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**MicroTech Medical (Hangzhou) Co., Ltd.**

**微泰醫療器械(杭州)股份有限公司**

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

**(Stock code: 2235)**

## ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2025, together with the comparative figures for the year ended December 31, 2024.

### FINANCIAL HIGHLIGHTS

For the year ended December 31, 2025, the Group recorded the following annual results:

	Year ended December 31, 2025 RMB	Year ended December 31, 2024 RMB	Year-on-year change %
Operating revenue	<b>660,788,390.77</b>	345,615,086.92	91.2
Gross profit	<b>357,424,832.68</b>	182,848,999.98	95.5
Net profit	<b>40,151,695.97</b>	(63,118,238.98)	163.6
Net profit attributable to shareholders of the parent company	<b>40,151,695.97</b>	(63,118,238.98)	163.6
Earnings per share attributable to ordinary equity holders of the parent			
Basic and diluted	<b>0.10</b>	(0.15)	166.7

## **BUSINESS HIGHLIGHTS**

In 2025, we were firmly committed to enhancing the coverage and accessibility of our medical products and services, consistently providing innovative solutions for diabetic patients, realizing comprehensive breakthroughs in product research and development, production, and commercialization, continuously strengthening the competencies in our Core Product, steadily advancing our international strategy, successfully making up losses and making profits, and entering a new stage of business development.

During the Reporting Period, we achieved operating revenue of RMB660.79 million, representing a significant increase of 91.2% from RMB345.62 million for the year ended December 31, 2024, among which RMB451.52 million was generated from the sales of CGMS, the revenue of which increased by 150.2% from RMB180.43 million for the year ended December 31, 2024. The significant growth in our revenue was mainly attributable to the rapid increase in both domestic and international sales volume of the CGMS.

During the Reporting Period, our gross profit was RMB357.42 million, representing an increase of 95.5% from RMB182.85 million for the year ended December 31, 2024, and our gross profit margin was 54.1%, representing an increase of 1.2 percentage points from 52.9% for the year ended December 31, 2024. The increase in gross profit and gross profit margin was mainly attributable to the significant increase in the sales proportion of CGMS and the improvement in economies of scale in production.

During the Reporting Period, our net profit was RMB40.15 million, marking a turnaround from the loss of RMB63.12 million for the year ended December 31, 2024, which was mainly attributable to the strong revenue growth from our Core Product CGMS, the significant increase in international revenue from the expansion of overseas markets, and the notable decline in the expense ratio from the deepening of lean management.

During the Reporting Period, we resolutely promoted measures to enhance organizational efficiency, achieving significant results; the proportion of key operating expenses, such as selling expenses and administrative expenses to revenue decreased substantially. Our selling expenses amounted to RMB223.05 million, and the ratio of selling expenses to revenue decreased significantly from 59.9% in 2024 to 33.8% in 2025; our administrative expenses amounted to RMB48.29 million, and the ratio of administrative expenses to revenue decreased from 12.2% in 2024 to 7.3% in 2025.

In terms of product pipeline, we have been insisting on investing in innovation and self-development. As at the date of this announcement, we have made a number of important progresses as follows:

- (1) the indications of Equil Patch Insulin Pump System for pediatric and adolescent patients aged 3 to 17 years were approved for marketing by the NMPA in September 2025.
- (2) the second-generation patch insulin pump system with a higher waterproof level and a better adaptability with larger capacity has been submitted to the NMPA for registration.
- (3) the CGMS AiDEX X/LinX has obtained approval from the EU, expanding its indications to patients aged 2 years and above with type 1 and type 2 diabetes.
- (4) the split CGMS AiDEX FLEX/LinX FLEX has been submitted to the NMPA and EU for registration.

In addition, leveraging our hardware and data advantages in dynamic diabetes monitoring and patch insulin pump therapy, we have conducted research on applying AI technology to enhance the effectiveness of diabetes treatment and management, and steadily promoted the application of large AI models in diabetes management scenarios, thus contributing to strengthening our core competitiveness in the field of diabetes management.

### **Product Innovation and Market Performance**

In 2025, the indications of our Core Product, the Equil Patch Insulin Pump System and the AiDEX X/LinX CGMS, were expanded. As of the date of this announcement, our overall products have covered over 3,200 hospitals across the country and sold to more than 120 countries and regions around the world.

## **Diversified E-commerce Channel Strategy**

During the Reporting Period, we deepened the comprehensive ecosystem comprising “e-commerce platform + new media matrix + private domain communities”, building an e-commerce ecosystem featuring channel coordination, scenario intercommunication and operation integration, continuously improving channel operation capabilities, optimizing the traffic conversion path, strengthening the resource links and efficiency coordination among various channels, and achieving large-scale, refined and in-depth operation of e-commerce channels. We have further consolidated our core competencies in online channels, increased our brand’s online market access rate and the breadth of channel coverage, and achieved a dual breakthrough in online scale and brand recognition. Relying on the coordinated trinity development model of “marketing-service-brand”, we have not only achieved a significant increase in sales scale, but also built a distinctive competitive advantage in the e-commerce sector, laying a solid foundation and injecting strong impetus for the long-term development of our brand. During the 2025 Double 11 Shopping Festival, the CGMS ranked first in sales within the dynamic blood glucose meter category on multiple platforms, including Tmall and Kuaishou; it subsequently secured numerous prestigious industry awards from platforms such as JD Health, Tmall, Douyin and Xiaohongshu during the Reporting Period, achieving a significant boost in both its online brand influence and market penetration.

## **Breakthrough in Globalisation Strategy**

During the Reporting Period, our international business achieved breakthrough progress, achieving revenue of RMB343.35 million, representing a year-on-year increase of 227.2% compared to RMB104.95 million in 2024. Data shows that the global CGM market size will exceed USD12 billion in 2025 and maintain an annual growth rate of over 15%. The international market presents significant market potential and growth opportunities. Adhering to the vision of “Becoming a global leader in diabetes management”, the Company takes the CGMS and patch insulin pump system as the starting point, continuously expands its global coverage, adopts the strategy of “focusing on in-depth development and diversified coverage”, expands mature and potential markets such as in Europe, the Middle East, Africa, Latin America, and Southeast Asia, lays out emerging cross-border e-commerce channels, and builds a global marketing network integrating online and offline channels. It has established strategic cooperation with local high-quality medical distributors, clinical research and top-tier research institutions, deeply integrating into the local medical ecosystem. During the Reporting Period, the Company’s Core Product, LinX CGMS, has been successfully included in the medical insurance systems in many countries, becoming a benchmark for the overseas expansion of China’s CGM technology, and new registration and access have been added to over 20 countries including Brazil and India.

### **Professional Market Academic Promotion**

We persistently build an academic promotion system targeting clinical value, laying a solid professional foundation for the long-term commercialization of our products. We are committed to strengthening the clinical value of our products and promoting the expansion of the Equil Patch Insulin Pump and the AiDEX series CGMSs from simple insulin infusion and blood glucose monitoring tools to core clinical scenarios such as precise treatment of diabetes both inside and outside hospitals and full-cycle blood glucose management. The Company is actively promoting the writing and implementation of a consensus on the clinical application of closed-loop artificial pancreas systems. The Company, through in-depth post-marketing real-world researches, is continuously strengthening evidence-based medical evidence.

### **Research and Development and Clinical Progress**

During the Reporting Period, the Company achieved key breakthroughs in multiple clinical studies. The clinical study of the AiDEX X CGMS targeting pregnant women has been completed, providing a solid clinical basis for further expanding the applicable population range of the product. The Equil Insulin Pump System in Europe has completed post-marketing clinical trial, and the domestic clinical trial for indication of the Hybrid Closed Loop Insulin Delivery System for children over 2 years of age has also been completed. In addition, we are actively conducting clinical trials for registration of low-cost blood glucose meters. The Company will also continue to increase its investment in research and development, further strengthening its deployment of cutting-edge technologies and a range of new products, including CGMS, patch insulin pump system and artificial intelligence.

