are organized based on operational needs to enhance organizational response capabilities. The Company held two environmental emergency drills in 2025.

Environmental Training

Environmental management training is fully integrated into the annual corporate training plan. Tiered, categorized training sessions are delivered covering regulatory compliance, pollution prevention, and environmental risk management, with post-training assessments implemented to strengthen employees' environmental awareness and professional capabilities. The Company organized four specialized environmental training sessions in 2025.

Environmental Auditing and Certification

The Company has formulated the *Internal Audit Control Procedure* and the *Management Review Procedure*. Internal audits and management reviews of the environmental management system are conducted annually, covering production operations, pollution prevention facility management, regulatory compliance execution, and performance target achievement. Continuous system improvement is driven through the Plan-Do-Check-Act (PDCA) cycle. Third-party professional institutions conduct quarterly independent audits of the environmental management system to comprehensively monitor its operational status and environmental performance. Annual surveillance audits and triennial recertification audits are completed by authorized certification bodies.

Yuwell Medical's parent company and four subsidiaries have obtained **ISO 14001 Environmental Management System certification**.

Yuwell Medical's parent company has been certified as a **National Green Factory and Jiangsu Provincial Green Factory**.

Addressing Climate Change

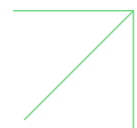
Governance

Yuwell Medical has established a dedicated climate governance framework. By integrating climate-related impacts, risks, and opportunities into both the corporate ESG management system and the enterprise-wide risk management architecture, the Company consistently enhances its capabilities in climate risk identification, assessment, management, and transparent disclosure.

The Board of Directors oversees all material climate-related matters and conducts regular reviews of climate risk and opportunity assessment results, evaluating their potential implications for corporate strategy, daily operations, and financial performance. It reviews climate-related targets and phased implementation progress, and supervises the execution of climate action plans. During major investment deliberations and corporate strategic planning, the Board fully incorporates climate considerations to ensure climate resilience aligns with the Company's long-term development trajectory. The EHS Working Group is tasked with organizing climate risk and opportunity identification, scenario analysis, and materiality assessment. It formulates climate change response strategies, quantitative targets, and actionable implementation roadmaps, and coordinates relevant business units to deliver specific climate initiatives. The Working Group regularly compiles climate-related data, tracks progress against established targets, and evaluates the effectiveness of climate management measures.

Strategy and Management Mechanisms

Yuwell Medical systematically identifies and analyzes climate-driven risks and opportunities, embedding climate considerations into core strategic decision-making. While accelerating the corporate green transition, the Company integrates climate risk management requirements into production operations and end-to-end supply chain management to strengthen overall resilient capacity against climate change.



Category	Risk/Opportunity Type	Risk/Opportunity Description	Impact Timeline	Potential Financial Implication	Response Measures
Physical Risks	Acute	<ul style="list-style-type: none"> Extreme weather events including floods, typhoons, and heatwaves may cause direct damage to corporate assets and facilities, disrupting normal business continuity. 	⌚ ⌚	Revenue ↓ Operating cost ↑ Fixed asset ↓	<ul style="list-style-type: none"> Strengthen climate risk identification and hierarchical management; optimize emergency response plans and enhance resilience against extreme weather; refine supply chain layout to safeguard business continuity.
	Chronic	<ul style="list-style-type: none"> Rising ambient temperatures and growing water resource scarcity risks may undermine supply chain stability and drive up operational expenses. 	⌚	Operating cost ↑	<ul style="list-style-type: none"> Advance energy efficiency improvement and smart manufacturing; gradually deploy production line robots, automated guided vehicles (AGVs), and other intelligent equipment to boost productivity and reduce long-term operational costs.
	Policy & Legal	<ul style="list-style-type: none"> Tightening regional environmental policies and requirements may raise compliance costs and impose additional operational constraints. 	⌚ ⌚	Operating cost ↑	<ul style="list-style-type: none"> Proactively monitor updates to environmental and carbon regulations across operating regions; strengthen regulatory compliance management and enhance adaptive capacity to policy evolution.
Transition Risks	Market & Technology	<ul style="list-style-type: none"> Rising customer demand for low-carbon products and green supply chains creates opportunities to bolster product competitiveness via green innovation, while increasing transition-related costs. 			<ul style="list-style-type: none"> Continuously monitor the impact of climate change and natural disasters on public health; track cutting-edge epidemiological and disease spectrum research to guide product and technological innovation.
		<ul style="list-style-type: none"> Long-term climate change may trigger extreme weather events that exert direct or indirect impacts on public health. Climate-induced shifts in public health patterns may require adjustments to product R&D pipelines and market positioning, posing tangible operational challenges. 	⌚ ⌚	Revenue ↓ Operating cost ↑	<ul style="list-style-type: none"> Formulate a clear decarbonization roadmap; actively adopt new low-carbon materials, equipment, processes, and technologies; conduct full ROI and feasibility assessment for low-carbon transition projects, and deploy optimal solutions tailored to operational realities.
Climate Opportunities	Products & Services	<ul style="list-style-type: none"> Emerging business potential exists in climate-related disease management, alongside growing market demand for home medical devices. Rising health risks associated with climate change are expected to drive increasing demand for household medical equipment. 	⌚ ⌚	Revenue ↑	<ul style="list-style-type: none"> Increase R&D investment and optimize R&D layout to strengthen product portfolio competitiveness while addressing evolving public health needs.
		<ul style="list-style-type: none"> Low-carbon technologies and eco-friendly products enhance market competitiveness and create new revenue growth drivers. 			
	Resource Efficiency	<ul style="list-style-type: none"> Adoption of energy-saving technologies and equipment reduces production energy consumption, delivering both cost savings and environmental benefits. 	⌚ ⌚	Operating cost ↓	<ul style="list-style-type: none"> Further advance smart manufacturing; widely deploy energy-saving technologies and equipment to build a green, high-efficiency energy utilization system and lower long-term operational costs.

