Medbanks
思 派 健 康 科 技

Sipai Health Technology Co., Ltd.
思派健康科技有限公司

(A company incorporated in the Cayman Islands with limited liability)
(Stock Code: 0314)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2026

The Board is pleased to announce the unaudited condensed consolidated interim results of the Group for the Reporting Period. The contents of this interim results announcement have been prepared in accordance with the applicable disclosure requirements for a preliminary announcement of interim results under the Listing Rules, which have been prepared in accordance with International Accounting Standard ("**IAS**") 34 *Interim Financial Reporting*. issued by the International Accounting Standards Board ("**IASB**") and have been reviewed by Ernst & Young, the Company's auditor. These interim results have also been reviewed and confirmed by the Board and the Audit Committee. Unless otherwise stated, the financial data of the Company are presented in RMB.

FINANCIAL SUMMARY

	For the six months ended June 30, 2026 *RMB'000* **(Unaudited)**	For the six months ended June 30, 2025 *RMB'000* (Unaudited)	Period-On-period Change *(%)*
Total Revenue	**739,916**	1,224,064	-39.6
Commercial Insurance Services Business	**81,621**	83,118	-1.8
– *Corporate Insurance Services*	**58,933**	42,809	37.7
– *Hui Min Insurance*	**22,688**	40,309	-43.7
Physician Research Assistance Business	**249,490**	215,121	16.0
Specialty Pharmacy Business	**408,805**	925,825	-55.8
Total Gross Profit	**148,532**	176,099	-15.7
Commercial Insurance Services Business	**56,892**	64,015	-11.1
Physician Research Assistance Business	**64,952**	61,990	4.8
Specialty Pharmacy Business	**26,688**	50,094	-46.7
Gross Margin	**20.1%**	14.4%	5.7
Operating Profit/(Loss)[1]	**172**	(60,398)	NA
Normalized Net Profit/(Loss)[2]	**6,870**	(11,996)	NA
IFRS Net Profit/(Loss)	**42,924**	(81,139)	NA
Cash and Selected Financial Assets[3]	**792,735**	850,606	-6.8

Notes:

1. The operating profit/(loss) is calculated as IFRS gross profit deducting selling and marketing expenses, administrative expenses and research and development expenses.

2. The normalized net profit/(loss) is calculated as IFRS net profit/loss deducting non-recurring and non-operational items that we believe do not reflect the ongoing operating performance. Such items mainly includes (i) share-based payment compensation; (ii) restructuring cost; (iii) gain/loss on disposal of subsidiaries; and (iv) non-recurring government grant. For detailed elaboration and reconciliation, please refer to the subsection headed "Normalized Net Profit/(Loss)" on page 13 of this interim results announcement.

3. Cash and selected financial assets include cash and cash equivalents, time deposits over three months, pledged deposits, and wealth management products which are presented in financial assets at fair value through profit or loss ("**FVTPL**") in financial statement.

MANAGEMENT DISCUSSION AND ANALYSIS

A Key Breakthrough in Strategic Transformation and a Turnaround to Profitability

The first half of 2026 marked a pivotal stage in the Group's strategic transformation. During the Reporting Period, the Group remained focused on the core areas of corporate insurance services and employee healthcare services, further strengthened the competitiveness of its physician research assistance business, proactively optimized its business mix and enhanced operating efficiency. Through organic growth, the recruitment of specialized talent and strategic acquisitions, the Group continued to build capabilities for long-term development.

Following sustained strategic refinement and business restructuring, the Group recorded an IFRS net profit of RMB42.9 million for the Reporting Period, compared with an IFRS net loss of RMB81.1 million for the corresponding period of 2025, marking a turnaround to profitability. Normalized net profit amounted to RMB6.9 million, compared with a normalized net loss of RMB12.0 million for the corresponding period of 2025. Meanwhile, the Group's overall gross profit margin increased by 5.7 percentage points year on year, from 14.4% for the corresponding period of 2025 to 20.1%. Net cash used in operating activities decreased from RMB63.5 million for the corresponding period of 2025 to RMB26.6 million, representing a further improvement in operating cash flow.

These results demonstrate a substantive improvement in the Group's underlying operating performance. Corporate Insurance Services and the Physician Research Assistance Business continued to grow, while higher-margin core businesses accounted for a greater proportion of revenue. The Group continued to restructure its pharmacy operations and other lower-margin businesses. As a result, the Group's strategic transformation has progressed from business restructuring to the realization of profitability.