### **Public Welfare and Social Responsibility**

As of the date of this announcement, the Company has been highly recognized for its technological innovation and industrial contribution and identified as a national-level Specialized, Refined, Differential and Innovative “Little Giants” Enterprise, and it undertook a number of major provincial and ministerial-level science and technology projects. Our patch insulin pump was designated as one High-Quality Hangzhou-made Pharmaceutical and Medical Device Product in 2025. The CGMS has been listed in the “new and excellent medical device” product of Zhejiang Province, the “Smart Health and Elderly Care Products and Services (2024)”, and the High-Quality Hangzhou-made Pharmaceutical and Medical Device Products in 2025.

During the Reporting Period, guided by its philosophy of “MicroTech Ideal Life” and driven by the mission to “integrate health into every aspect of life”, the Company organized over 50 health-themed events throughout the year. These events covered diverse settings such as sports competitions, trade fairs, and cross-industry collaborations, including various activities such as the Chengdu Marathon, the UCI World Cycling Championships, the Canton Fair, a co-branded salon with Women’s Health, and a sugar-control partnership with Tims Coffee. Through a “professional + lifestyle-oriented” approach, the events have helped spread scientific knowledge about blood sugar management, effectively expanded the brand’s audience reach, and enhanced its market influence.

### **Progress of Share Repurchases**

Rooted in the confidence in the Company’s future development prospects and recognition of the Company’s investment value, and in order to safeguard the Company’s value and Shareholders’ interests, and to further increase investors’ confidence, the Company has actively implemented share repurchases, and since its repurchase of H Shares on November 24, 2023, as of the date of this announcement, a total of 8,253,500 H Shares have been repurchased by the Company, accounting for 4.88% of the total H Shares of the Company. Subsequently, the Company will increase the repurchases based on the authorization of the general meeting and in light of the actual conditions of the capital market, so as to enhance the Company’s value and Shareholder returns.

- The Board does not recommend the payment of a final dividend for the year ended December 31, 2025 (2024: Nil)

# CONSOLIDATED INCOME STATEMENT

Year ended December 31, 2025

	Notes	2025 RMB	2024 RMB
I. Total operating revenue	3	660,788,390.77	345,615,086.92
Less: Operating costs		303,363,558.09	162,766,086.94
Tax and surcharges		4,883,485.90	3,676,255.06
Selling expenses		223,049,898.62	207,139,147.48
Administration expenses		48,291,045.46	42,145,461.25
Research & development expenses		76,338,263.10	76,558,396.48
Finance costs		-29,180,474.64	-71,564,688.97
Including: Interest expenses		127,978.05	676,448.90
Interest income		47,778,382.91	62,844,339.71
Add: Other gains		14,488,882.01	16,358,494.94
Investment income		6,118,581.70	1,408,085.72
Including: Investment income from associated companies and joint ventures		—	—
Gains on derecognition of financial assets measured at amortized cost		—	—
Income from net exposure to hedging		—	—
Gains on fair value changes		-33,995.73	88,460.72
Credit impairment losses		-1,531,473.19	-1,439,412.54
Impairment losses on assets		-9,119,470.41	-3,769,077.85
Gains on disposal of assets		7,371.61	—
II. Operating profits		43,972,510.23	-62,459,020.33
Add: Non-operating income		239,493.70	163,186.42
Less: Non-operating expenses		3,811,331.16	853,366.95
III. Total profits		40,400,672.77	-63,149,200.86
Less: Income tax expenses	4	248,976.80	-30,961.88
IV. Net profits		40,151,695.97	-63,118,238.98
(I) Classified by sustainability:			
1. Net profits from continuing operations		40,151,695.97	-63,118,238.98
2. Net profits from discontinued operations		—	—
(II) Classified by ownership:			
1. Net profits attributable to owners of the parent company		40,151,695.97	-63,118,238.98
2. Minority shareholders' profits or losses		—	—

	<i>Notes</i>	<b>2025</b>	2024
		<b>RMB</b>	<b>RMB</b>
V. Other comprehensive income, net of tax		<b>-234,451.15</b>	113,988.36
Other comprehensive income attributable to owners of the parent, net of tax		<b>-234,451.15</b>	113,988.36
(I) Other comprehensive income that will not be reclassified to profit or loss		—	—
1. Change in defined benefit plans arising from re measurement		—	—
2. Other comprehensive income that cannot be transferred to profit or loss under the equity approach		—	—
3. Changes in fair value of other equity instrument investments		—	—
4. Change in fair value of the Company's own credit risk		—	—
5. Others		—	—
(II) Other comprehensive income that will be reclassified to profit or loss		<b>-234,451.15</b>	113,988.36
1. Other comprehensive income that can be transferred to profit or loss under the equity approach		—	—
2. Change in fair value of other debt investments		—	—
3. Amount of financial assets reclassified into other comprehensive income		—	—
4. Provision for credit impairment of other debt investments		—	—
5. Cash flow hedge reserve		—	—
6. Translation differences arising on translation of foreign currency financial statements		<b>-234,451.15</b>	113,988.36
7. Others		—	—
Other comprehensive income attributable to minority interests, net of tax		—	—
VI. Total comprehensive income		<b>39,917,244.82</b>	-63,004,250.62
Total comprehensive income attributable to owners of the parent		<b>39,917,244.82</b>	-63,004,250.62
Total comprehensive income attributable to minority interests		—	—
VII. Earnings per share:			
(I) Basic earnings per share		<b>0.10</b>	-0.15
(II) Diluted earnings per share		<b>0.10</b>	-0.15

# CONSOLIDATED BALANCE SHEET

As at December 31, 2025

	Notes	2025 RMB	2024 RMB
<b>Current assets:</b>			
Cash at bank and on hand		1,506,756,628.19	1,697,264,859.72
Financial assets held for trading		39,226,922.48	10,224,641.54
Derivative financial assets		—	—
Bills receivable		—	—
Accounts receivable	8	144,601,679.39	116,103,604.51
Receivables financing		100,000.00	1,715,356.77
Prepayments		10,657,334.77	10,676,251.06
Other receivables		5,071,499.53	3,011,353.66
Inventories		79,066,609.57	50,807,949.19
Contract assets		—	—
Assets held for sale		—	—
Non-current assets due within one year		—	—
Other current assets		22,825,550.12	15,010,025.92
<b>Total current assets</b>		<b><u>1,808,306,224.05</u></b>	<b><u>1,904,814,042.37</u></b>

	<i>Notes</i>	<b>2025</b> <b>RMB</b>	2024 <b>RMB</b>
<b>Non-current assets:</b>			
Issuance of loans and advances		—	—
Debt investments		—	—
Other debt investments		—	—
Long-term receivables		—	—
Long-term equity investments		—	—
Other equity instrument investments		—	—
Other non-current financial assets		—	—
Investment properties		—	—
Fixed assets	7	<b>218,848,181.17</b>	94,796,492.21
Construction in progress		<b>1,176,658.39</b>	109,615,940.27
Productive biological asset		—	—
Oil and gas assets		—	—
Right-of-use assets		<b>841,796.34</b>	199,296.56
Intangible assets		<b>30,616,837.56</b>	31,801,977.57
Development expenses		—	—
Goodwill		—	—
Long-term deferred expenses		<b>862,353.82</b>	107,626.91
Deferred tax assets		—	—
Other non-current assets	9	<b>249,688,891.57</b>	5,017,469.72
<b>Total non-current assets</b>		<b>502,034,718.85</b>	241,538,803.24
<b>Total assets</b>		<b>2,310,340,942.90</b>	2,146,352,845.61



	<i>Notes</i>	<b>2025</b> <b>RMB</b>	2024 <b>RMB</b>
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (or share capital)		<b>421,078,000.00</b>	421,138,000.00
Other equity instruments		—	—
Including: Preferred shares		—	—
Perpetual bonds		—	—
Capital reserve		<b>1,873,278,305.56</b>	1,871,271,557.52
Less: Inventory shares		<b>35,698,523.60</b>	33,577,999.92
Other comprehensive income		<b>612,753.43</b>	847,204.58
Special reserve		—	—
Surplus reserve		—	—
General risk reserve		—	—
Unallocated profit		<b>-244,896,683.78</b>	-285,048,379.75
Total equity attributable to owners of the parent		<b>2,014,373,851.61</b>	1,974,630,382.43
Minority interest		—	—
		<hr/>	<hr/>
<b>Total owners' equity</b>		<b><u>2,014,373,851.61</u></b>	<b><u>1,974,630,382.43</u></b>
<b>Total liabilities and owners' equity</b>		<b><u>2,310,340,942.90</u></b>	<b><u>2,146,352,845.61</u></b>

# NOTES TO FINANCIAL STATEMENTS

December 31, 2025

## 1. CORPORATE INFORMATION

MicroTech Medical (Hangzhou) Co., Ltd. is a joint stock company with limited liability established in the People's Republic of China ("PRC"). The registered office of the Company is located at No.108 Liuze Street, Cangqian Street, Yuhang District, Hangzhou, Zhejiang Province, China.