⌚ Short Term ⌚ Medium Term ⌚ Long Term

Green Products

Within its full product lifecycle management framework, Yuwell Medical embeds core sustainability requirements covering resource efficiency, energy conservation and emission reduction, hazardous substance control, material recyclability, and plastic waste reduction. The Company advocates modular, lightweight, low-energy, and eco-conscious design principles to minimize products' environmental footprint across the production, in-use, and end-of-life disposal stages.

Eco-Friendly and Health-Conscious Materials

In compliance with international and domestic standards including the *Technical Documentation for the Assessment of Electrical and Electronic Products with Respect to the Restriction of Hazardous Substances* (IEC 63000), the *Registration, Evaluation, Authorization and Restriction of Chemicals* (REACH), the *Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment* (RoHS), the *Waste Electrical and Electronic Equipment Directive* (WEEE), the EU Battery Regulation (EU 2023/1542), and the *Biological Evaluation of Medical Devices* (GB/T 16886), the Company implements end-to-end hazardous substance control throughout product development. Environmental and health compliance requirements are defined at the R&D stage and integrated into design input and validation management; all product design testing is completed by accredited third-party laboratories. Strict hazardous substance management is enforced for raw materials, auxiliary supplies, and key components, with suppliers required to provide formal compliance declarations and qualified test reports. Only RoHS-compliant materials are adopted, effectively restricting hazardous substances such as mercury, lead, cadmium, and hexavalent chromium. The Company conducts internal self-assessments against the *Green Supply Chain Management Evaluation Requirements* to minimize chemical-related health and environmental risks in daily operations.

Yuwell Medical has developed mercury-free desktop blood pressure monitors to replace traditional mercury-containing devices. The innovative design retains the classic auscultation mode familiar to medical professionals while incorporating an automatic oscillometric mode, precisely meeting both professional clinical measurement standards and user-friendly daily usage needs.

The Company reduces product lifecycle environmental impact through the adoption of recyclable alternative materials, rechargeable components, and bio-based or natural raw materials.

- Yuwell-POCT's Anytime 4 and 5 series CGM devices adopt recyclable main structural materials including ABS, PC, POM, PETG, and SUS304 stainless steel, accounting for over 90% of total device material usage. The main structure is produced via injection molding without additional chemical additives.
- Zhongyou Likang adopts bio-based raw materials derived from corn fermentation to replace traditional chemical ethanol in mainstream disinfection products, which lowers the carbon footprint. It also applies multi-enzyme high-concentration cleaning formulas and foam-free cleaning technology to reduce equipment wear and packaging material consumption.
- Suzhou Hwato integrates natural raw materials such as natural jade into selected products to replace synthetic chemical materials, in an effort to reduce the environmental load of material lifecycles.



Green Product Design

The Company advances green product design through modular, lightweight, and low-energy approaches.

- Oxygen generators:** Adopt DC variable-frequency control technology to dynamically match compressor output with real-time oxygen demand, which reduces overall energy consumption. Modular, easy-to-maintain design simplifies disassembly and repair, extending product service life and minimizing waste generation. Compact and lightweight design improves portability and transportation efficiency.
- Electric wheelchairs:** Achieve an approximately 5 kg average weight reduction and a 10% smaller folded size in new lightweight models. Control unit standby current is lowered from 3mA to 0.8mA, extending standby duration and reducing idle energy consumption.
- Temperature measurement products:** Adopt modular and lightweight design. Shared pre-heating platform and universal temperature measurement modules enhance component standardization and resource utilization efficiency.
- Electronic blood pressure monitors:** Feature modular architecture, intelligent standby mode, and rechargeable lithium batteries.
- Surgical instruments:** Adopt a refined, lightweight design for micro-instruments. Replaceable modular components prevent full-unit scrapping due to single-part failure, extending overall product service life.

Green Packaging

While ensuring product safety and transportation integrity, the Company optimizes packaging structures and material selection. It prioritizes recyclable alternatives such as paper-based degradable packaging and tinplate, and promotes internal material recycling and resource reuse to advance packaging waste reduction across the full product lifecycle.

- Yuwell-POCT implemented packaging structure and material optimization to cut plastic usage, which reduced total packaging material consumption by approximately 57 tonnes in 2025, including over 50 tonnes of PP plastic. Transport carton surface paper was switched from virgin pulp to FSC-certified recycled paper containing 15% recycled fiber content.
- 66 Vision adopts recyclable corrugated cartons for selected products and utilizes reusable, integrated wooden box packaging for new surgical microscopes.
- Suzhou Hwato replaces PVC packaging with FSC-certified paper and recyclable PET materials for certain product lines.
- Yuwell Medical partnered with SF Express to launch a reusable logistics container program, which reduced single-use packaging waste for consumer shipments and improved overall packaging resource efficiency.

Total packaging material consumption

8,182.05 tonnes



Note: Data covers Yuwell Medical's parent company, Suzhou Medical Appliance Factory, Suzhou Yuwell Medical Technology Co., Ltd., Nanjing Yuwell Software Technology Co., Ltd., Shanghai Medical Equipment Works Co., Ltd., Jiangsu Yuwell-POCT Biological Technology Co., Ltd., Shanghai Zhongyou Pharmaceutical High-Tech Co., Ltd., and 66 Vision Tech Co., Ltd.

