2026 Interim Results

August 25, 2026

1H2026 Results Overview

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3.1%

Revenue Growth

RMB685m

Total Revenue

RMB172m

Overseas Revenue

RMB300m

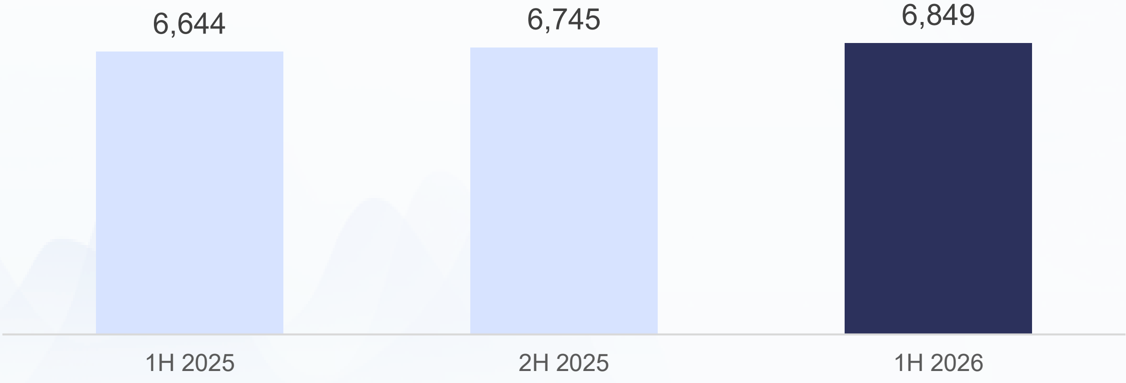
R&D Expenses

RMB770m

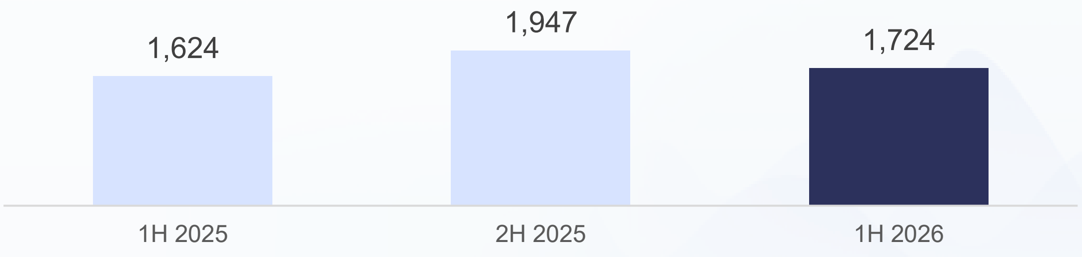
Attributable Net Profit

Key Financials

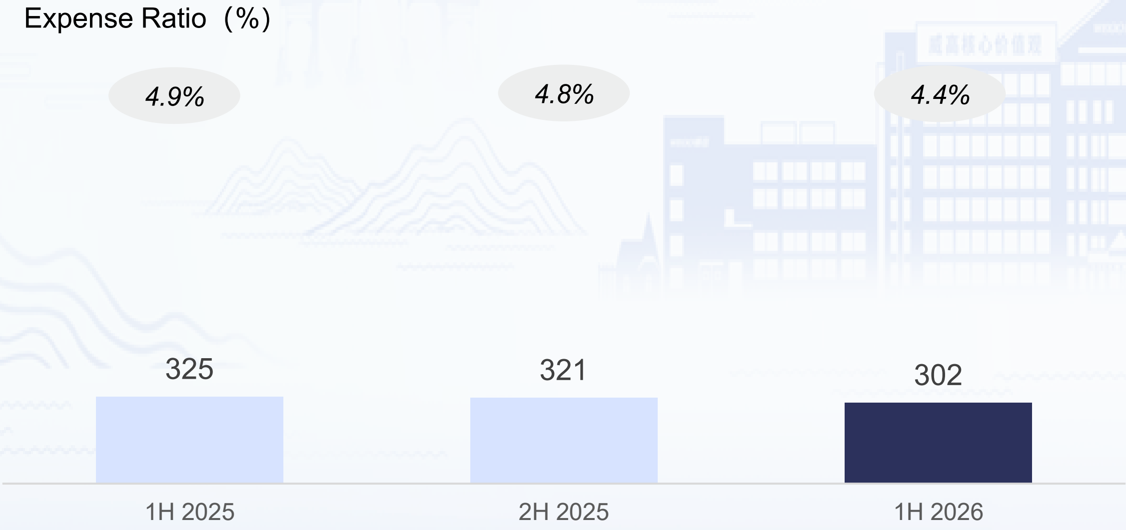
Revenue (RMBm)