During the year, the Group was principally engaged in the research and development, manufacture and commercialisation of medical devices and consumables for diabetes management.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on October 19, 2021.

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These financial statements have been prepared using the going concern basis of accounting based on the transactions and events actually occurred and in accordance with the Accounting Standard for Business Enterprises and related regulations issued by the Ministry of Finance of the PRC (hereinafter collectively referred to as "PRC GAAP") and the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the disclosure requirements under the Hong Kong Companies Ordinance, and based on the accounting policies and accounting estimates applicable to the Group.

## 3. OPERATING INCOME

An analysis of revenue is as follows:

Item	2025	2024
<i>Revenue from contracts with customers</i>		
Sale of medical devices and consumables	652,401,125.00	340,726,575.07
Others	4,323,610.24	910,973.47
<i>Revenue from other sources</i>		
Other lease payments (including fixed payments)	4,063,655.53	3,977,538.38
	<u>660,788,390.77</u>	<u>345,615,086.92</u>

## Revenue from contracts with customers

### (a) Disaggregated revenue information

Item	2025	2024
<b>Geographical markets</b>		
Mainland China	313,371,280.21	236,690,281.44
Other countries/regions	343,353,455.03	104,947,267.10
	<u>656,724,735.24</u>	<u>341,637,548.54</u>
<b>Timing of revenue recognition</b>		
Goods and services transferred at a point in time	<u>656,724,735.24</u>	<u>341,637,548.54</u>

## 4. INCOME TAX EXPENSES

Item	2025	2024
Current income tax	275,597.71	0.00
Deferred income tax	<u>(26,620.91)</u>	<u>(30,961.88)</u>
Total	<u>248,976.80</u>	<u>(30,961.88)</u>

## 5. DIVIDENDS

No dividend has been paid or declared by the Company for the year ended December 31, 2025 (2024: Nil).

## 6. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profits of the Company attributable to owners of the parent company by the weighted average number of ordinary shares in issue during the period. No adjustment has been made to the basic earnings per share amount presented for the Reporting Period in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the Reporting Period.

## 7. FIXED ASSETS

	December 31, 2025	December 31, 2024
Carrying amount at beginning of period	94,796,492.21	92,685,508.25
Additions	12,700,274.86	5,508,603.23
Transferred from construction in progress	122,319,189.02	7,303,885.00
Depreciation provided	(10,947,280.31)	(9,834,663.50)
Provision for impairment	—	—
Disposal or retirement	(25,184.20)	(866,840.77)
Carrying amount at end of period	<u>218,848,181.17</u>	<u>94,796,492.21</u>

## 8. ACCOUNTS RECEIVABLE

	December 31, 2025	December 31, 2024
Book balance of accounts receivable	152,743,261.38	123,227,453.23
Less: Provision for bad debts	<u>8,141,581.99</u>	<u>7,123,848.72</u>
Book value of accounts receivable	<u><u>144,601,679.39</u></u>	<u><u>116,103,604.51</u></u>

### (1) Ageing analysis

Age	December 31, 2025		
	Book balance	Provision for bad debts	Percentage of provision (%)
Within 1 year	147,051,240.60	3,083,400.12	2.1
1–2 years	1,204,242.85	649,020.15	53.9
2–3 years	1,301,930.08	1,231,538.00	94.6
3–4 years	1,173,172.69	1,165,207.67	99.3
4–5 years	977,948.02	977,688.91	100.0
over 5 years	<u>1,034,727.14</u>	<u>1,034,727.14</u>	<u>100.0</u>
Total	<u><u>152,743,261.38</u></u>	<u><u>8,141,581.99</u></u>	<u><u>5.3</u></u>

Age	December 31, 2024		
	Book balance	Provision for bad debts	Percentage of provision (%)
Within 1 year	112,324,674.33	2,751,954.53	2.5
1–2 years	7,200,102.44	1,725,831.95	24.0
2–3 years	1,559,981.68	810,590.08	52.0
3–4 years	1,060,927.56	757,179.94	71.4
4–5 years	113,605.77	110,191.26	97.0
over 5 years	<u>968,161.45</u>	<u>968,100.96</u>	<u>100.0</u>
Total	<u><u>123,227,453.23</u></u>	<u><u>7,123,848.72</u></u>	<u><u>5.8</u></u>

The aging analysis of accounts receivable is based on the month in which the payment is actually incurred. The payment that occurs first will be settled first when liquidity is available.

The credit period granted by the Company to its customers is generally 1 to 3 months. Overdue receivables are reviewed regularly by management.

## 9. OTHER NON-CURRENT ASSETS

Item	December 31, 2025		Book value
	Book balance	Provision for impairment	
Proceeds from the acquisition of long-term assets	6,668,508.00		6,668,508.00
Large-denomination certificate of deposit	243,020,383.57		243,020,383.57
Total	<u>249,688,891.57</u>	<u></u>	<u>249,688,891.57</u>

Item	December 31, 2024		Book value
	Book balance	Provision for impairment	
Proceeds from the acquisition of long-term assets	5,017,469.72		5,017,469.72
Large-denomination certificate of deposit			
Total	<u>5,017,469.72</u>	<u></u>	<u>5,017,469.72</u>

## 10. ACCOUNTS PAYABLE

	December 31, 2025	December 31, 2024
Within 1 year	85,449,849.94	75,885,091.34
1–2 years	664,208.97	542,856.45
2–3 years	215,362.97	75,222.31
over 3 years	456,930.93	542,116.62
Total	<u>86,786,352.81</u>	<u>77,045,286.72</u>

The aging analysis of accounts payable is based on the month in which the amount actually occurs. The amount which occurs first has priority in settlement with respect to cash flow.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