Low-Carbon Operations

Benchmarking against ISO 50001 Energy Management System standards, Yuwell Medical has formulated the *Energy Management System Manual* and supporting procedural documents. The Company has built a full-process management mechanism covering energy planning, real-time monitoring, data analysis, performance improvement, and annual assessment. It advances low-carbon operational transformation across three core dimensions: managerial energy conservation, technological energy efficiency upgrades, and clean energy structure optimization. The Company updates energy management targets annually and incorporates key metrics such as comprehensive energy consumption per unit output value into annual business plans and formal performance appraisal frameworks.

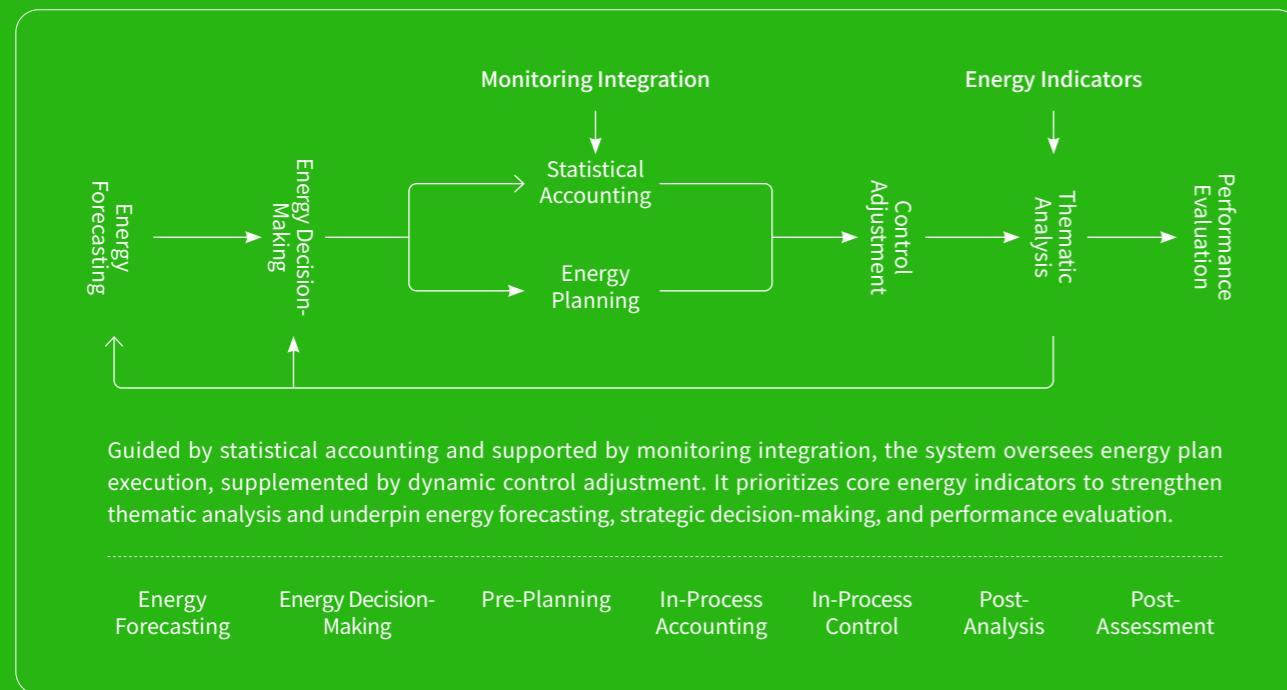
Yuwell Medical's parent company and two subsidiaries have obtained

ISO 50001 Energy Management System certification



Energy Management Strategy

To advance the development of an energy management big data platform, Yuwell Medical has established an integrated monitoring and management system that covers data collection, operational process oversight, and holistic energy management. The platform enables real-time collection and centralized monitoring of multiple energy media (e.g., water, electricity, and gas) and key energy-consuming equipment. Through closed-loop management spanning energy planning, statistical accounting, trend analysis, and performance assessment, the platform ensures the safe, reliable, economical, and efficient operation of the overall energy system. The energy big data platform supports hierarchical statistical analysis, trend forecasting, and automatic anomaly alerts, with the margin of error for energy data collection controlled within 1%. Leveraging data-driven insights, the Company promptly identifies high-energy-consumption processes and formulates targeted optimization measures. This drives the transition from experience-based energy management to data-led precision governance, continuously elevating energy conservation, emission reduction, and overall energy management performance.



Energy Structure Optimization

Through distributed PV deployment and green power procurement, the Company steadily increases the proportion of clean energy utilization. By the end of 2025, three distributed PV projects had been completed at the Heyang and Yunyang production sites, with a total installed capacity of 14.06 MWp. Adopting N-type TOPCon modules and high-efficiency inverter technology, the PV system meets on-site production electricity demand while effectively reducing reliance on fossil energy.

Strengthening Energy Conservation Management

Taking comprehensive energy consumption per unit output value as a core control indicator, the Company conducts monthly statistical analysis and real-time tracking of target achievement status. Supported by the energy management big data platform, it monitors real-time energy consumption, unit energy consumption metrics, and operational trends. Abnormal energy usage and untapped energy-saving potential are identified promptly, enabling the formulation of optimized operational strategies. These include adjusting equipment operating parameters, improving overall equipment efficiency, and strengthening peak-load shifting management while ensuring production efficiency and equipment operational safety. The Company also conducts regular systematic energy reviews to analyze energy consumption levels and saving potential of major energy-using equipment and production systems, aiming at further refining energy utilization strategies. During procurement, energy performance is integrated into equipment selection criteria and supplier evaluation frameworks, prioritizing high-efficiency energy-saving equipment and green energy solutions.