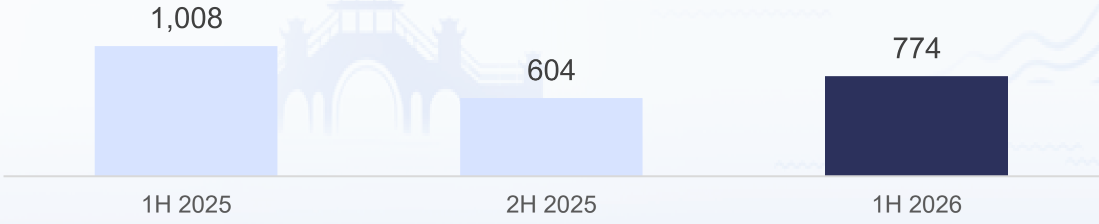
Overseas Revenue (RMBm)



R&D Expenses (RMB million) and Expense Ratio



Attributable Net Profit (RMBm)



Results Review

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01 Net profit margin revived with expenses optimizatioin

- Selling expense ratio was 15.6%, down 1.6 ppts YoY; administrative expense ratio was 9.4%, down 0.4 ppts YoY
- Net profit attributable to owners of the Company excluding extraordinary items amounted to RMB 890 million[1], down 11.7% YoY and up 45.3% HoH, mainly attributable to product mix optimisation and expense optimisation

02 R&D and Innovation

- R&D expenses accounted for 4.4% of revenue in the first half; 129 new product registration certificates were obtained in China and 150 new patents were granted; overall 1314 product registration certificates in overseas
- The fully modular patient monitor obtained registration in July, becoming the third major perioperative device following the anaesthesia machine and ultrasound system

Overseas business grew steadily with expanded market coverage 03

- Overseas sales increased by 6.2% YoY in the first half, with its contribution to total sales rising by 1 ppt to 25.2%.
- Regions including Asia, Europe, the Middle East and Africa achieved double-digit growth.
- The IV catheter factory in Indonesia commenced trial production in the third quarter.

Strategic M&A and Integration 04

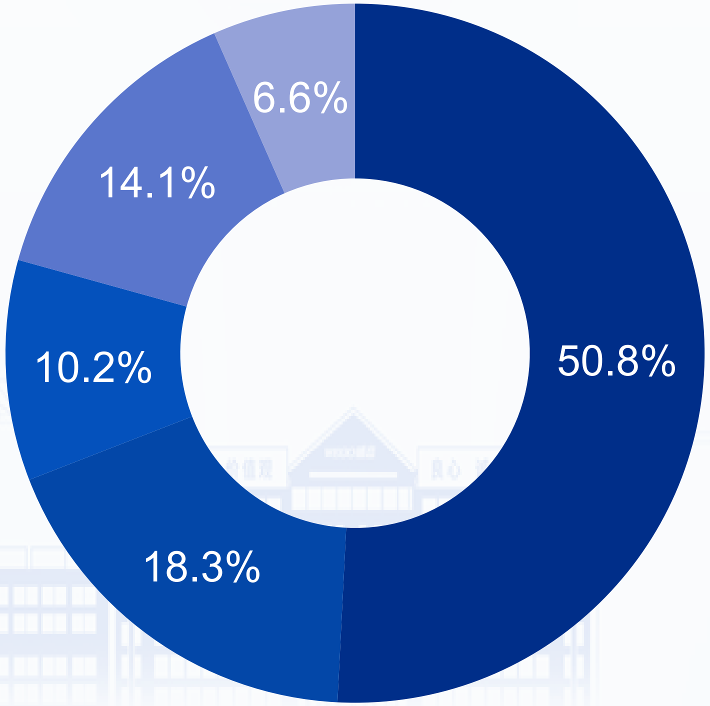
- The transaction with Weigao Blood Purification was reviewed and approved by the M&A and Reorganisation Review Committee of the Shanghai Stock Exchange on 10 August 2026, and remains subject to registration approval by the China Securities Regulatory Commission before implementation.
- The broad surgical strategy has been preliminarily formulated. The Company expects to gradually initiate the integration work in the second half of the year, and plans to complete the overall layout of the surgical business within 2–3 years.