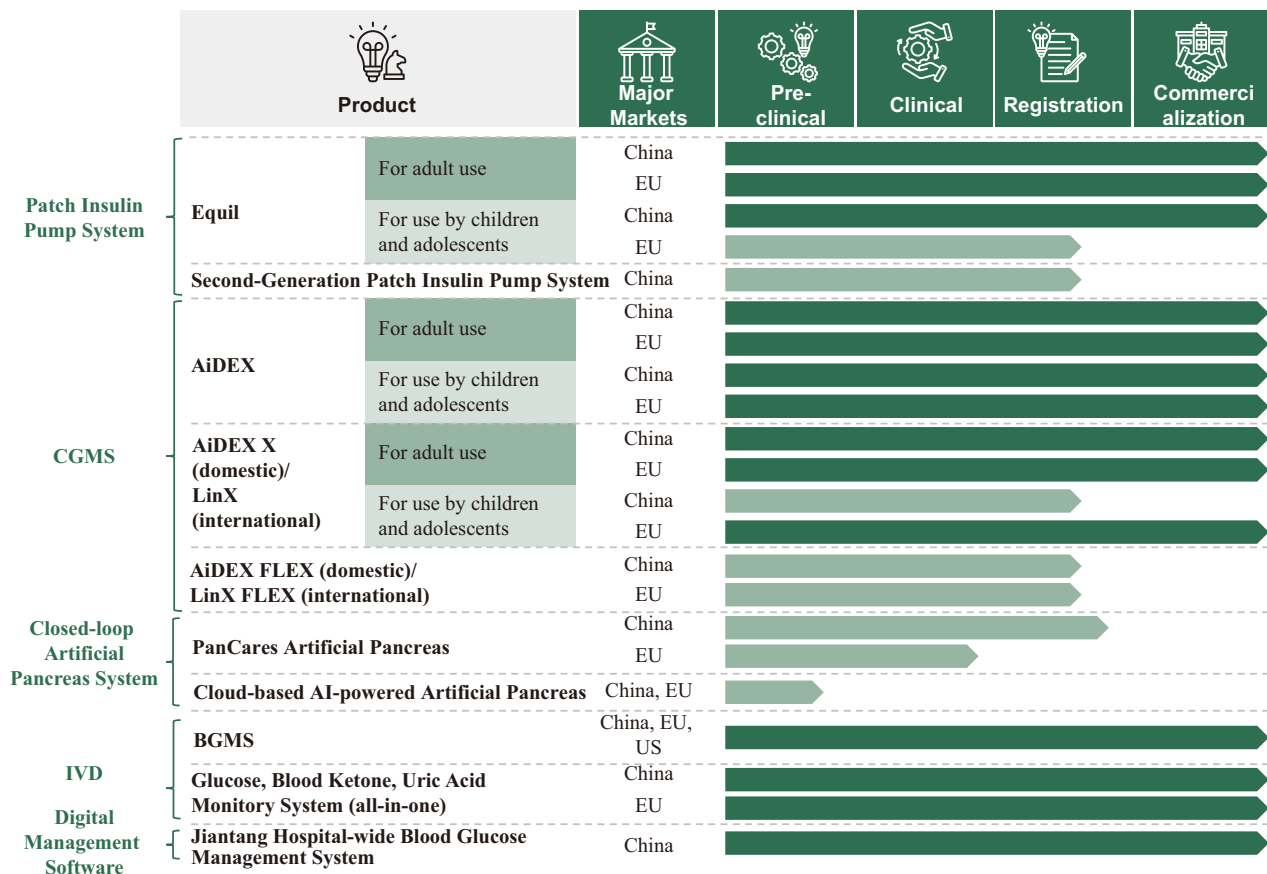
### Overview

We are a high-tech enterprise dedicated to the R&D, production and sales of medical devices for the monitoring, treatment and management of diabetes. We are committed to becoming a global leader in diabetes management, helping patients with diabetes lead healthier and better lives. We have established a full system product portfolio that covers diabetes monitoring equipment (CGMS), treatment equipment (patch insulin pump system) and software platform (Jiantang Hospital-wide Blood Glucose Management System). At the core technology level, we have independently developed a patch insulin pump system equipped with the algorithm module, which can analyse patients' physiological data in real time and dynamically adjust the dosing regimen. The CGMS employed core processes and algorithms, significantly improving the accuracy of blood glucose measurement, and the core performance indicators have reached the international advanced level. At the same time, we have developed a cloud-based big data platform for diabetes management, which will continue to deliver greater clinical benefits and digital convenience to patients with diabetes worldwide, whilst reducing the economic burden on patients.

We will continue to leverage the Company's strengths in patch insulin pump system and CGMS, continuously refining our technological R&D to introduce closed-loop solutions; through user-centric and clinically-driven marketing strategies, coupled with diversified commercialisation channels, we will further expand our marketing network, enhance brand awareness for innovative products, expand our international market operations, and continually broaden our profit margins.

## Products and Product Pipeline

As of December 31, 2025, the Company had 5 major categories of products and pipeline candidates that have obtained 22 medical device registration certificates in the PRC and 93 medical device registration certificates overseas. Among those products, 23 of them have obtained CE marking in the EU, and 1 of them have obtained 510(k) approval from FDA. The following chart summarizes the development progress of our products and product candidates as of the date of this announcement:



## **Our Core Product**

### **Patch Insulin Pump System — Equil**

Patch Insulin Pump System (“**Equil**”), our Core Product, is a semi-disposable patch insulin pump. Compared to traditional tubed insulin pumps, Equil features a tubeless and lightweight design, enabling users to manage diabetes in a more private, convenient and safer manner. Compared to other patch insulin pumps in the market, Equil has a longer reusable lifespan, rechargeable battery, and a unique pump vibration alarm design. In 2017, Equil received the launch approval for adult use from the NMPA. Equil also received CE marking in the EU in the same year. In 2018, Equil was successfully selected into the “Innovative Medical Device Product Catalog (2018)” issued by the Ministry of Science and Technology. It is the only product in the field of diabetes in the catalog, and was included in the “China Insulin Pump Treatment Guidelines”.

In September 2025, Equil received approval from the NMPA to expand its indications to diabetic patients aged 3 to 17, providing a new treatment option for children and adolescents with diabetes in China. As of the date of this announcement, our second-generation patch insulin pump system was submitted to the NMPA for registration. The second-generation patch insulin pump system features a higher waterproof level and a better adaptability to insulin reservoirs with larger capacity as well as offers a more user-friendly operating experience.

## **CGMS**

Compared to traditional blood glucose monitoring methods, CGMS (clinically referred to as dynamic blood glucose monitoring) can provide continuous, comprehensive and reliable blood glucose information throughout the whole day, helping users to have a better understanding of the trends and characteristics of blood glucose fluctuations while relieving the pain of frequent blood sampling.

Our AiDEX CGMS is the second commercialized calibration-free real-time CGMS in the world. The system received the launch approvals from the NMPA and the EU in 2021. As of the date of this announcement, we have obtained approval from the NMPA and EU for the application extension of AiDEX to children and adolescents with diabetes.

In 2024, the Company launched the new generation of CGMS — AiDEX X (international brand name: LinX). The product is smaller in size, better in performance and adopts a fully disposable design, which significantly enhances ease of use. AiDEX X/LinX received the launch approval from the NMPA in February 2024. For the international market, the product received CE marking in the EU in September 2024 and received indication expansion in the second half of 2025 for use in patients aged 2 and above with type 1 and type 2 diabetes.

With proprietary technology, the Company continued to develop new CGMS AiDEX FLEX/LinX FLEX which adopted a detachable design featuring a reusable transmitter, offering greater cost-effectiveness. As of the date of this announcement, we have submitted the detachable CGMS to the NMPA and the EU for registration.

The integrated CGMS and detachable CGMS form a highly complementary product matrix. Relying on the synergistic layout and combined advantages of these two products, the Company precisely meets the differentiated needs of various target populations, achieving in-depth reach and comprehensive coverage of a wider range of users.

### **Closed-loop Artificial Pancreas System**

PanCares closed-loop artificial pancreas system combines the intelligent functions in diabetes treatment with monitoring. Its closed-loop control algorithm simulates the feedback regulation mechanism of the human pancreas, so as to realize the automation of treatment and monitoring functions, allow a dynamic management of blood glucose levels of patients and keep the patients' blood glucose fluctuation within a normal or near-normal range.

The system consists of three major components: CGMS, insulin delivery system (the patch insulin pump system) and closed-loop control algorithm. The adaptive model predictive control (MPC) algorithm is used to dynamically regulate blood glucose levels by integrating insulin pump delivery data and continuous glucose monitoring values in real time. In 2023, the product obtained approval of the Special Procedures for Examination and Approval of Innovative Medical Devices promulgated by the NMPA, and has been submitted to the NMPA for registration.

## **IVD Products**

### ***BGMS***

Since the establishment of the Company, we developed and commercialized 15 types of blood glucose meters and 7 types of test strips in China. In addition, our BGMS products have obtained launch approvals in major overseas markets, including FDA and CE marking of the EU. We have developed and commercialized 13 types of blood glucose meters and 6 types of test strips in the overseas markets. By using the BGMS, the Company can reach a wider range of diabetic patients, expand sales channels, accumulate customer resources, and offer solid support to the promotion of the Company's innovative medical devices such as CGMS, patch insulin pump system, and closed-loop artificial pancreas system in the market.

As of the date of this announcement, the blood glucose meter with an expanded indication to newborns (within 30 days of birth) has obtained launch approval.