Through ongoing retrofits of high-energy-consumption facilities and system upgrades, Yuwell Medical phases out inefficient legacy equipment. Operational efficiency is maintained at 100% for air compressors, the power factor of power distribution systems reaches 96% or above, and energy-saving lighting penetration stands at 100%. Screw chillers and ground source heat pumps operate stably within their optimal efficiency ranges. In 2025, the Company deployed an intelligent VRV air conditioning system. Through tiered account management, remote intelligent control, and automatic shutdown functions, the system achieved an overall air conditioning energy saving rate of approximately 30%, while boosting operation and maintenance efficiency by 80% and reducing equipment fault response time to within 24 hours. To further advance smart manufacturing deployment, the Company adopts higher-efficiency production technologies and processes to lower energy consumption per unit output value.

Comprehensive energy consumption per unit output value dropped to

5.4 kgce per RMB 10,000 of revenue in 2025,

a **5.26%**

decrease compared with the 2023 baseline



Total PV power generation during the year

17.32 million kWh

Purchased green power volume

7.17 million kWh

Total clean energy utilization

24.49 million kWh

Clean energy proportion in total power consumption

45.83%

Jiangsu Yuwell-POCT Biological Technology Co., Ltd.	66 Vision Tech Co., Ltd.	Shanghai Medical Equipment Works Co., Ltd.
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Project Name	Measures	Outcomes
Dehumidifier Unit Steam Heating Energy-Saving Retrofit	Water-Circulation Air Conditioning System Replacement	Power Load Management and Peak-Load Shifting

Core Optimization Measures	Outcomes
Replaced traditional electric heating with steam heating; switched the regeneration process from electric drive to steam drive.	Optimized air conditioning usage regulations; guided high-power equipment operation to off-peak night hours.

Energy Saving Outcome	Outcomes
Reduced hourly electricity consumption by 126 kWh under full-load operation.	Capped maximum power load at 0.136 million; annual electricity consumption decreased by 3% year-on-year.

Impact, Risk and Opportunity Management

Yuwell Medical has established a standardized mechanism for identifying and managing climate-related impacts, risks, and opportunities. Fully integrated into the Company's risk management system and strategic decision-making workflows, this framework enhances organizational resilience and strengthens long-term value creation capabilities amid climate change.

Climate Risk and Opportunity Identification

In alignment with leading disclosure frameworks including *IFRS S2 Climate-related Disclosures* and the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange – Sustainability Report (Trial)*, the Company identifies climate-related risks and opportunities tailored to industry attributes, business footprint, and climate scenarios of operating regions. Impacts are analyzed across three time horizons: short-term (1-3 years), medium-term (3-5 years), and long-term (5 years and above).



Climate Risk and Opportunity Materiality Assessment

Through internal and external environmental research and professional risk assessment tools, the Company evaluates risk probability, operational impact, and potential financial implications (e.g., revenue volatility, operational costs, and asset/capital expenditure). Assessment outcomes are used to prioritize material climate risks and key strategic opportunities.



Climate Risk and Opportunity Management

Material climate risks and opportunities are embedded into the corporate risk management system, with dedicated climate action plans formulated to proactively address climate challenges.

- Develop targeted climate response action plans.
- Integrate climate-related indicators into annual target management.
- Regularly track implementation progress and evaluate management effectiveness.
- Dynamically adjust management measures in response to evolving internal and external conditions.

Indicators and Targets

Indicator / Target	2025 Achievement Status
Comprehensive energy consumption per unit output value \leq 560 kgce per RMB million of revenue	Actual: 540 kgce per RMB million of revenue
Air compressor efficiency \geq 85%; operating pressure \geq 0.75 MPa; exhaust temperature $<$ 100°C	All targets achieved; exhaust temperature maintained at 80°C
Power distribution power factor \geq 96%; line loss rate $<$ 5%	Power distribution power factor: 97%; line loss rate \leq 3%
Ground source heat pump COP efficiency \geq 5.4; screw chiller COP efficiency \geq 5	All targets achieved

Note: Data covers only Yuwell Medical's parent company.

GHG Emission Reduction Targets

Reduce GHG emission intensity by

10% by 2030,
using 2024 as the baseline year

Achieve a renewable energy consumption share of no less than

50% by 2030

Indicator	Unit	2025	
Energy Consumption	Gasoline	tonnes	66.10
	Diesel	tonnes	39.15
	Natural gas	million m ³	1.24
	Purchased electricity	million kWh	28.95
	Total energy consumption	tce	6,240.31
Energy consumption intensity	tce/RMB 10,000 revenue	0.0078	
GHG Emissions	Direct GHG emissions (Scope 1)	tCO ₂ e	3,002.13
	Indirect GHG emissions (Scope 2, market-based)	tCO ₂ e	17,645.41
	Indirect GHG emissions (Scope 2, location-based)	tCO ₂ e	19,163.09
	Total GHG emissions (Scopes 1 and 2, market-based)	tCO ₂ e	20,647.55
	GHG emission intensity (Scopes 1 and 2, market-based)	tCO ₂ e/RMB 10,000 revenue	0.0260

Reducing Environmental Footprint

Water Resource Management

All production and office water supply at Yuwell Medical is sourced from municipal water utilities and is primarily allocated to manufacturing processes and daily administrative use. All major production facilities are located in regions with low water stress levels. The Company has formulated the *Water Conservation Management System* and established an annual water quota target management mechanism, implementing rigid water allocation limits and regular statistical analysis. Root-cause investigations and corrective actions are conducted for abnormal water consumption fluctuations. During the reporting period, the Company completed a self-evaluation in accordance with the *Evaluating Guide for Water Saving Enterprises* and fully met all relevant management and technical benchmarks.

