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**Gaush Meditech Ltd**

**高视医疗科技有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2407)**

## **PROFIT UPDATE IN RESPECT OF THE FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2023**

This announcement is made by Gaush Meditech Ltd (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

The board (the “**Board**”) of directors (“**Director(s)**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that based on the information currently available and a preliminary review of the unaudited consolidated management accounts of the Group for the financial year ended December 31, 2023 (“**FY2023**”), it is expected that the Group will record a net profit of approximately RMB164.3 million to RMB181.5 million for FY2023, as compared to a net loss of approximately RMB352.7 million for the financial year ended December 31, 2022 (“**FY2022**”).

Based on the information currently available to the Board, the Board believes that the turnaround from net loss to net profit was primarily attributable to:

- (i) the fact that the convertible redeemable preferred shares of the Company (the “**Preferred Shares**”) automatically converted into ordinary shares of the Company (the “**Conversion**”) upon the listing of the shares of the Company on The Stock Exchange of Hong Kong Limited on December 12, 2022 (the “**Listing**”). After the Conversion, the Company did not record any fair value losses or related foreign exchange losses on the Preferred Shares. Therefore, for FY2023, the fair value losses or related foreign exchange losses on the Preferred Shares was nil, representing a decrease of approximately RMB470.6 million as compared to those recorded for FY2022; and

- (ii) the fact that the Company continued to analyze the market demand and competitive situation, and timely adjusted the marketing strategies and product portfolio to better meet the market demand and contribute incremental revenue to the Group. At the same time, the Company continued to invest in research and development and production, which are all going well currently.

Based on the information currently available to the Board, it is expected that the Group will record a net profit of approximately RMB164.3 million to RMB181.5 million for FY2023, representing an increase of approximately 4.5% to 15.4% as compared with the adjusted net profit (non-IFRS measure as defined below) of approximately RMB157.3 million for FY2022. The adjusted net profit (non-IFRS measure) of the Group is not applicable for FY2023. The Board wishes to highlight that “adjusted net profit (non-IFRS measure)” is not required by or presented in accordance with the International Financial Reporting Standards (“IFRS”). Adjusted net profit (non-IFRS measure) for FY2022 is defined by the Group as net loss (i) adding back fair value losses and related foreign exchange losses on Preferred Shares; and (ii) adding back listing expenses. The Board believes that the “adjusted net profit (non-IFRS measure)” would provide investors and management with greater visibility as to the underlying performance of the business operations of the Group and facilitate comparison of operating performance of the Group for FY2023 and that for FY2022 by eliminating the effect of fair value losses and related foreign exchange losses on Preferred Shares and listing expenses, which are either non-operating or non-recurring expenses of the Group. In particular, (i) fair value losses and related foreign exchange losses on Preferred Shares are non-cash in nature and do not result in cash out-flow, and given that the Preferred Shares were converted into ordinary shares of the Company upon the Listing, the Group have not recorded such losses after the Listing; and (ii) listing expenses are expenses relating to the global offering of the Company.

As of the date of this announcement, the Company is still in the process of finalizing the consolidated annual results of the Group for FY2023. The information contained in this announcement is based on a preliminary review of the unaudited consolidated management accounts of the Group and information currently available to the Board for FY2023, which has not been reviewed or audited by the auditors of the Company or reviewed by the audit committee of the Board. Shareholders and potential investors of the Company are advised to read carefully the annual results announcement of the Company for FY2023, which is expected to be published by the end of March 2024.

The Board further confirms that each of the Group’s business operation proceeds normally as expected and there are no material adverse changes in the Group’s business operation and financial position. The Board remains optimistic about the future operating results of the Group and will continue to enhance the investment in the product research and development, production and distribution of the Group’s ophthalmic medical device and consumables.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Gaush Meditech Ltd**  
**Mr. Gao Tieta**  
*Chairman and Executive Director*

Hong Kong, March 8, 2024

*As of the date of this announcement, the Board comprises Mr. Gao Tieta as Chairman and executive Director, Mr. Liu Xinwei, Mr. Zhao Xinli, Mr. Zhang Jianjun and Ms. Li Wenqi as executive Directors, Dr. David Guowei Wang as non-executive Director, and Mr. Feng Xin, Mr. Wang Li-Shin and Mr. Chan Fan Shing as independent non-executive Directors.*