### ***Exactive Pro — Blood Glucose, Blood Ketone, Uric Acid Monitory System***

The Exactive Pro blood glucose, blood ketone and uric acid monitoring system independently developed by the Company can detect blood glucose, blood ketones and uric acid concentration simultaneously, meeting the needs of diabetes, ketoacidosis, hyperuricemia and gout patients for self-monitoring of various health indicators. The system obtained CE marking from the EU in 2022 and launch approval from the NMPA in 2023, making it the first integrated product in China to provide monitoring of the above three indicators function without requiring code adjustment.

As of the date of this announcement, the iteratively upgraded multi-function all-in-one tester (blood glucose/blood ketone/uric acid) equipped with “Jiantang Diabetes Management Software” passed the launch approval. The device can realize real-time upload of test data.

### **Diabetes Digital Management Software**

The Company has also made key breakthroughs in the digital blood glucose management field. With the “Jiantang Hospital-wide Blood Glucose Management System” and the cloud-based diabetes platform, the Company has achieved real-time docking and remote data sharing of blood glucose monitoring and treatment, such as BGMS, CGMS, and patch insulin pump systems. The system enables, doctors and nurses to monitor the blood glucose data and insulin infusion status of patients of various departments on a real-time basis, intervene in high or low blood glucose events promptly, and handle low drug dosage/low battery alarms of equipment, and equipment malfunctions. Patients can independently view their blood glucose and insulin infusion status during hospitalization and home care, increasing their participation in blood glucose management while authorizing medical personnel to view and modify treatment and management programs in a timely manner through the outpatient management function.

As of December 31, 2025, the Jiantang Hospital-wide Blood Glucose Management System had been employed in more than 3,200 hospitals. Currently, more than 27,000 doctors and nurses are using the system. The Pancarex Blood Glucose Management System has been deployed in dozens of countries overseas.

**We cannot ensure that we will ultimately be able to successfully develop and market our Core Product and other products as above mentioned. Shareholders and potential investors of the Company are advised to exercise caution when dealing in shares of the Company.**

## **Our Platform**

We have established a strong platform of R&D, manufacturing and commercialization capabilities, focusing on the field of diabetes monitoring and treatment devices.

## **R&D**

The Company has built an interdisciplinary and composite R&D system, with the core team members consisting of scientists and engineers from top international universities and leading global medical device companies, covering cutting-edge fields such as biomedical engineering, advanced materials and intelligent algorithms, with an average of over 18 years of R&D experience. The team deeply collaborates with clinical experts and industry authorities to form a full-chain innovation mechanism of “demand insight — technology research — clinical verification”.

In terms of product R&D pipeline, we insist on independent innovation and self-development.

- (1) the indications of Equil Patch Insulin Pump System for pediatric and adolescent patients aged 3 to 17 years were approved for marketing by the NMPA in September 2025.
- (2) the second-generation patch insulin pump system with a higher waterproof level and a better adaptability with larger capacity has been submitted to the NMPA for registration.
- (3) the CGMS AiDEX X/LinX has obtained CE marking from the EU, expanding its indications to patients aged 2 years and above with type 1 and type 2 diabetes.
- (4) the split CGMS AiDEX FLEX/LinX FLEX has been submitted to the NMPA and EU for registration.

In addition, leveraging our hardware and data advantages in dynamic diabetes monitoring and patch insulin pump therapy, we have conducted research on applying AI technology to enhance the effectiveness of diabetes treatment and management, and steadily promoted the application of large AI models in diabetes management scenarios, thus strengthening our core competitiveness in the field of diabetes management.

During the Reporting Period, the research and development and clinical promotion of our products achieved remarkable results, and several key advancements laid an important foundation for business expansion. Among them, the clinical study of the AiDEX X CGMS targeting pregnant women was completed, providing a solid clinical basis for further expanding the applicable population range of the product; the Equil Insulin Pump System in Europe completed post-marketing clinical trial, providing support for medical insurance admission; the domestic clinical study for indication of the Hybrid Closed Loop Insulin Delivery System for children over 2 years of age completed the clinical trials. In addition, we are actively conducting clinical trials for the registration of low-cost blood glucose meters. AiDEX FLEX/LinX FLEX was submitted to the NMPA and the EU for registration of detachable CGMS. The Company will also continue to increase its investment in research and development, further strengthening its deployment of cutting-edge technologies and a range of new products, including CGMS, patch insulin pump system and artificial intelligence.

In addition, based on the development trend of AI large models in the CGM field, we have made plans through various methods, such as forming an internal AI team and cooperating with leading domestic research institutes.

Our technological innovation strength has been recognized at the national level, and we were identified as a national level Specialized, Refined, Differential and Innovative “Little Giants” Enterprise, and designated as the Key Diabetes Research Center in Zhejiang Province, China. The Equil, our independently developed Core Product, has been selected into the “Innovative Medical Device Product Catalog” issued by the Ministry of Science and Technology. Pancares has been certified and approved by the NMPA as eligible for the “Special Procedures for Examination and Approval of Innovative Medical Devices” issued by the NMPA. We have undertaken two major national science and technology projects, and the development of artificial intelligence diabetes management platform has been selected as a project of “Leading Innovative Team” by the Department of Science and Technology of Zhejiang Province.

## **Manufacturing**

The Company is located in Hangzhou, Zhejiang Province, China and owns a manufacturing facility with an aggregate area of approximately 15,000 sq.m., for the manufacturing of our products and product candidates. Our manufacturing facility complies with GMP regulations in the U.S., the EU and China and adheres to strict production and quality control standards to ensure high product output, quality and safety. We conduct all the key manufacturing procedures in-house, accumulating a wealth of expertise and skills. In recent years, we have accumulated significant breakthroughs in the production of diabetes monitoring medical devices, providing us with a solid foundation for rapid growth. We have gradually introduced automated production lines for CGMS, optimized manufacturing processes, integrating efficient production across material handling and product fabrication, so as to further improve production efficiency, enhance product quality and reduce production costs.

To meet the Company's growing business demand, we are actively pushing forward the construction of an advanced production manufacturing base in Yuhang District, Hangzhou, Zhejiang Province, China. The base, with a total area of approximately 44,000 sq.m., which commenced construction in 2023, will mainly be used to expand the production capacity of its Core Product. The new manufacturing base will be equipped with advanced production equipment and technology to increase capacity and production efficiency. The base was successfully completed in 2025 and officially passed acceptance checks and put on record. We will continue to follow strict quality control standards to ensure the quality and safety of our products. This initiative will further enhance the Company's production capabilities to meet the growing market demand and lay a firmer foundation for the Company's future development.

## **Commercialization**

### ***Core Product Market Performance***

In 2025, the market penetration of our AiDEX X CGMS and Equil Patch Insulin Pump System continued to increase. The Company's products have obtained access to more than 3,200 domestic hospitals and have been sold to 120 countries and regions around the world. Our Core Product, the Equil Patch Insulin Pump System, continued to maintain a leading position of domestic insulin pump system.

## ***Diversified E-commerce Channel Layout: Empowering Brand Growth Deeply Linking with Customers***

During the Reporting Period, we continued to deepen our strategic layout of e-commerce channels. Focusing on the development of a full-chain and multi-dimension operation system, we fully integrated online contact points for traffic such as e-commerce platforms, new media matrices and private-domain communities, and established an e-commerce ecosystem featuring channel synergy, scenario interconnected and integrated operation. Meanwhile, we steadily improved our channel operation capabilities, optimized traffic conversion paths, and strengthened resource interconnection and efficiency synergy across channels to achieve the scaled, refined and in-depth operation of e-commerce channels, thus, we further consolidated the core competitiveness of our online channels and enhanced the brand's online market penetration and channel coverage.

