Taimei
太美医疗科技

Zhejiang Taimei Medical Technology Co., Ltd.
浙江太美醫療科技股份有限公司

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

(Stock Code: 2576)

PROFIT ALERT – ESTIMATED REDUCTION IN LOSS

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

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended December 31, 2024 ("**FY2024**") and other information currently available to the management of the Company, the Group is expected to record a net loss of not more than RMB220.0 million, as compared to a net loss of approximately RMB356.4 million for the year ended December 31, 2023, representing an expected reduction in net loss of not less than 38%. Based on the information currently available, the Board considers that the estimated reduction in loss for FY2024 was mainly due to the increase in the Group's overall gross profit margin and the decrease in selling expenses and research and development expenses as a result of the Group having focused on its core competitive products and improved its management efficiency.

To supplement the consolidated financial statements presented in accordance with International Financial Reporting Standards ("**IFRS**"), the Company also includes the adjusted net loss[*note*] (non-IFRS measure) as an additional financial indicator, which is not required by, or presented in accordance with, IFRS. According to the Group's latest business operations and financial conditions, the Company adjusts its adjusted net loss (non-IFRS measure) for FY2024 as the expected net loss for FY2024 to add back share-based payments and listing expenses in connection with the global offering of the Company as detailed in the prospectus of the Company dated September 27, 2024. It is expected that the adjusted net loss (non-IFRS measure) for FY2024 will be not more than RMB60.0 million, as compared to the adjusted net loss (non-IFRS measure) of approximately RMB317.1 million for the year ended December 31, 2023, representing an expected reduction in adjusted net loss (non-IFRS measure) of not less than 81%.

Note: The Company believes that the adjusted net loss (non-IFRS measure) provides useful information to assist the management of the Company in understanding and evaluating the consolidated results of operations. However, the presentation of the adjusted net loss (non-IFRS measure) may not be comparable to other similarly titled indicators presented. The use of adjusted net loss (non-IFRS measure) has limitations as an analytical tool, and shareholders of the Company and potential investors should not consider it in isolation from, or as a substitute for any analysis of, results of operations or financial conditions of the Group as reported under IFRS.

As the Company is still in the process of finalizing the financial results of the Group for FY2024, the information contained in this announcement is only a preliminary assessment by the management of the Company based on the information currently available to them (including the unaudited consolidated management accounts of the Group for FY2024), which has not been reviewed or audited by the auditor or the audit committee of the Company, and may be subject to possible adjustments and finalization. Details of the financial results of the Group for FY2024 will be disclosed in the annual results announcement of the Company to be published by the end of March 2025 in accordance with the Listing Rules.

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

By Order of the Board
Zhejiang Taimei Medical Technology Co., Ltd.
Mr. ZHAO Lu
Chairman of the Board

Hong Kong, February 28, 2025

As at the date of this announcement, the Board comprises Mr. ZHAO Lu, Mr. MA Dong, Mr. ZHANG Hongwei, Mr. LU Yiming, Mr. HUANG Yufei and Ms. NI Xiaomei as executive Directors, and Dr. JIANG Xiao, Dr. LI Zhiguo and Mr. FUNG Che Wai Anthony as independent non-executive Directors.