I. Group Strategy Overview: Focusing on Two Objectives and Entering A New Phase Of Profitable Growth

1. Two Core Development Objectives

Based on its in-depth assessment of the development trends in China's commercial health insurance and corporate insurance brokerage markets, the Group further clarified the following two core development objectives in the first half of 2026:

1) to become a leading player in China's commercial health insurance sector; and
2) to become a leading player in China's corporate insurance brokerage sector.

In commercial health insurance services, the Group will continue to center its business on corporate health insurance services and integrate its capabilities across health management, medical services and pharmaceutical services, with a view to providing corporate clients, their employees and their families with integrated healthcare protection solutions spanning "insurance, health management, medical care and pharmaceuticals".

In corporate insurance brokerage, the Group will build on its corporate health insurance brokerage business and progressively expand into risk management for large enterprises, property insurance, liability insurance, life sciences insurance, reinsurance and cross-border insurance. The Group is committed to developing a professional and comprehensive corporate insurance brokerage and risk management services platform.

2. Three Pillars of Development

To deliver on these two core objectives, the Group has established three pillars of development: organic growth, specialized talent acquisition and strategic acquisitions.

Organic growth: The Group will continue to deepen relationships with existing corporate clients, expand premiums under management, its corporate client base and membership, and enhance renewal rates, cross-selling capabilities and value per client. By leveraging its existing medical, pharmaceutical and health management service networks, the Group will also improve service delivery efficiency and client retention.

Specialized talent acquisition: The Group will continue to recruit experienced professionals in insurance brokerage, large-enterprise risk management, reinsurance and life sciences insurance, thereby strengthening its industry expertise, product design, risk management and business development capabilities. The development of specialist teams will also support the incubation of new businesses beyond corporate health insurance.

Strategic acquisitions: The Group will prudently identify high-quality targets that are closely aligned with its long-term strategy. Through strategic acquisitions, the Group aims to expand its corporate client resources and strengthen its insurtech capabilities, health management offerings and service operation capabilities, thereby accelerating the development of an integrated corporate healthcare services platform.

3. Moving from Business Restructuring to High-Quality Development

Over the past few years, the Group has proactively scaled back lower-margin pharmacy operations and certain non-core businesses, and redirected resources toward core businesses with stronger long-term growth prospects and profitability, including Corporate Insurance Services, Corporate Healthcare Services and Physician Research Assistance Business.

In the first half of 2026, the Group recorded total revenue of RMB739.9 million, representing a year-on-year decrease of 39.6%, primarily due to the proactive reduction in the scale of the Specialty Pharmacy Business and Hui Min Insurance Business. At the same time, revenue from Corporate Insurance Services increased by 37.7% year on year, while revenue from the Physician Research Assistance Business increased by 16.0%. The Group's overall gross profit margin improved significantly, and operating profit, normalized net profit and IFRS net profit all turned positive. Following this phase of strategic transformation, the Group has shifted toward a high-quality growth model that places greater emphasis on revenue quality, profitability, cash flow generation and long-term shareholder returns.

II. Industry Environment and Development Opportunities

In recent years, China's healthcare industry has undergone profound transformation. As population ageing accelerates, demand for healthcare protection increases and the multi-tiered healthcare security system continues to develop, commercial health insurance is playing an increasingly important role in supplementing healthcare funding, alleviating medical expenses and supporting pharmaceutical innovation. The Chinese government continues to strengthen the role of commercial health insurance within the multi-tiered healthcare security system and promote closer coordination among commercial health insurance, basic medical insurance, payment for innovative drugs and healthcare services.

At the same time, employee benefit programs in China are evolving from conventional stand-alone supplementary medical insurance toward comprehensive solutions covering healthcare protection, medical examinations, health management, medical services, pharmaceutical services and protection for employees' family members. Corporate clients are increasingly looking beyond product pricing and placing greater emphasis on plan design, medical cost management, member experience, claims efficiency and the quality of health management services delivered.

In addition to employee healthcare protection, enterprises face increasingly complex operating risks. Large enterprises, life sciences companies and businesses with cross-border operations have growing demand for professional risk identification, insurance program design, reinsurance arrangements and claims services. Significant cross-selling potential exists across health insurance, property insurance, liability insurance, life sciences insurance, reinsurance and cross-border insurance, creating long-term opportunities for professional corporate insurance brokers.

