Zylox-Tonbridge Medical Technology Co., Ltd.
歸創通橋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: 2190)

UPDATES REGARDING THE FURTHER ACQUISITION OF THE REMAINING INTEREST IN THE TARGET COMPANY

Reference is made to the announcements of the Company dated January 16, 2026, February 13, 2026 and March 17, 2026 (the "**Announcements**"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements. The Company hereby provides the following further updates regarding the consideration basis for the Further Acquisition.

As disclosed in the Announcements, the Company issued the Exercise Notice on March 17, 2026 in respect of 11% equity interest in the Target Company. Pursuant to the Sale and Purchase Agreement, upon exercise of the Option in respect of the acquisition of 11% equity interest in the Target Company, the Company will become obliged to conduct the Further Acquisition in the first half of 2028. The Further Acquisition was therefore aggregated with the exercise of Option pursuant to Rule 14.74(1) of the Listing Rules.

Given the different timing of the acquisition of 11% equity interest in the Target Company by exercise of Option in March 2026 and the Further Acquisition in the first half of 2028, upon arm's length negotiation between the Company and the Seller, the consideration of each of the abovementioned tranches are determined primarily based on the following factors:

(i) *In respect of the 11% equity interest by exercise of Option:*

Such consideration was determined after arm's length negotiations between the parties with reference to, among other things, (a) the financial performance and the business prospects of the Target Company, including but not limited to historical financial performance for the year of 2024 and 2025, the actual cash, financial debt and net working capital position of the Target Group. According to the financial information of the Target Company, the net assets of the Target Company amounted to EUR12.85

million in 2025, which demonstrated its sound capital structure and ability to continue operation. The Target Company's net loss after tax decreased from EUR4.12 million to EUR0.772 million, representing a year-on-year reduction of 81.3% and reflecting its recovery from transitional investment as well as its growth potential of profitability in the future; (b) the advanced market positioning and product portfolio of the Target Group, i.e. one of the most comprehensive product portfolios in the peripheral venous stenting market, including specialized devices for the iliofemoral veins, iliac bifurcation, vena cava and aorta. The Target Group's brand is also highly reputable in the global market considering the product quality and the high-end positioning; (c) the estimated cost of continued investment for R&D and regulatory approval for the Target Group's products; and (d) the strategic value of acquiring control of brand recognition, distribution network, and intellectual property held by the Target Company. The Company believes that the Target Company's role as the Group's overseas vascular products platform will enhance the utilization and effectiveness of the existing sales network and customer relationships of the Company and the Target Group, thereby supporting its financial trajectory.

(ii) *In respect of the Further Acquisition to be taken place in the first half of 2028:*

In addition to the present condition of the Target Company as considered by the parties in (i) above, the parties also took into account various factors, changes and circumstances expected to arise up to the time of the Further Acquisition in the first half of 2028, including the following:

a. the trajectory of the financial and business prospects of the Target Company, including expected expansion of market coverage through the integration of complementary distribution channels. Based on current estimation by the parties, the number of covered markets is expected to increase from approximately 70 at present to more than 90 by the end of 2027;

b. the potential development of the product portfolio of the Target Company, including an expected expansion in the number of product families from around 20 to approximately 30, particularly in light of the further development of the global peripheral vascular interventional medical device market; and

c. the synergies available to the enlarged Group following consolidation of the Target Company upon completion of the exercise of the Option, including (without limitation) an expanded sales and distribution network, collaborative research and development efforts (including the launch of at least 10 new or upgraded products and product enhancements over the following three years).

The parties considered that these factors should play an important and relevant part in determining the value of the remaining 40% equity interest in the Target Company. Having considered the foregoing factors in aggregate, the Company and the Seller agreed on an enterprise value of EUR36 million for the remaining 40% equity interest in the Target Company by the end of 2027.

In negotiating the relevant parameters and the overall framework under the Sale and Purchase Agreement, the parties took into account the Target Company's historical financial performance, the nature and risk profile of its product pipeline, the anticipated time and investment required to execute its business plans, market practices for comparable transactions and the respective rights and obligations of the parties under the Sale and Purchase Agreement, including post-completion integration arrangements. On this basis, the parties agreed that the consideration payable for the remaining 40% equity interest would be up to EUR36 million.

The parties have, upon arm's length negotiation, agreed on an adjustment mechanism under the Sale and Purchase Agreement, whereby the maximum consideration for each of the Option and the Further Acquisition is subject to customary adjustment principally by reference to the financial performance and position of the Target Company, including its working capital, net debt, etc. as at the respective completion dates of the Options and the Further Acquisition.

In the event that the business performance of the Target Company falls short of expectations, the Board is of the view that the pricing basis for the Further Acquisition is structured to adequately reflect the actual value of the Target Company at the relevant time and to safeguard the interests of the Company and its shareholders as a whole, having regard to the following principal considerations.

(i) As disclosed in the Announcements, upon completion of the acquisition of 11% equity interest in the Target Company upon exercise of the Option, the Target Company is consolidated as a non-wholly owned subsidiary of the Company. The Company will accordingly have control, including post-investment management and operational oversight, over the Target Company and will be able to control and monitor the business operation and financial performance of the Target Group on an ongoing basis. In the event that any material deviation in business performance is identified, the Company will be in a position to promptly implement targeted measures so as to ensure that the reasonableness of the pricing basis is not adversely affected by any underperformance of the Target Company;

(ii) The Target Group is expected to be a core component to the Group's overseas strategy in consolidating the Group's international vascular platform. Accordingly, the Further Acquisition of the remaining 40% equity interest in the Target Company constitutes not only a contractual obligation on the part of the Seller to facilitate the Group's full ownership of the Target Group under the Sale and Purchase Agreement but also forms an important step in enabling the Company to implement that strategy in an orderly basis. With full control of the Target Group, the Group can integrate its European and international sales channels with the Target Group's existing distribution network, allowing the Target Group to distribute a broader range of products outside mainland China, and the Group to leverage the Target Group's customer relationships to introduce new indications and product lines into overseas markets, thereby further contributing to the financial performance and position of the Target Group (which will form part of the Group). Upon the Target Company becoming a wholly-owned subsidiary of the Company following the completion of the Further Acquisition, the Group will continue to coordinate research and development priorities, clinical strategies and regulatory planning on a global basis, utilising the Target Group as a bridgehead into Europe and other mature markets; and

(iii) As disclosed in the Announcements, the consideration for the Further Acquisition of the remaining 40% equity interest in the Target Company is subject to a downward adjustment mechanism agreed by the parties under the Sale and Purchase Agreement, with reference to financial metrics including working capital and net debt of the Target Company for the year ending December 31, 2027, and will be finalised as agreed by both parties on the basis of such adjustment prior to completion of the Further Acquisition. In addition, the Company is also entitled to request renegotiation of the consideration payable for the remaining 40% equity interest in the Target Company prior to the completion of the Further Acquisition, thereby ensuring that the consideration reflects the actual business value of the Target Company at the time of completion.

By order of the Board
Zylox-Tonbridge Medical Technology Co., Ltd.
Dr. Jonathon Zhong Zhao
Chairman and Executive Director

Hong Kong, May 15, 2026

As of the date of this announcement, the Board comprises Dr. Jonathon Zhong Zhao, Mr. Yang Xie and Dr. Zheng Li as executive Directors, Dr. Steven Dasong Wang and Mr. Dongfang Li as non-executive Directors, and Dr. Jian Ji, Ms. Yun Qiu and Dr. Xiang Qian as independent non-executive Directors.