Note：
1. Excluded the impact of extraordinary items (including one-off expenses, share-based payment expenses, exchange gains/losses, etc.)

Segment Revenue Contribution and YoY Growth

Blood Management
RMB450m，0%

Interventional products
RMB960m，-2.7%[1]



General Medical Device
RMB3.48bn，5.4%

Orthopaedic
RMB700m，-4.7%

Pharma Packaging
RMB1.25bn，7.5%

Note：
1. Mainly due to USD exchange rate impact, turning YoY growth into a decline.

Progress by Business Segment

General Medical Device

- Segment profit amounted to approximately RMB 470m, down 9.4% YoY but up 162.4% HoH, with a segment profit margin of 13.4%.
- Profit declined YoY due to product price reductions in certain provinces and cities in the second half of 2025. However, the segment profit margin recovered sequentially through the continuous increase in market share of high-margin products and cost scale effects.
- In the second half of this year, the profit margin may come under some pressure, taking into account rising raw material prices and the implementation of volume-based procurement for certain products.

Orthopaedic

- Segment profit amounted to RMB 160m, up 1.6% YoY and up 5.1% HoH, with a segment profit margin of 23.4%.
- Revenue declined due to slower product shipments, mainly affected by the renewal of spine product tenders. However, the profit margin remained stable with a slight improvement.
- In the second half of the year, revenue performance is expected to improve with the implementation of new tenders and the continued volume growth of new products, while the profit margin is expected to remain relatively stable.

Progress by Business Segment

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Pharma Packaging

- Segment profit amounted to RMB 480m, up 6.1% YoY and up 28.6% HoH, with a segment profit margin of 38.2%.
- Prefilled syringes and auto-injectors experienced price reductions due to policy and industry competition. At the same time, rising upstream costs caused by geopolitical factors also weighed on the gross margin.
- With the full release of production scale effects, the profit margin in the second half is expected to be higher than that in the first half. Full-year revenue and profit are expected to record steady growth.

Interventional

- Segment profit recorded a loss of approximately RMB 68m, remaining largely flat YoY.
- Revenue in USD recorded low-single-digit growth YoY. Profit was impacted by investment expenses related to new products such as thrombectomy devices. Argon China achieved double-digit growth while advancing the localization of production lines.
- Assuming the USD/RMB exchange rate remains stable, revenue performance in the second half is expected to improve.

Blood Management

- Segment profit amounted to RMB 53m, up 70% YoY and up 6.4% HoH, with a segment profit margin of 11.7%.
- Blood bag business revenue and profit grew steadily. Radsource turned around to profitability YoY.
- Full-year revenue is expected to grow modestly, while profit is expected to achieve relatively stronger growth.

Progress in Perioperative Equipment Development

With the approval of the fully modular patient monitor, the most commonly used devices in the life support field have successively obtained registration. The perioperative equipment product pipeline is expected to be fully in place within the next 1–2 years.