The Group believes that corporate insurance brokerage platforms with industry expertise, risk management capabilities, healthcare resources and strong service delivery capabilities will be well positioned to differentiate themselves in the market. The Group's long-standing resources in commercial health insurance and serious medical care-spanning corporate clients, physicians, medical institutions, pharmaceutical companies and patients – together with its nationwide medical and pharmaceutical service networks, provide a solid foundation for its expansion from corporate health insurance into comprehensive corporate insurance brokerage.

III. Strategic Execution and Business Progress

1. Corporate Insurance Services: The Core Growth Driver Behind the Turnaround to Profitability

Corporate Health Insurance Services continued to grow rapidly

In the first half of 2026, the Group continued to address the healthcare protection needs of corporate clients, their employees and their family members by providing one-stop corporate health insurance and health management solutions, principally comprising:

- supplementary medical insurance for corporate employees;
- entrusted employee healthcare plan management;
- voluntary individual insurance options for employees and their family members;
- employee medical examinations and health management;
- on-site corporate clinic services;
- outpatient and specialist medical arrangement services;
- coverage for innovative drugs and specialty medicines; and
- claims support and member services.

The Group's differentiated strength lies in the integration of insurance program design, health management, medical services, pharmaceutical services and data analytics. In addition to assisting corporate clients with the selection and configuration of insurance products, the Group participates in member service delivery through its medical and pharmaceutical service networks. This enables the Group to provide an end-to-end service model covering program design, policy administration, health management, medical services, pharmaceutical services and claims support.

During the Reporting Period, the Corporate Insurance Services Business maintained rapid growth, with further expansion in business scale and client coverage. As at 30 June 2026, premiums under management amounted to approximately RMB1.17 billion, representing an increase of approximately 35% over the corresponding period of 2025. The Group served 693 corporate clients, an increase of 74 from 619 as at the end of 2025, and approximately 2.13 million members. Its medical and pharmaceutical service networks covered more than 300,000 service locations.

Revenue from Corporate Insurance Services amounted to RMB58.9 million in the first half of 2026, representing an increase of 37.7% from RMB42.8 million for the corresponding period of 2025. Corporate Insurance Services have become a principal driver of the Group's core business growth, optimization of revenue mix and improvement in profitability.

The continued growth in premiums under management, corporate clients and members served demonstrates corporate clients' recognition of the Group's professional capabilities and service value. It also provides a strong client base from which the Group can further expand its health management, medical services, pharmaceutical services and other corporate insurance offerings.

Expanding from Corporate Health Insurance to Comprehensive Corporate Risk Management by Drawing on the Business Models of Leading International Corporate Insurance Brokerage and Risk Management Service Providers

Building on the rapid growth of its corporate health insurance business, the Group has further identified corporate clients' comprehensive risk protection needs across different operating scenarios and is progressively expanding from a corporate health insurance services platform into a comprehensive corporate insurance brokerage and risk management services platform.

In the first half of 2026, the Group established a Large Enterprise Risk Management Division, a Reinsurance Division and a Life Sciences Division. It also recruited professionals with relevant industry experience and expertise and is progressively developing new business origination and service delivery capabilities.

The Large Enterprise Risk Management Division will focus on large corporate clients with complex operating environments and diversified risk protection needs, providing risk identification, insurance program design, insurance placement, claims management and other customized risk management services. The Reinsurance Division will explore the design and placement of reinsurance solutions for insurers, corporate clients and specific risk scenarios, enhancing the Group's capabilities in complex risk product design and risk diversification. Drawing on the Group's resources and industry knowledge accumulated through physician research assistance, services for pharmaceutical companies and serious medical care, the Life Sciences Division will provide professional insurance and risk management solutions to pharmaceutical, medical device, biotechnology and other life sciences companies.

This expansion goes beyond broadening the range of insurance products. It extends the Group's relationship with corporate clients from employee healthcare protection to enterprise-wide risk management. By addressing a broader range of insurance needs across different risk scenarios for the same clients, the Group expects to enhance cross-selling, strengthen long-term client retention and develop new growth drivers beyond corporate health insurance.

2. ***Strategic Acquisition: Acquisition of Jianyi Information Technology to Strengthen the Insurtech and Corporate Healthcare Services Ecosystem***

In the first half of 2026, the Group progressed the acquisition of Jianyi Information Technology to further strengthen its capabilities in commercial health insurtech, employee health management and entrusted healthcare protection plan management for corporate clients, claims settlement and service operations.