Water Conservation



- Formulate annual water resource utilization plans and enforce quota-based management; conduct regular water usage assessments and supervision, with reward and penalty mechanisms linked to conservation performance.
- Allocate special annual funds for water-saving project upgrades, technological improvements, and procurement of high-efficiency water-saving equipment such as cooling towers to boost overall water utilization efficiency.
- Deliver dedicated water-saving awareness training for employees; encourage staff to propose technical improvement suggestions and strengthen R&D innovation in water conservation technologies.

Water Recycling & Reuse



- Reduce unit product water consumption by optimizing production workflows and equipment operating parameters; promote the recycling of cooling water and process wastewater to enhance water utilization efficiency.
- Collect on-site rainwater via dedicated retention ponds and reused for landscape irrigation. A total of 1,825 tonnes of water was conserved through rainwater harvesting in 2025.

Water Risk Mitigation



- Construct a ring-shaped water supply network to enhance water supply resilience. Conduct regional water resource carrying capacity assessments during site selection for new and expansion projects to ensure sufficient water supply for production operations.

Water Resource Management Target

Reduce water consumption intensity by

8% by 2030,
using 2024 as the baseline year

Total water withdrawal

0.74 million tonnes

Total water discharge

0.34 million tonnes

Total water consumption

0.40 million tonnes

Recycled water volume

0.036 million tonnes

Recycled water ratio

8.12%

Emissions and Waste Management

Adopting clean, low-carbon production and operational practices, Yuwell Medical strictly complies with the *Environmental Protection Law of the People's Republic of China* and the *Regulation on the Administration of Pollutant Discharge Permits*. Guided by the *EHS Management Manual*, the Company implements rigorous management over exhaust gas emissions, wastewater discharge, and solid waste disposal, ensuring all discharge and disposal activities fully comply with permit requirements and emission standards. The Company regularly commissions qualified third-party institutions to conduct independent environmental monitoring, fulfills mandatory environmental information disclosure obligations, and maintains a 100% compliant disposal rate for all waste streams.

During the reporting period, all pollutant discharges fully met national and local emission standards. No major environmental incidents, unauthorized air or water pollutant discharge exceedances, or environmental administrative penalties and related legal liabilities occurred.

Compliance rate for three wastes emissions

100%



Water and Effluents Management

Wastewater sources at the Company include domestic sewage, R&D laboratory wastewater, and manufacturing process wastewater. In strict accordance with the *Law of the People's Republic of China on Water Pollution Prevention and Control*, the *Integrated Wastewater Discharge Standard*, the *Reuse of Urban Recycling Water - Water Quality Standard for Industrial Uses*, and local discharge regulations, the Company has formulated the *Wastewater Management System*. Leveraging mature, reliable sewage treatment technology integrated with automatic control systems, the Company precisely optimizes operational parameters and conducts routine online monitoring of chemical oxygen demand (COD), suspended solids (SS), and ammonia nitrogen (NH₃-N), ensuring full compliance in the treatment, discharge, and recycling of all production and operational wastewater.

A strict rainwater and sewage diversion system is fully implemented across all sites. Rainwater flows through independent pipelines into the municipal rainwater network. Production wastewater is treated separately through on-site facilities. High-concentration organic wastewater undergoes pre-treatment before being combined with cleaning wastewater and scrubber wastewater in a dedicated mixing system. Following comprehensive treatment up to standard, approximately 60% is discharged into the municipal sewage network, while the remaining 40% is sent to the reclaimed water treatment system for further purification and subsequent reuse as production line rinse water.

A Three-Tier Approach to Wastewater Risk Prevention and Control: Source Control, Pipe Network Regulation, and Boundary Monitoring

- Source Control:** Strengthen classified wastewater collection and pre-treatment to reduce pollutant load on downstream treatment systems.
- Pipe Network Regulation:** Optimize rainwater outlet interception design and install dedicated valve control devices.
- Boundary Monitoring:** Enhance real-time discharge monitoring and anomaly early warning to prevent pollutant leakage and environmental spillover.

Chemical Oxygen Demand (COD) discharge

1.50 tonnes

Ammonia nitrogen (NH₃-N) discharge

0.12 tonnes



Emissions Management

Primary exhaust gas emissions include volatile organic compounds (VOCs), nitrogen oxides (NOx), sulfur oxides (SOx), and particulate matter (PM) generated during production activities. The Company complies with the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* and local air pollutant emission standards for all operating locations. In accordance with the *Exhaust Gas Management System*, it strictly controls pollutant categories, emission concentrations, and total emission volumes. Regular monitoring is conducted for key parameters such as gas composition, concentration, and flow rate to ensure full compliance. Dedicated exhaust gas treatment systems have been deployed across all sites. Enclosed collection is adopted during production processes, with supporting end-of-pipe treatment facilities including adsorption and spray systems installed for centralized purification of organized emissions. Operation logs are maintained for all treatment facilities, with routine maintenance and consumable replacement carried out to ensure stable and effective operation.

- Zhongyou Likang upgraded workshop exhaust gas enclosure facilities by replacing photocatalytic oxidation units with activated carbon adsorption systems, achieving an organized exhaust gas treatment rate of over 90%.
- 66 Vision optimized product marking processes by replacing traditional screen printing and pad printing with laser printing, which reduced ink consumption and associated VOC emissions.