In terms of marketing, we increased investment in content marketing. We precisely reached target customer groups with a diversified manner, such as professional popularization of science, user cases, scenario-based content, effectively enhance the results of brand reach and commercial conversion. In terms of service, we continued to optimize the management of the whole after-sales process, integrated the membership system across the entire domain, and built an integrated online and offline service network. We provided users with full-life-cycle services and dedicated care covering consultation, purchase on selection and after-sales support, resulting in a significant improvement in user satisfaction and repurchase rate. In terms of branding, guided by our philosophy of “MicroTech Ideal Life” and driven by the mission to “integrate health into every aspect of life”, we organized over 50 health-themed events throughout the year. These events covered diverse settings such as sports competitions, trade fairs, and cross-industry collaborations, including various activities such as the Chengdu Marathon, the UCI World Cycling Championships, the Canton Fair, a co-branded salon with Women's Health, and a sugar-control partnership with Tims Coffee. Through a “professional + lifestyle-oriented” approach, the events helped spread scientific knowledge about blood sugar management, effectively expanded the brand's audience reach, and enhanced its market influence. Relying on the synergetic development model of “marketing — service — brand”, we have not only achieved significant growth in sales volume, but also gained differentiated competitive advantages in the e-commerce sector, laying a solid foundation for and adding strong impetus to the long-term development of the brand.

During the Double 11 Shopping Festival in 2025, our AiDEX series CGMS won first place in single-store sales for dynamic blood glucose meters on Tmall, first place on Tmall's bestseller list of glucose testing meters, first place in sales on Kuaishou, and first place in views for dynamic blood glucose meters on Xiaohongshu. In 2025, committed to operating on various major e-commerce platforms, based on its outstanding performance, the Company received remarkable awards in multiple industries, including the "Gold Award of Popularized New Product — Medical Devices" from JD Health, "Annual Scientific and Technological Innovation Brand" from Tmall, "Annual Creative Brand" from Douyin, and "Outstanding Brand Innovation Award" from Xiaohongshu.

### ***Making a Breakthrough in Globalization: Further Developing Local Operation and Speeding Up Overseas Expansion***

Data shows that the global CGM market size will exceed USD12 billion in 2025 and maintain an annual growth rate of over 15%. The international market presents significant market potential and growth opportunities.

Adhering to the vision of "Becoming a global leader in diabetes management", the Company takes the CGMS and patch insulin pump system as the starting point to continuously deepen its global strategic footprint. It has achieved milestone breakthroughs in the expansion into the international market and local operations, and steadily enhanced the high-quality development of its global businesses. In terms of market expansion, we have adopted the strategy of "development in major markets and diversified layout". On the one hand, we have steadily expanded into mature and high-potential markets such as Europe, Middle East, and Africa, Latin America, and Southeast Asia, consolidating our market basis. On the other hand, we have actively utilized emerging channels such as cross-border e-commerce to establish a global marketing network featuring in-depth integration of online and offline resources and well-coordinated and inter-connected within multiple regions. By establishing long-term and stable strategic cooperation relationships with local top medical enterprises, key distributors, and scientific research institutions, we deeply integrated into the local healthcare ecosystem, accurately understood regional market demand, so as to strongly support product localization, large-scale promotion, and full-cycle user services.

During the Reporting Period, our international business achieved breakthrough progress, achieving revenue of RMB343.35 million, representing a year-on-year increase of 227.2% compared to RMB104.95 million in 2024. Our product matrix has covered more than 120 countries and regions worldwide, and we witnessed continuous improvement in brand influence and customers' recognition in the industry. Among those products, the LinX CGMS, our Core Product, has successfully included in the healthcare reimbursement systems of multiple countries by virtue of its outstanding clinical performance, consistent

product quality, and excellent user experience. It has also been widely recognized by local authoritative medical institutions and a large number of patients, becoming a benchmark for Chinese CGM technology export. Meanwhile, we achieved breakthrough progress in emerging markets, including the Middle East, Asia Pacific, and South America, successfully completed market access in multiple countries, laying a solid foundation for subsequent large-scale business growth. In 2025, the LinX CGMS obtained registration access in more than 20 additional countries, including key emerging markets such as Brazil (which has the world's third-largest diabetes-related expenditure) and India (which has the world's second-largest diabetic population).

To support the rapid and sustainable growth of our international business, we have established a sound global commercial operation system. Our specific layout is set out as follows:

1. **Cross-border E-commerce Layout:** we have effectively utilized major global cross-border e-commerce platforms and standalone websites, including Amazon, Shopee, Lazada, and AliExpress. Continuously optimizing product display, logistics, and customer service, we have achieved rapid reach and precise delivery of products worldwide.
2. **Local Service System:** we have established professional local service teams in key markets, providing full-chain localized services covering marketing, sales, and after-sales support, so as to strengthen local customer stickiness for our brand.
3. **International Academic Exchange and Industry Communication:** we actively participate in various international and academic exhibitions, including the International Diabetes Federation (IDF), Florida International Medical Expo (FIME), and Advanced Technologies & Treatments for Diabetes (ATTD), so as to fully demonstrate the strength of China's innovative medical technology, continuously enhance worldwide brand awareness and industry influence, and build bridges for international cooperation and technology exchange.

## FINANCIAL REVIEW

### Overview

The following discussion is based on and should be read in conjunction with the financial information and accompanying notes included elsewhere in this announcement.

### Operating Income

During the Reporting Period, we generated most of our operating income from sales of medical devices, including insulin pump system, BGMS and CGMS and others.

For the year ended December 31, 2025, the Group's operating income was RMB660.79 million, representing an increase of 91.2% from RMB345.62 million for the year ended December 31, 2024. The increase in operating income was mainly attributable to the rapid increase in both domestic and international sales volume of the CGMS.

The following table sets forth a breakdown of our revenue:

Item	For the year ended December 31,			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
CGMS	<b>451,516</b>	<b>68.3</b>	180,431	52.2
Insulin pump system	<b>88,767</b>	<b>13.4</b>	81,012	23.5
BGMS	<b>112,645</b>	<b>17.1</b>	78,551	22.7
Others	<b>7,861</b>	<b>1.2</b>	5,622	1.6
Total	<b><u>660,788</u></b>	<b><u>100.0</u></b>	<b><u>345,615</u></b>	<b><u>100.0</u></b>

### Operating Cost

Our operating cost primarily consists of material costs, staff costs and others.

For the year ended December 31, 2025, the Group's operating cost was RMB303.36 million, representing an increase of 86.4% from RMB162.77 million for the year ended December 31, 2024. The increase in operating cost was mainly due to an increase in labor and raw material costs resulting from higher sales volumes.

## Gross Profit and Gross Profit Margin

For the year ended December 31, 2025, the Group's gross profit was RMB357.42 million, representing an increase of 95.5% from RMB182.85 million for the year ended December 31, 2024. Our gross profit margin increased from 52.9% for the year ended December 31, 2024 to 54.1% for the year ended December 31, 2025, mainly due to the significant increase in the sales proportion of CGMS and the improvement in economies of scale in production.

## Selling Expenses

For the year ended December 31, 2025, the Group's selling expenses were RMB223.05 million (for the year ended December 31, 2024: RMB207.14 million). The selling expenses as a percentage of overall revenue decreased from 59.9% for the year ended December 31, 2024 to 33.8% during the Reporting Period, which was mainly attributable to (i) the higher market acceptance of the CGMS AiDEX X, making its commercial rollout more efficient; (ii) the Company's implementation of comprehensive budget control which achieved remarkable results in reducing costs and increasing efficiency, as well as the improvement of operational efficiency through refined management.

## Research and Development Expenses

Our research and development expenses decreased by 0.3% from RMB76.56 million for the year ended December 31, 2024 to RMB76.34 million for the year ended December 31, 2025, mainly due to the Company's implementation of refined controls in areas such as R&D material expenses.

The following table sets forth a breakdown of our research and development expenses:

	For the year ended December 31,			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Staff costs	<b>35,515</b>	<b>46.5</b>	38,590	50.4
Service fees	<b>22,327</b>	<b>29.3</b>	19,875	26.0
Material costs	<b>10,095</b>	<b>13.2</b>	9,334	12.2
Depreciation and amortization expenses	<b>2,908</b>	<b>3.8</b>	2,957	3.8
Share-based payments	<b>3,108</b>	<b>4.1</b>	2,675	3.5
Others	<b>2,385</b>	<b>3.1</b>	3,127	4.1
Total	<b><u>76,338</u></b>	<b><u>100.0</u></b>	<b><u>76,558</u></b>	<b><u>100</u></b>

## **Income Tax Expense**

Our income tax expense was RMB0.25 million for the year ended December 31, 2025.