Jianyi Information Technology is a leading commercial health insurtech and corporate healthcare services platform in China and a National High-Tech Enterprise. It connects with more than 200 insurance institutions and nearly 300,000 medical service locations, and has real-time claims settlement capabilities as well as AI-enabled data cleansing and processing capabilities.

The Group believes that the acquisition is closely aligned with its long-term strategy of developing an integrated corporate healthcare services platform. The two parties are highly complementary in their respective core businesses, operating capabilities and industry resources. The acquisition is expected to:

- complete the Group's corporate health management product portfolio, broaden its corporate client coverage and enhance cross-selling capabilities;

- strengthen commercial health insurtech capabilities, enhance claims processing and settlement capabilities, and improve digital operating efficiency; and
- enhance AI-enabled data analytics to provide clients with more targeted insurance and health management solutions.

Following integration, the combined business platform is expected to cover the principal components of corporate healthcare protection, further advancing the Group's development into an integrated corporate healthcare services platform and contributing stable revenue and profit growth.

3. *Physician Research Assistance Business: Maintaining Steady Growth and Supporting the Expansion of the Life Sciences Business*

The Group's Physician Research Assistance Business continued to focus on clinical research and provide professional services to pharmaceutical companies, medical institutions, investigators and patients, while also supporting the hospital and specialist resource networks of the Commercial Health Insurance Business.

During the Reporting Period, the Physician Research Assistance Business continued to contribute stable revenue and gross profit and remained an important contributor to the Group's improved profitability. Leveraging the Group's long-standing experience in serious medical care, physician and medical institution networks, patient reach and project execution capabilities, the business continued to support the pharmaceutical innovation ecosystem.

In the first half of 2026, revenue from the Physician Research Assistance Business amounted to RMB249.5 million, representing an increase of 16.0% from RMB215.1 million for the corresponding period of 2025. As at 30 June 2026, the Group had completed 1,268 projects on a cumulative basis, with 925 projects in progress. The Group's professional service capabilities have received strong recognition from physicians and leading domestic and international pharmaceutical companies. Its client base includes all of the top ten listed pharmaceutical companies in China's innovative drug research and development sector, and the client retention rate among its top ten clients was 100% during the Reporting Period.

Through its long-standing services to pharmaceutical companies, medical institutions and clinical research projects, the Group has developed an in-depth understanding of the operating models of life sciences companies, pharmaceutical research and development processes, clinical research scenarios and related risks. This industry knowledge provides the newly established Life Sciences Division with client resources, insight into relevant risk scenarios and a foundation for designing specialized insurance solutions.

4. Strategic Transformation of the Pharmacy Business: Proactively Optimizing the Revenue Mix and Enhancing Operating Quality

In the first half of 2026, the Group continued to advance the strategic transformation of the Specialty Pharmacy Business. By proactively scaling down businesses with lower returns and limited strategic synergies, the Group enhanced its overall profitability, reduced working capital requirements and allocated resources more efficiently to support its core insurance businesses, specialist talent, digital platforms and strategic acquisitions.

Pharmaceutical services remain an important component of the Group's integrated corporate healthcare services ecosystem. The Group is transitioning from directly operating pharmacies toward integrating and managing a nationwide network of high-quality pharmaceutical service providers, while continuing to serve members covered by corporate insurance programs. At present, the Group's pharmaceutical service network has evolved from nearly 100 directly operated pharmacies into a nationwide network covering approximately 300,000 "self-operated and partner" pharmacies.

Going forward, pharmaceutical services will increasingly serve as an important delivery infrastructure for the Group's corporate health insurance and health management businesses, rather than as a stand-alone core business focused on revenue scale. This approach will enable the Group to maintain the accessibility and professional quality of pharmaceutical services while reducing asset intensity and working capital requirements, thereby establishing a more asset-light, network-based and service-oriented operating model.

IV. Outlook and Prospects: Consolidating the Inflection Point in Profitability and Driving Sustainable Growth

Looking ahead to the second half of 2026 and beyond, the Group will remain committed to its established strategic direction and its objectives of becoming a leading player in China's commercial health insurance and corporate insurance brokerage sectors. Through the three pillars of organic growth, specialized talent acquisition and strategic acquisitions, the Group will further consolidate and expand its core business strengths and drive continued improvement in profitability.