Nitrogen Oxides (NOx) emissions
0.85 tonnes

Sulfur Oxides (SOx) emissions
0.08 tonnes

Volatile Organic Compounds (VOCs) emissions
0.94 tonnes

Particulate Matter (PM) emissions
0.19 tonnes

Waste Management

In full compliance with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and supporting regulatory standards, the Company has formulated internal management documents including the *General Solid Waste Management System* and the *Hazardous Solid Waste Management System* to govern full-process waste management—from generation and classification to storage, transfer, and final disposal. No waste disposal violations were recorded during the reporting period.

Guided by the principles of waste reduction, resource recycling, and harmless disposal, the Company prioritizes source reduction and efficient resource utilization. It advances green product design through modular, lightweight, and low-energy approaches, and strengthens production-marketing coordination to improve material efficiency, steadily curbing overall waste generation.

Hazardous Waste

Major hazardous waste streams include waste filter bags, sewage sludge, spent activated carbon from exhaust gas treatment, waste filter cotton, chemical raw material packaging drums, waste oil, waste emulsion, and oil sludge. The Company has established a dedicated classified hazardous waste management system, with enclosed temporary storage areas equipped with impermeable, leak-proof, and rainproof protection measures. In compliance with GB 18597-2023 *Standard for Pollution Control on Hazardous Waste Storage*, the Company implements classified labeling, standardized storage, and complete ledger record-keeping. Specialized personnel are assigned to manage hazardous waste, with strict adherence to the official manifest system for all waste transfers. Disposal is exclusively entrusted to qualified third-party entities. In 2025, the Company collaborated with certified comprehensive utilization and disposal firms to enhance resource recovery of waste cutting fluid, waste emulsion, and waste oil, reducing annual hazardous waste output by 5.31 tonnes.

Non-hazardous waste generation
358.37 tonnes

Non-hazardous waste recycling volume
302.23 tonnes

Hazardous waste generation
77.72 tonnes



Non-Hazardous Waste

Non-hazardous solid waste comprises scrap metal, metal dust, general raw material packaging drums, and office waste. Industrial solid waste is collected for centralized recycling, while domestic waste is handed over to municipal sanitation authorities for standardized disposal. The Company cuts general waste output by optimizing production workflows and implementing digital operational management. Additional waste reduction initiatives include advancing paperless offices and electronic archiving, deploying electronic ink screen systems, and adopting reusable logistics pallets. Yuwell Medical's parent company achieved a 100% comprehensive utilization rate for general solid waste.

Waste Management Target

Reduce waste generation per unit product by

18.9% in 2025

using 2024 as the baseline year



Biodiversity Protection

The Company strictly abides by national and local biodiversity conservation laws and regulations, actively fulfills its obligations under the UN *Convention on Biological Diversity*, and integrates biodiversity protection considerations into the full project lifecycle—spanning planning, design, construction, and operational phases. Prior to project development, the Company conducts thorough environmental risk identification and ecological hazard assessments, strictly adhering to ecological red line boundaries. During operational phases, continuous environmental monitoring is implemented to promptly identify and mitigate potential risks, with targeted ecological restoration and conservation initiatives carried out as needed. During the reporting period, none of Yuwell Medical's production facilities or operational sites were located within ecological protection zones or areas of high biodiversity value. The Company's production activities, products, and services exerted no significant adverse impact on biodiversity. No administrative penalties or major environmental incidents arising from ecological damage or biodiversity disruption occurred.



Key Performance Table

Corporate Governance

Business Ethics and Anti-corruption

Indicator	Unit	2023	2024	2025
Coverage rate of anti-corruption training	%	100%	100%	100%
Average anti-corruption training duration per employee	hours	2	6.7	3

Environmental Performance

Environmental Management

Indicator	Unit	2023	2024	2025
Total investment in environmental protection ¹	RMB million	7.02	4.82	4.47
Environmental protection training coverage rate	%	100%	100%	100%
Environmental incidents throughout the year	cases	0	0	0

Note 1: In 2023, the Company made significant investments in environmental protection facilities. During 2024-2025, the focus shifted to maintenance, resulting in lower expenditure.

Energy Use and Greenhouse Gas Emissions²

Indicator	Unit	2023	2024	2025
Gasoline	tonnes	76.40	52.86	66.10
Diesel	tonnes	33.27	37.93	39.15
Natural gas	million m ³	0.86	1.01	1.24
Purchased electricity	million kWh	34.92	39.84	28.95
Total energy consumption	tce	5,600.27	6,368.69	6,240.31
Energy consumption intensity	tce/RMB 10,000 revenue	0.0070	0.0084	0.0078
Direct greenhouse gas emissions (Scope 1)	tCO ₂ e	2,201.36	2,456.42	3,002.13
Indirect GHG emissions (Scope 2, market-based)	tCO ₂ e	/	18,238.06	17,645.41
Indirect GHG emissions (Scope 2, location-based)	tCO ₂ e	19,916.69	21,380.41	19,163.09
Total GHG emissions (Scopes 1 and 2, market-based)	tCO ₂ e	/	20,694.48	20,647.55
GHG emission intensity (Scopes 1 and 2, market-based)	tCO ₂ e/RMB 10,000 revenue	/	0.0274	0.0260

Note 2: The data is based on guidelines including the Greenhouse Gas Protocol published by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), ISO 14064-1:2018-Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals, and GB/T 2589-2020 – General Rules for Calculation of the Comprehensive Energy Consumption issued by the State Administration for Market Regulation and the Standardization Administration of China. For Scope 2 greenhouse gas emissions, the emission factor for purchased electricity is based on the Announcement on the Release of the 2023 Carbon Dioxide Emission Factors for Electricity Generation (Announcement No. 47 [2025]) jointly issued by the Ministry of Ecology and Environment and the National Bureau of Statistics.