2024

Anaesthesia Machine Approved

2025

Ultrasound Approved

30 July 2026

Fully Modular Patient Monitor Approved

Under Development

Infusion and Syringe Pump

Under Development

Ventilator

Orthopaedic Product Development Progress

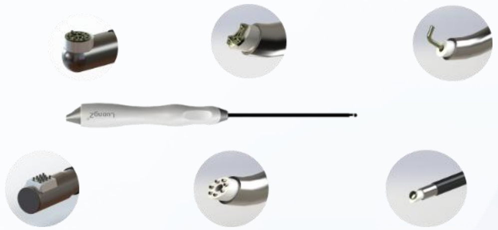
In 1H26, 113 and 59 new product certificates were obtained in China and overseas, respectively, focusing on **minimally invasive technology, intelligent solutions and orthopaedic bioactive materials.**

Implant Technology Iteration

Porous tantalum preparation technology, artificial ligaments, Domestic PEEK cage(approved)

Functional Repair & Tissue Regeneration

Building the “PRP+” ecosystem
Artificial bone bioactive materials and biological factors



Minimally invasive & intelligent

Disposable plasma surgical electrode (approved)
Flexible bone cement filler (approved)

2H26 Business Outlook

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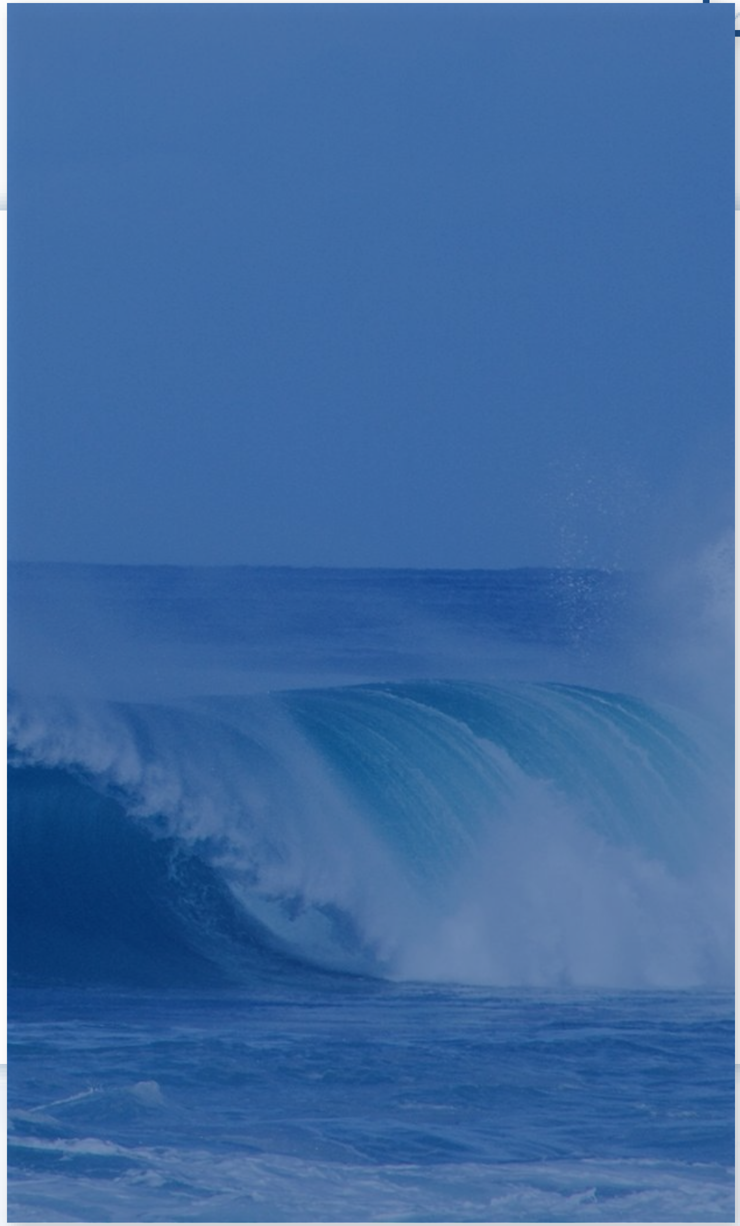
Operational Improvement	● Increase the proportion of new products such as perioperative devices, adjust product mix, continuously improve production costs, and maintain a relatively stable gross profit margin; ● Control and optimise expense management, improve the input-output ratio of marketing and market investments, and enhance commercial profit margin.
M&A Integration	● Push forward the external M&A and integration of assets in related fields such as general surgery and digital AI, to establish a comprehensive, innovative, and internationally competitive platform for general surgical medical device; ● Complete the asset swap transaction with Weigao Blood Purification to accelerate the consolidation of the Group's assets onto a unified platform.
Overseas Expansion	● The Company will promote the trial production of the Indonesia JV factory in the second half of the year and gradually expand into the Southeast Asian market. At the same time, it will build local production capacity and a localised sales team in Côte d'Ivoire, West Africa, to cover the African market.; ● Optimise the operational capabilities of overseas platforms (e.g. Argon), and accelerate global production capacity layout and production conversion.