The Group's turnaround to profitability in the first half of 2026 represents a key milestone in its strategic transformation, but not the end of that transformation. Going forward, the Group's focus will move beyond "achieving profitability" toward "expanding the scale of its core businesses, improving operating cash flow and establishing a sustainable model of profitable growth". To this end, the Group will maintain prudent operating and financial discipline, concentrate capital and management resources on priority areas including corporate insurance services, corporate healthcare management, life sciences insurance and reinsurance, and continue to strengthen its specialist talent base and digital platforms. These initiatives will consolidate the improvement in profitability and lay a solid foundation for the long-term growth of the Group's core businesses.

FINANCIAL REVIEW

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

Revenue

During the Reporting Period, the Group's revenue was primarily generated from the Commercial Insurance Services Business, Physician Research Assistance Business, and Specialty Pharmacy Business. The following table sets forth a breakdown of revenue by segments and period-on-period growth:

Revenue	**For the six months ended June 30, 2026 (Unaudited)**	For the six months ended June 30, 2025 (Unaudited)	Period-on-period Change	Period-on-period Change
	RMB'000	*RMB'000*	*RMB'000*	*%*
Commercial Insurance Services Business	**81,621**	83,118	(1,497)	-1.8
– *Corporate Insurance Services*	**58,933**	42,809	16,124	37.7
– *Hui Min Insurance*	**22,688**	40,309	(17,621)	-43.7
Physician Research Assistance Business	**249,490**	215,121	34,369	16.0
Specialty Pharmacy Business	**408,805**	925,825	(517,020)	-55.8
Total	**739,916**	1,224,064	(484,148)	-39.6

Commercial Insurance Services Business

The revenue generated from Corporate Insurance Services segment under the Commercial Insurance Services Business surged by approximately 37.7% to approximately RMB58.9 million for the six months ended June 30, 2026, mainly attributable to the vigorous growth in the number of customers and members insured thanks to the Company's competitive edge in corporate insurance service capabilities and successful execution of business development plans. Meanwhile, revenue generated from Commercial Insurance Services Business as a whole decreased slightly by approximately 1.8% from approximately RMB83.1 million for the six months ended June 30, 2025 to approximately RMB81.6 million for the six months ended June 30, 2026, which was mainly due to the restructuring of Hui Min Insurance Business segment.

Physician Research Assistance Business

Revenue generated from Physician Research Assistance Business increased by approximately 16.0% from approximately RMB215.1 million for the six months ended June 30, 2025 to approximately RMB249.5 million for the six months ended June 30, 2026, primarily driven by rapid expansion in China's clinical trial market and the Company's robust competitiveness and solid market share in the industry.

Specialty Pharmacy Business

Revenue generated from Specialty Pharmacy Business decreased by approximately 55.8% from approximately RMB925.8 million for the six months ended June 30, 2025 to approximately RMB408.8 million for the six months ended June 30, 2026, which was mainly attributable to the strategic restructuring of Specialty Pharmacy Business.

Cost of Sales

Cost of sales	**For the six months ended June 30, 2026**	For the six months ended June 30, 2025	Period-on-period Change	Period-on-period Change
	RMB'000	*RMB'000*	*RMB'000*	*%*
Commercial Insurance Services Business	**24,729**	19,103	5,626	29.5
Physician Research Assistance Business	**184,538**	153,131	31,407	20.5
Specialty Pharmacy Business	**382,117**	875,731	(493,614)	-56.4
Total	**591,384**	1,047,965	(456,581)	-43.6

Cost of sales decreased by approximately 43.6% from approximately RMB1,048.0 million for the six months ended June 30, 2025 to approximately RMB591.4 million for the six months ended June 30, 2026. The decline was broadly aligned with the drop in revenue, which was mainly due to the strategic restructuring of Specialty Pharmacy Business and Hui Min Insurance Business segment.

Gross Profit and Gross Margin

Gross Profit and Gross Margin	For the six months ended June 30, 2026		For the six months ended June 30, 2025	
	Gross Profit	Gross Margin	Gross Profit	Gross Margin
	RMB'000	*%*	*RMB'000*	*%*
Commercial Insurance Services Business	**56,892**	**69.7**	64,015	77.0
Physician Research Assistance Business	**64,952**	**26.0**	61,990	28.8
Specialty Pharmacy Business	**26,688**	**6.5**	50,094	5.4
Total	**148,532**	**20.1**	176,099	14.4

During the Reporting Period, the Group recorded total gross profit of approximately RMB148.5 million. The gross margin showed a significant increase from approximately 14.4% for the six months ended June 30, 2025 to approximately 20.1% for the six months ended June 30, 2026, mainly attributable to the increasing share of contribution in gross profit from Commercial Insurance Services Business which delivered a strong gross margin at approximately 69.7%.