Water Utilization

Indicator	Unit	2023	2024	2025
Total water withdrawal	million tonnes	0.56	0.69	0.74
Water recycling rate	%	/	5.40%	8.12%

Emissions and Waste

Indicator	Unit	2023	2024	2025
Waste emission compliance rate	%	100%	100%	100%
Hazardous waste generation	tonnes	48.38	66.45	77.72
Non-hazardous waste generation	tonnes	245.58	250.75	358.37
Nitrogen Oxides (NOx) emissions	tonnes	/	0.18	0.85
Sulfur Oxides (SOx) emissions	tonnes	/	0.02	0.08
Volatile Organic Compounds (VOCs)emission	tonnes	/	1.12	0.94
Particulate Matter (PM)emissions	tonnes	/	0.08	0.19

Social Performance

R&D Innovation

Indicator	Unit	2023	2024	2025
Annual R&D investment	RMB million	504.37	546.68	570.15
R&D investment as a percentage of revenue	%	6.33%	7.23%	7.17%

Customer Rights

Indicator	Unit	2023	2024	2025
Customer complaint handling rate	%	100%	100%	100%
B2B customer satisfaction rate	%	96.2%	97.2%	97.7%
B2C customer satisfaction rate	%	97.25%	97.7%	98.4%

Social Performance

Employment

Indicator	Unit	2023	2024	2025
Total number of employees	persons	6,114	6,346	6,676
Number of new hires during the reporting period	persons	1,247	2,368	2,286
Number of newly recruited fresh graduates	persons	68	146	226
Number of employees by gender				
Male employees	persons	3,482	3,734	3,894
Female employees	persons	2,632	2,612	2,782
Number of employees by age				
Employees aged under 30	persons	1,586	1,810	1,694
Employees aged 30-50	persons	3,902	4,135	4,585
Employees aged over 50	persons	626	401	397
Number of employees by hierarchical level				
Senior management	persons	135	135	142
Middle management	persons	306	313	332
Frontline employees	persons	5,673	5,898	6,202
Number of employees by educational level				
Employees with bachelor's degree or above	persons	2,081	2,501	2,880
Employees with associate degree	persons	1,559	1,612	1,613
Employees with degrees below associate level	persons	2,474	2,233	2,183
Number of employees by region				
Employees from China (including Hong Kong, Macao, and Taiwan)	persons	6,020	6,234	6,542
Number of overseas employees	persons	94	112	134
Employee satisfaction rate	%	83.6%	81.9%	82.9%

Equality and Diversity

Indicator	Unit	2023	2024	2025
Incidents of employee discrimination/harassment	cases	0	0	0
Proportion of female directors	%	44.4%	44.4%	55.56%

Employee Training and Development

Indicator	Unit	2023	2024	2025
Total investment in employee training ³	RMB million	10.08	3.20	2.10
Total training attendances	attendances	34,356	35,762	41,650
Total training hours	hours	171,780	223,874	249,900
Average training hours per employee during the year	hours	28.09	35.28	37.43

Note 3: Total employee training expenditure in 2023 includes expenses for overseas study programs.

Occupational Health and Safety

Indicator	Unit	2023	2024	2025
Work-related fatalities among employees	persons	0	0	0
Employee occupational disease incidence rate	%	0%	0%	0%
Health and safety training coverage rate	%	100%	100%	100%

Product Quality and Safety

Indicator	Unit	2023	2024	2025
Proportion of products recalled for safety and health reasons	%	0%	0%	0%

Index Table

The Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange — Sustainability Report (Trial)

Disclosure Requirements	Corresponding Section in This Report
Addressing Climate Change	Addressing Climate Change
Pollutant Emissions	Strengthening Environmental Management, Reducing Environmental Footprint
Waste Disposal	Strengthening Environmental Management, Reducing Environmental Footprint
Ecosystem and Biodiversity Protection	Reducing Environmental Footprint
Environmental Compliance Management	Strengthening Environmental Management, Reducing Environmental Footprint
Energy Utilization	Addressing Climate Change
Water Resources Utilization	Reducing Environmental Footprint
Circular Economy	Reducing Environmental Footprint
Rural Revitalization	Protecting Life and Health—Supporting Rural Revitalization
Social Contribution	Protecting Life and Health
Innovation-Driven Development	Enabling Health with Innovation
Technology Ethics	Enabling Health with Innovation—Technology Ethics
Supply Chain Security	Sustainable Supply Chain
Equal Treatment of Small and Medium-sized Enterprises	Sustainable Supply Chain
Product and Service Safety and Quality	Commitment to Quality
Data Security and Customer Privacy Protection	Information Security and Privacy Protection
Employees	Human Capital Development, Employee Rights Protection
Due Diligence	Sustainable Development Management
Stakeholder Communication	Sustainable Development Management
Anti-commercial Bribery and Anti-corruption	Commitment to Business Ethics
Anti-unfair Competition	Commitment to Business Ethics—Anti-Unfair Competition Management
Voluntary Disclosure Issues	Corresponding Section in This Report
Corporate governance	Enhancing Corporate Governance
Risk management	Enhancing Corporate Governance—Risk Management and Internal Control
Digital operations	Enabling Health with Innovation—Digital Intelligence Integration
Health accessibility	Access to Quality Healthcare
Industrial cooperation and development	Enabling Health with Innovation, Access to Quality Healthcare—Product Accessibility