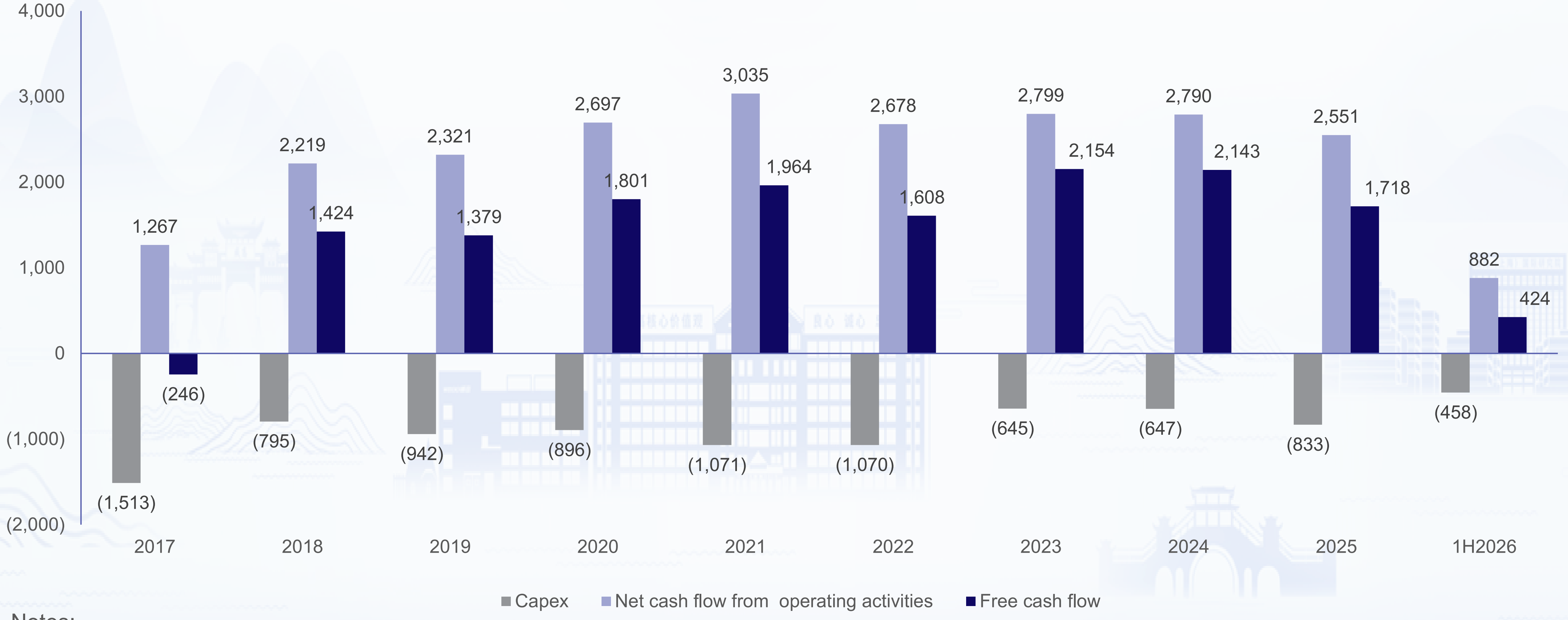
Appendix



Cash flow and Capex

- Net operating cash flow and free cash flow remained stable in 1H2026
- Stable cash flow performance as operating cash flow increased and capital expenditure stabilized; positive free cash flow for the eighth consecutive year since 2018

Cash flow and CAPEX (RMBm)