## **Net Profit**

As a result of the foregoing, we incurred a net profit of RMB40.15 million for the year ended December 31, 2025 (compared to RMB-63.12 million for the year ended December 31, 2024), marking a turnaround from loss to profit.

## **Loans and Gearing Ratio**

As at December 31, 2025, the Group had short-term borrowings of RMB63.95 million. The gearing ratio is calculated at the Group's debts divided by assets. As at December 31, 2025, the Group's gearing ratio was 12.8%.

## **Significant Investment held**

The Group had no significant investment held for the year ended December 31, 2025.

## **Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures**

The Group had no material acquisition or disposal of subsidiaries, associates and joint venture for the year ended December 31, 2025.

## **Events after the Balance Sheet Date**

On September 2, 2025, Abbott Diabetes Care Inc. initiated legal proceedings against the Company with the Hague Local Division of the Unified Patent Court for patent infringement. On February 6, 2026, the Court issued a ruling on the provisional measures. As of the date of this announcement, the case is still pending.

## **Charge of Assets**

As of December 31, 2025, the Group's patent rights with an appraised value of RMB67.56 million were charged as securities for borrowings; and a large-denomination certificate of deposit valued at RMB10.00 million was pledged as securities for letter of credit.

## **Future Plans for Material Investments and Capital Assets**

As at December 31, 2025, the Group did not have any specific plan for material investments and capital assets.

## **Foreign Exchange Risks**

We are exposed to foreign exchange rate risks. Certain of our bank balances, trade receivables and other payables are denominated in foreign currencies and are thus exposed to foreign exchange risks.

Our management monitors foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

## **Employees and Remuneration**

As at December 31, 2025, we had 664 employees (excluding non-regular employees).

To maintain the quality, knowledge and skill levels of our workforce, the Group provides continuing education and training programs, including internal and external training, for our employees to improve their technical, professional or management skills, and to ensure their awareness and compliance with our policies in various aspects.

We provide various incentives and benefits to our employees. We offer competitive salaries, bonuses and share-based compensation to our employees, especially key employees. We provide social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds and other benefits for our employees in accordance with applicable PRC laws.

## **FUTURE PROSPECTS AND OUTLOOK**

### **Expanding the Market Share and Brand Reputation of Our Core Product**

According to the data of IDF in 2025, China has 148 million diabetic patients, of which millions are still suitable for insulin pump therapy but have not yet learned about or received insulin-enhanced therapies. In terms of academic promotion, we will continue to facilitate the formulation and implementation of a consensus of opinion on the clinical application of closed-loop artificial pancreas system, conduct in-depth post-marketing real-world clinical studies, and further strengthen evidence-based medical evidence. Through increasing the clinical value of the closed-loop artificial pancreas system, we will promote Equil Patch

Insulin Pump System and the AiDEX series CGMS to expand from pure insulin delivery and blood glucose monitoring tools to core clinical scenarios such as precise diabetes treatment and full-cycle blood glucose management inside and outside hospitals. We will build an academic promotion system oriented to clinical value to lay a solid professional foundation for the long-term commercialization of our products.

The penetration rate of CGMS in China is much lower than that in Western countries but is surging at a rate of more than 20% per year. As recognition of the clinical efficacy of insulin pumps and patient awareness of CGMS continue to grow, we expect sales of the Company's Equil Patch Insulin Pump System and AiDEX series/LinX CGMS to continue to grow rapidly. We will strengthen our training, service and marketing teams to focus on promoting our products in the hospital specialty market, retail channels, e-commerce and health management platforms, with a view to providing quality treatment and blood glucose management services to diabetes patients of all types. Meanwhile, we will continue to collaborate with diabetes professional societies and medical institutions to advocate internationally recognized standards of diabetes management (e.g. managing blood glucose levels within the target range) and to remind diabetes patients in China to pay attention to their daily blood glucose management, to control the progress of their disease and to improve their quality of life.

We have set up a 400 hotline customer service team to provide end-users with consultation and enquiry service, which has been honored with the "Outstanding Service Brand Award (Top 100)" in the 5th China Customer Service Festival. We focus on providing comprehensive after-sales service system for products such as patch insulin pump system, CGMS and BGMS. Through regular customer satisfaction surveys, we continuously optimize the content and form of our services in a data-driven manner.

### **Focusing on Expanding Our International Marketing and Deepening Our International Operations**

Our long-term strategic goal is to become the leading brand of diabetes treatment and monitoring devices in the international market, with our strategic focus on expanding international markets such as Europe and emerging countries. With our product strengths and market expansion capabilities, we will continue to benefit from the higher levels of healthcare costs and insurance coverage in these regions, as well as the high level of recognition of intensive diabetes treatment and continuous monitoring and management therapies by local physicians and patients.

Currently, we have successfully expanded our market access and product sales in over 120 countries and regions in Europe, the Middle East, Africa, Asia and Latin America. Our patch insulin pump has been sold in Europe, the Middle East and many other countries, and has been well received by local doctors and patients. Meanwhile, our CGMS has covered many countries in Europe, Latin America, the Middle East and the Asia-Pacific. We have further expanded our international user base by building user online communities on social media, organizing new product launches, and launching various activities such as free clinics, eco-friendly, offline education classes, and lucky draws through our diversified social media platforms. Meanwhile, we closely monitor the development trend of business areas related to the new mode of cross-border e-commerce and deepen our cross-border e-commerce business, taking into account the current situation of the local market.

### **Continuing to Promote R&D of Advanced Diabetes Products to Strengthen Our Core Product Portfolio**

As the only company in the PRC that owns both a patch insulin pump system and a real-time calibration-free CGMS product, we will continue to invest in technology innovation and product research and development and are committed to providing a closed-loop solution of “monitoring + treatment + management” for diabetes patients. In 2026, we will continue to advance the development and clinical registration of our R&D product pipeline as planned. This includes advancing the development of CGM new products for registration, the second generation of patch insulin pump systems and clinical registration of the Artificial Pancreas System. In addition, the Company has begun to tap into the technology for strategic new products for the future. Also, through collaboration with opinion leaders and research on the needs of diabetes patients, the Company will continue to research and develop new products, continuously invest in the upgrading and optimization of existing products, as well as the development and optimization of digital management platforms, with the aim to strengthen the advantages of the product portfolio, so as to ensure that healthcare professionals and diabetes patients will be provided with products and diabetes management tools that are clinically more effective, easier to use, and more cost-effective.

### **Smart Algorithm-Driven Upgrade of Diabetes Management Paradigm**

The Company, through an innovative model of “devices + algorithms + cloud platform”, is building a closed-loop diabetes management system, with a focus on advancing the following three key areas:

**Enhancing Smart Hardware Technology:** We are optimizing biosensor, precision infusion platforms, and network connectivity technology to elevate the application level of smart devices in diabetes monitoring and management.

Expanding the Medical Ecosystem: By introducing learning algorithms into the patch insulin pump system, we are developing an “artificial pancreas” that adapts to individual metabolic characteristics. Based on blood glucose monitoring data and medication records, we are refining smart dosage recommendation algorithms to achieve personalized treatment plans.

Building a Smart Cloud Service Platform: We are developing a cross-device data integration platform to enable seamless connectivity between insulin pumps system, CGMS, and mobile terminals, enhancing device collaboration efficiency and establishing a closed-loop management system.

Based on industry characteristics and corporate development needs, we plan to steadily advance the scenario-based implementation of AI technology around three key directions: “R&D efficiency optimization”, “precise service capability development”, and “full-process compliance governance”. We are committed to enhancing internal and external collaboration efficiency through the application of intelligent tools, optimizing resource allocation, and creating more reliable product and service experiences for healthcare professionals and patients, thereby strengthening the Company’s innovative competitiveness in the medical device sector.