Selling and Marketing Expenses

Selling and marketing expenses primarily consist of staff costs, marketing and promotion fees, depreciation and amortization expenses, travel and business related expense and others.

During the Reporting Period, selling and marketing expenses decreased by approximately 38.6% to approximately RMB49.7 million, mainly resulting from the efficiency improvement initiatives related to Commercial Insurance Services Business and the strategic restructuring of Specialty Pharmacy Business.

Administrative Expenses

Administrative expenses primarily consist of staff costs, consulting and service fees, travel and business related expense, depreciation and amortization expenses and others.

During the Reporting Period, administrative expenses decreased by approximately 37.8% to approximately RMB93.6 million, mainly resulting from the reduced share-based payment compensation and the improved administrative efficiency through organizational optimization and digitalization.

Research and Development Expenses

During the Reporting Period, the Group's research and development expenses increased slightly by approximately 0.7% to approximately RMB5.1 million as compared to the corresponding period in 2025.

Restructuring Cost

Restructuring cost was approximately RMB7.5 million which primarily arose from the strategic transformation of Specialty Pharmacy Business, including (1) employee optimization severance cost of approximately RMB6.3 million; and (2) losses on other assets of approximately RMB1.2 million, including disposal of property, plant and equipment, termination of lease etc.

Other expenses

Other expenses decreased significantly by approximately RMB18.2 million to approximately RMB1.9 million for the six months ended June 30, 2026, primarily due to (1) decrease in loss on disposal of subsidiaries; and (2) decrease in net value of foreign exchange differences.

Income Tax

During the Reporting Period, we had income tax expense of approximately RMB0.7 million as compared to credit of RMB1.2 million for the corresponding period in 2025.

Normalized Net Profit/(Loss)

To supplement the Group's consolidated financial statements, which are presented in accordance with IFRSs, we also use normalized net profit/(loss), in conjunction with non-IFRS measure, as an additional financial measure, which is not required by, or presented in accordance with, IFRSs. While the Company is going through a strategic shift in business focus, we believe normalized net profit/(loss) better reflects the Company's ongoing operational results and facilitates comparisons of company to company by eliminating potential impacts of non-recurring items and non-operational items. Our presentation of the normalized net profit/(loss) should not be construed as an implication that our future results will be unaffected by unusual or nonrecurring items.

We believe normalized net profit/(loss) provides useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as it helps our management. However, our presentation of normalized net profit/(loss) may not be comparable to similarly titled measures presented by other companies. The use of normalized net profit/(loss) has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRSs.

The following table sets forth the reconciliations of our non-IFRS financial measures and normalized net profit/(loss) for the period presented to the nearest measures prepared in accordance with IFRS, which is profit/(loss) for the period indicated:

	For the six months ended June 30, 2026 (Unaudited) ***RMB'000***	For the six months ended June 30, 2025 (Unaudited) *RMB'000*
Normalized net profit/(loss):		
Profit/(loss) for the year	**42,924**	(81,139)
Add		
Share-based payment compensation	**720**	42,804
Including: Selling and marketing expenses	**50**	(607)
Administrative expenses	**670**	43,156
Research and development expenses	**–**	255
Restructuring cost	**7,489**	13,523
Adjusted profit/(loss) (non-IFRS measure) for the year	**51,133**	(24,812)
Add/(deduct)		
Government grants	**(403)**	(1,163)
Impact from refunding and penalty in relation to national basic medical insurance scheme	**18**	1,802
(Gain)/loss on disposal of subsidiaries	**(43,878)**	12,177
Normalized net profit/(loss) for the year	**6,870**	(11,996)

Capital Management

During the Reporting Period, we primarily funded our working capital requirements through operating cash flow generation. We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. For the six months ended June 30, 2026, our net cash outflows used in operating activities was approximately RMB26.6 million.

Liquidity, Financial Resources and Gearing Ratio

As of June 30, 2026, we recorded net current assets of approximately RMB787.6 million. As at June 30, 2026, the gearing ratio, calculated as total liabilities over total assets, was approximately 47.2%, as compared with approximately 43.9% as at December 31, 2025.