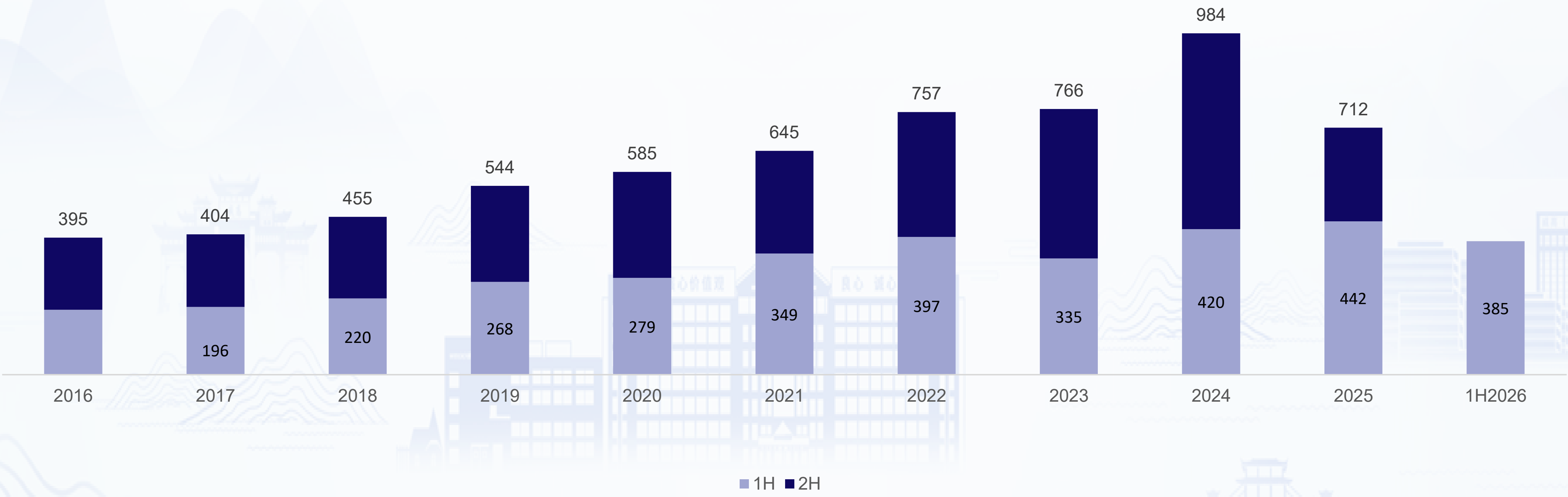


Notes:
1. Net of a one-time cash outflow of RMB460m due to product liability in 2022
2. The effect of accounting restatement of the same control not considered from 2013 to 2023
The above figures are for illustration of the Company's operational trends only. Please refer to the official results announcement for the actual figures.

Increasing dividend payout

The Company intends to maintain a dividend payout ratio[1] at the level of 50% for 1H2026. The cumulative dividends since listing have reached nearly RMB8.0bn, with a CAGR of over 20%

Total dividend (RMBm)



Note:

1. The dividend payout ratio is based on the net profit at the operating level, excluding one-time non-cash incomes
2. The 2026 interim dividend payment is subject to shareholders' approval.

Additional financial data

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		1H2026	2025
Working capital	Inventory turnover days[1]	118 days	129 days
	Accounts receivable turnover days[1]	174 days	164 days
	Accounts payable turnover days[1]	94 days	106 days
Cash & liabilities	Bank balance & cash	RMB7.72bn	RMB8.75bn
	Net cash	RMB4.07bn	RMB5.11bn
	Net cash	RMB3.65bn	RMB3.65bn
Leverage analysis	Total debt / EBITDA (x)	1.2x	1.5x
	Net debt / EBITDA (x)	Net cash	Net cash
	Interest coverage[2] (x)	16.4x	13.0x
Current ratio and return analysis	Current ratio	3.1x	3.8x
	Return on equity (ROE)	6.2%	6.8%
	Return on asset (ROA)	4.5%	4.9%

Notes:
1. Represents the average working capital days, and accounts payable turnover days take into account the effect of notes payable
2. Interest coverage = EBITDA / financing costs
The above figures are for illustration of the Company's operational trends only. Please refer to the official results announcement for the actual figures.

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