GRI Content Index

Statement of Use	This report has been prepared with reference to the GRI Standards by Yuwell Medical. The reporting period covers January 1, 2024, to December 31, 2024.
GRI Used	GRI 1: Foundation 2021
Reporting Framework	GRI 1: Foundation 2021
Message from the Chairman	2-22/2-23
About Yuwell Medical	2-1/2-2/2-4/2-6/2-16/201-1
Sustainability Management	2-12/2-13/2-14/2-16/2-19/2-22/2-29/3-1/3-2/3-3
Steady and Long-Term Progress	
Enhancing Corporate Governance	2-9/2-10/2-12/2-15/2-27/405-1
Commitment to Business Ethics	2-27/3-2/205-1/205-2/205-3/206-1
Information Security and Privacy Protection	418-1
Sustainable Supply Chain	2-6/3-2/204/308-1/308-2/414-1/414-2
Rooted in Health Driven by Technology	
Enabling Health with Innovation	2-6/2-27/416-1
Commitment to Quality	2-6/2-25/2-27/3-2/416-1/416-2/417-1/417-2/417-3/418-1/419-1
Access to Quality Healthcare	2-23/2-27/203-1/203-2
People-Centered Approach	
Human Capital Development	401-2/404-1/404-2/404-3
Employee Rights Protection	2-7/401-1/403-1/403-2/403-3/403-4/403-5/403-6/403-7/403-8/403-9/403-10/405-1/406-1
Protecting Life and Health	3-2/203-1/203-2/413-1
Environmental Friendliness	
Strengthening Environmental Management	3-2/2-27/307-1
Addressing Climate Change	201-2/302-1/302-3/302-4/302-5/305-1/305-2/305-4/305-5
Reducing Environmental Footprint	2-27/303-1/303-3/303-5/304-3/305-7/306-1/306-2/306-3/306-4/306-5/307-1
Key Performance Table	201-1/203-2/302-1/302-3/303-5/305-1/305-2/305-3/305-4/306-3/401-1/403-9/404-1/404-3
Index Table	-
About This Report	2-2/2-3

About This Report

This report is the third sustainability report of Jiangsu Yuyue Medical Equipment & Supply Co., Ltd. (hereinafter referred to as "Yuwell Medical", the "Company", or "we"). Prepared in accordance with the principles of objectivity, standardization, transparency, and comprehensiveness, this report presents the Company's philosophy, management practices, and performance in sustainable development, and responds to key issues of concern to stakeholders.

Reporting Scope

This report focuses on the information and key performance of Yuwell Medical and its subsidiaries in fulfilling their economic, social, and environmental responsibilities in 2025.

Definition of Terms

For ease of reference and reading, "Jiangsu Yuyue Medical Equipment & Supply Co., Ltd." is also referred to in this report as "Yuwell Medical", the "Company", or "we".

Timeframe

This report covers the period from January 1, 2025, to December 31, 2025, with certain content moderately extended to previous and subsequent years. This report is an annual report.

Basis of Preparation

This report has been prepared with reference to the *GRI Sustainability Reporting Standards* issued by the Global Sustainability Standards Board (GSSB), the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange – Sustainability Report (Trial)*, the *Self-Regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange – Preparation of Sustainable Development Reports, ISO 26000:2010 Guidance on Social Responsibility* issued by the International Organization for Standardization (ISO), and the United Nations Sustainable Development Goals (SDGs).

Reporting Principles

This report follows the principles of materiality, quantification, balance, and consistency.

Principle of Materiality: Yuwell Medical conducts materiality assessments to identify and evaluate ESG topics that are significant to the Company's operations and to internal and external stakeholders, and provides focused disclosure on these topics in the report. For further details on the materiality assessment process and results, please refer to the "Materiality Assessment" section of this report.

Principle of Quantification: This report discloses quantitative ESG performance indicators and, where applicable, sets corresponding

quantitative performance targets. The measurement standards, methodologies, assumptions, calculation tools, and sources of conversion factors used for key performance indicators in this report are explained in the relevant sections where applicable.

Principle of Balance: This report reflects objective facts and provides balanced and unbiased disclosure of both positive and negative information relating to the Company, presenting Yuwell Medical's ESG efforts in a balanced manner. During the reporting period, no material negative incidents were identified that should have been disclosed but were not.

Principle of Consistency: This report maintains consistency in the statistical and disclosure methods used for the same indicators across different reporting periods. Where changes have been made to the statistical or disclosure methods, sufficient explanations are provided in the notes to this report to facilitate meaningful analysis and evaluation by relevant parties.

Source of Information

All information and data used in this report are derived from the Company's official documents, statistical reports, and financial reports, as well as sustainability practice information collected and reviewed by the department responsible for sustainability management. Unless otherwise specified, all monetary amounts referred to in this report are denominated in RMB.

Assurance of Accuracy

The Company assures that this report contains no false records, misleading statements, or material omissions, and assumes responsibility for the authenticity and accuracy of its contents.

Report Access

This report is available in both print and PDF formats. The electronic version of the report is available on the Yuwell Medical website (www.yuwell.com) and the CNINFO website (www.cninfo.com.cn). To further improve the preparation of this report, we welcome your comments and suggestions. If you have any questions or recommendations regarding this report, please contact us by email at yuwellzqb@yuyue.com.cn or by telephone at +86-511-86900876.



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