### **Improving Quality and Efficiency and Continuing to Enhance Profitability**

In 2025, by leveraging precise market positioning, efficient operational management, and full-process cost optimization initiatives, the Company achieved a significant breakthrough in its operating performance, successfully moving from loss to profit and entering a new phase of development in profitability. Going forward, the Company will focus on enhancing organizational effectiveness as a core objective, continuously refining the performance evaluation and incentive mechanisms to drive simultaneous improvements in both organizational effectiveness and unit output. At the same time, the Company will increase investment in innovation and R&D, leveraging technological innovation and digital transformation to empower the entire business chain, deepen cost reduction and efficiency enhancement initiatives, optimize supply chain management and production operations, and continue to drive a steady decline in expense ratios. The Company will continue to enhance the product’s competitiveness, expand the business scale and market share, and continuously broaden the profit margin to create more value for Shareholders.

## **Events after the Reporting Period**

Since January 1, 2026 and up to the date of this announcement, the Company repurchased a total of 417,000 H Shares with a par value of RMB1.0 per ordinary share from the open market, and such shares have been held as treasury shares of the Company at the date of this announcement.

Save as disclosed above, there was no other significant event that might affect the Group after the Reporting Period and up to the date of this announcement.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Corporate Governance**

The Company is committed to ensuring high standards of corporate governance and has adopted the code provisions set out in the CG Code. During the Reporting Period, the Company has complied with all the applicable code provisions in the CG Code contained in Part 2 of Appendix C1 to the Listing Rules, save for the deviation from code provision C.2.1.

Code provision C.2.1 of the CG Code provides that the roles of the chairman of the Board and the chief executive of the Company should be separated and should not be performed by the same individual. The roles of the Chairman and the CEO are currently held by Dr. Zheng. The Board believes that, in view of his experience, personal profile and his roles in the Company, Dr. Zheng is the Director best suited to identify strategic opportunities and as the focus of the Board due to his extensive understanding of our business as the CEO. The Board also believes that vesting the roles of both the Chairman and the CEO in the same person has the benefit of (i) ensuring consistent leadership within the Group, (ii) enabling more effective and efficient overall strategic planning and execution of strategic initiatives of the Board, and (iii) facilitating the flow of information between the management of the Group and the Board. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this arrangement will enable the Company to make and implement decisions promptly and effectively.

Further, the decisions to be made by the Board require approval by at least a majority of the Directors and that the Board comprises four executive Directors, two non-executive Directors and four independent non-executive Directors, which the Company believes that there are sufficient checks and balances in the Board. Dr. Zheng and other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they shall act for the benefit and in the best interest of the Company and will make decisions for the Group accordingly.

The Board will continue to review and consider splitting the roles of the Chairman and the CEO at the time when it is appropriate by taking into account the circumstances of the Group as a whole.

The Board will examine and review, from time to time, the Company's corporate governance practices and operations in order to meet the relevant provisions under the Listing Rules.

### **Compliance with Model Code**

The Company has adopted a code of conduct regarding Directors' and Supervisors securities transactions on terms no less exacting than the required standard set out in the Model Code. Specific enquiries have been made to all the Directors and Supervisors and they have confirmed that they complied with the Model Code during the Reporting Period.

### **Purchase, Sale or Redemption of the Company's Listed Securities**

During the Reporting Period, the Company repurchased a total of 1,075,700 H Shares with a par value of RMB1.0 per ordinary share from the open market. As at December 31, 2025 and the date of this announcement, 3,171,900 and 3,588,900 H Shares have been held as treasury shares (as defined in the Listing Rules) of the Company, respectively.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed the Company's listed securities (including sell and/or transfer of treasury shares) for the year ended December 31, 2025.

### **FINAL DIVIDEND**

The Board does not recommend the payment of a final dividend for the year ended December 31, 2025 (2024: Nil).

### **AGM AND PERIOD OF CLOSURE OF REGISTER OF MEMBERS OF H SHARES**

The Company will arrange the time of convening the forthcoming annual general meeting (the "AGM") as soon as practicable, a circular and notice of the AGM will be disclosed to the Shareholders in a timely manner in accordance with the requirements of the Listing Rules and the Company's articles of association. Once the date of the AGM is finalized, the Company will publish the period of closure of register of members of H Shares of the Company in due course.

## **REVIEW OF ANNUAL FINANCIAL RESULTS**

The Audit Committee has considered and reviewed the consolidated annual results of the Group for the year ended December 31, 2025 and the accounting principles and practices adopted by the Group, and has discussed with management of the Company on issues in relation to internal control, risk management and financial reporting. The Audit Committee is of the opinion that the consolidated annual results of the Group for the year ended December 31, 2025 are in compliance with the relevant accounting standards, laws and regulations.

## **PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT**

This results announcement is published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.microtechmd.com](http://www.microtechmd.com)).

The 2025 annual report of the Company containing all relevant information required under the Listing Rules will be published on the aforementioned websites in due course.

## **DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS**

“artificial pancreas”	an integrated diabetes management system that tracks blood glucose levels using a continuous glucose monitor and automatically delivers the insulin when needed using an insulin pump according to its control algorithm
“Audit Committee”	the audit committee of the Board
“BGMS”	blood glucose monitoring system
“blood glucose”	blood glucose, also referred to as blood sugar, is the amount of glucose in your blood, an indicator of diabetes monitoring
“Board”	the board of Directors
“calibration-free”	also known as “factory-calibrated”, the ability to use the sensor without the need for BGMS calibration; while users may opt to calibrate at his/her own discretion, a calibration-free CGMS does not require the user to perform a finger stick blood glucose calibration before displaying the glucose values

“CE marking”	a certification marking that indicates conformity with health, safety, and environmental protection standards for products sold within the European Economic Area
“CEO”	chief executive officer of our Company
“CG Code”	the Corporate Governance Code set out in Appendix C1 of the Listing Rules
“CGMS”	continuous glucose monitoring system
“Chairman”	chairman of the Board
“China” or “PRC”	People’s Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires otherwise, references in this announcement to “China” and the “PRC” do not apply to Hong Kong, Macau Special Administrative Region of the PRC and Taiwan region
“Company” or “MicroTech”	MicroTech Medical (Hangzhou) Co., Ltd. (微泰醫療器械(杭州)股份有限公司), a limited liability company incorporated in the PRC on January 20, 2011 and converted into a joint stock limited liability company incorporated in the PRC on November 6, 2020, and the H Shares of which are listed on the Stock Exchange with stock code 2235
“Core Product”	Equil Patch Insulin Pump System, the designated “Core Product” as defined under Chapter 18A of the Listing Rules
“Director(s)”	the director(s) of the Company
“Dr. Zheng”	Dr. Zheng Pan (鄭攀), the chairman of the Board, an executive Director and the CEO
“EU”	the European Union
“FDA”	U.S. Food and Drug Administration

“GMP”	good manufacturing practices, the aspect of quality assurance that ensures that medicinal products are consistently produced and controlled to the quality standards appropriate to their intended use and as required by the product specification
“Group”	the Company and its subsidiaries from time to time
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.0 each, which is/are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IVD”	in vitro diagnostic medical devices, referring to devices such as reagent, calibrator, control material, kit, specimen receptacle, software, instrument, apparatus, equipment, or system, whether used alone or in combination, intended by the manufacturer for tests performed on samples taken from the human body, such as swabs of mucus from inside the nose or back of the throat, or blood taken from a vein or fingerstick
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
“NMPA”	National Medical Products Administration (中國國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (中國國家食品藥品監督管理總局)
“R&D”	research and development
“Reporting Period”	the year ended December 31, 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC

“Share(s)”	ordinary share(s) in the capital of our Company with a nominal value of RMB1.0 each
“Shareholder(s)”	holder(s) of our Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction

By order of the Board  
**MicroTech Medical (Hangzhou) Co., Ltd.**  
**Zheng Pan**  
*Chairman of the Board*

Hangzhou, the PRC, March 30, 2026

*As at the date of this announcement, the executive Directors of the Company are Dr. Zheng Pan, Dr. Yu Fei, Dr. Shi Yonghui and Ms. Liu Xiu; the non-executive Directors are Mr. Mao Shuo and Ms. Gao Yun; and the independent non-executive Directors are Dr. Li Lihua, Ms. Wang Chunfeng, Mr. Ho Kin Cheong Kelvin and Dr. Cheng Hua.*