As our business develops and expands, we expect to generate net cash flows from our operating activities, through the sales revenue of our future commercialized products. Going forward, we believe our liquidity requirements will be satisfied by using our cash and cash equivalents. As of June 30, 2026, we had cash and selected financial assets of approximately RMB792.7 million.

Material Acquisitions and Disposals

Acquisitions of Equity Interest in Target Companies

On March 18, 2026, Bixun (Shanghai) Pharmaceutical Technology Co., Ltd.(比遜(上海)醫藥科技有限公司)("**Bixun Pharmaceutical**"), a wholly-owned subsidiary of the Company (as purchaser) entered into the Share Purchase Agreement with the Health Pie Limited(健康派有限公司), for a base consideration of RMB354,453,690, subject to a price adjustment mechanism and RSU grants, whereby Bixun Pharmaceutical conditionally agreed to acquire 100% equity interest of Hai Nan Shanze Network and Technology Co., Ltd. (海南善澤網路科技有限公司)("**Shanze Technology**") and indirectly obtained approximately 98.32% of the equity interest in the Jianyi Information Technology (Shanghai) Co., Ltd.(健醫信息科技(上海)股份有限公司)("**Jianyi Information**", collectively "**Target Companies**") held by Shanze Technology. Concurrent with the Share Purchase Agreement, Bixun Pharmaceutical also entered into another Share Transfer Agreement with Hailin Management Consulting (Shanghai) Co., Ltd.(海鄰管理諮詢(上海)有限公司)("**Hailin Management**") and conditionally agreed to acquire the remaining 1.68% of the Jianyi Information for a total consideration of RMB5,546,310 (the "**Acquisitions**"). Upon completion of the Acquisitions, Bixun Pharmaceutical held 100% of the equity interest in the Target Companies. For details of the above acquisition of equity interest, please refer to the announcements of the Company dated March 18, 2026 and April 13, 2026. Up to the date of this interim results announcement, the Acquisition has not yet completed.

Disposal of Equity Interest in Wholly Owned Subsidiary

On April 22, 2026, Sipai Healthcare Investment Group Co., Ltd.(思派健康產業投資集團有限公司)("**Sipai Investment**"), a wholly-owned subsidiary of the Company (as seller) entered into the Equity Transfer Agreement with Dashenlin Pharmaceutical Group Co., Ltd.(大參林醫藥集團股份有限公司)("**Dashenlin**") (as purchaser), whereby Sipai Investment conditionally agreed to dispose of its entire equity interest in the Sipai Zhihe Technology (Guangzhou) Co., Ltd.(思派致合科技(廣州)有限公司)("**Sipai Zhihe**"), a wholly-owned subsidiary of the Company, at the aggregate Consideration of RMB51,730,000, subject to a consideration adjustment mechanism (the "**Disposal**"). Upon completion of the Disposal, Dashenlin obtained 100% of the equity interest in Sipai Zhihe (as well as other entities under its ownership). For details of the above disposal of equity interest, please refer to the announcements of the Company dated April 22, 2026 and May 14, 2026.

Save as disclosed above, during the Reporting Period and up to the date of this interim results announcement, there were no material acquisitions and disposals of subsidiaries, associates and joint ventures by the Group.

Significant Investment

During the Reporting Period, the Group has subscribed for certain wealth management product from JPMorgan Chase Bank, National Association ("**JPM**") which carries a value of 5% or more of the Group's total assets as at June 30, 2026 at fair value through profit or loss:

Name of bank	Principal amount *(USD)*	Fair value as at June 30, 2026 *(USD)*	Performance/ gain for the six months ended June 30, 2026 *(USD)*	Size relative to the Company's total assets *(%)*
JPM	22.00 million	23.02 million	0.60 million	9.26

During the Reporting Period, the Group redeemed US$8,000,000 of the wealth management product offered by JPM with an original subscription principal amount of US$30,000,000. As at June 30, 2026, the outstanding principal amount of the wealth management product subscribed from JPM was US$22.00 million.

The Company considers that the wealth management product is characterized by its nature of convenient trading with satisfactory liquidity, and it was made by the Company for treasury management purpose in order to maximize its return on the surplus cash received from its business operations. The Group expects that the wealth management product will earn a better yield than that of other wealth management products subscribed by the Group while offering flexibility to the Group in terms of treasury management.

Save as disclosed above, the Group did not hold any significant investments in assets with a value of more than 5% of the Group's total assets as of June 30, 2026.

Capital Expenditure

Principal capital expenditures relate primarily to the purchase of office equipment, softwares as well as leasehold improvements. The following table sets forth our capital expenditures for the periods indicated:

	For the six months ended June 30, 2026	For the six months ended June 30, 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Purchases of property, plant and equipment	**(88)**	(1,516)
Purchases of other intangible assets	**(564)**	–
Total	**(652)**	(1,516)

Currency Risk

During the Reporting Period, the Group mainly operated in China and a majority of its transactions were settled in RMB, the functional currency of the Company's primary subsidiaries. The Group is exposed to foreign currency risk as a result of certain cash and bank balances denominated in non-functional currency. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Pledge of Assets

The pledged deposits of the Group increased from approximately RMB47.1 million as of December 31, 2025 to approximately RMB272.9 million as of June 30, 2026, mainly attributable to a transaction deposit of RMB259.8 million placed in connection with the proposed acquisition of Hai Nan Shanze (please refer to the section headed "Material Acquisitions and Disposals" above for transaction details), partly offset by a reduction of approximately RMB34.0 million in bill deposits resulting from lower bills payable.

Contingent Liabilities

The Group had no material contingent liabilities as at June 30, 2026.

Employees and Remuneration Policies

As of June 30, 2026, we had 3,449 employees in total. Most of them are stationed in China. We recruit our employees based on a number of factors, including work experience, educational background and the requirements of a relevant vacancy. We assess our employees based on their performance to determine their salary, promotion and career development.

We enter into standard employment agreements and confidentiality agreements or clauses with all of our employees. We also enter into non-compete agreements with our senior management and core personnel. These agreements include a standard non-compete covenant that prohibits such employee from competing with us, directly or indirectly, during his or her employment and for a certain period after termination of his or her employment. We maintain a good working relationship with our employees, and we have not experienced any material labor disputes.

We are committed to establishing a competitive and fair remuneration. In order to effectively motivate our employees, we continually refine our remuneration and incentive policies through market research. We conduct performance evaluation for our employees at least once a year to provide feedback on their performance. Compensation for our employees typically consists of base salary and a performance-based bonus.

Future Investment Plans and Expected Funding

As of June 30, 2026, we did not have other plans for material investments and capital assets.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

On July 31, 2026, Sipai Healthcare Investment Group Co., Ltd.（思派健康產業投資集團有限公司）, a wholly-owned subsidiary of the Company, subscribed for a wealth management product offered by Industrial Bank Co., Ltd. in the principal amount of RMB50,000,000. For details, please refer to the announcement of the Company dated July 31, 2026.

Save as disclosed above, as at the date of this interim results announcement, the Group has no significant events occurred after the Reporting Period that require additional disclosure or adjustments.

USE OF NET PROCEEDS FROM LISTING

The Group has fully utilized the net proceeds raised from the Global Offering by the end of 2024 in accordance with the planned schedule.

DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended June 30, 2026.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2026

	Notes	**For the six months ended June 30, 2026 (Unaudited)** ***RMB'000***	2025 (Unaudited) *RMB'000*
REVENUE	*5*	**739,916**	1,224,064
Cost of sales		**(591,384)**	(1,047,965)
Gross profit		**148,532**	176,099
Other income and gains		**55,420**	15,103
Selling and marketing expenses		**(49,686)**	(80,892)
Administrative expenses		**(93,554)**	(150,522)
Research and development expenses		**(5,120)**	(5,083)
Impairment losses on financial assets and contract assets, net		**(2,081)**	(2,583)
Other expenses		**(1,906)**	(20,063)
Finance costs		**(436)**	(847)
Restructuring costs	*6*	**(7,489)**	(13,523)
Share of profits and losses of an associate		**(72)**	(58)
PROFIT/(LOSS) BEFORE TAX	*7*	**43,608**	(82,369)
Income tax (expense)/credit	*8*	**(684)**	1,230
PROFIT/(LOSS) FOR THE PERIOD		**42,924**	(81,139)
Attributable to:			
Owners of the parent		**43,294**	(71,985)
Non-controlling interests		**(370)**	(9,154)
		42,924	(81,139)

	Notes	For the six months ended June 30, 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will not be reclassified to profit or loss in subsequent period:			
Exchange differences on translation of the Company		**(8,119)**	(2,196)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD		**(8,119)**	(2,196)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**34,805**	(83,335)
Attributable to			
Owners of the parent		**35,175**	(74,181)
Non-controlling interests		**(370)**	(9,154)
		34,805	(83,335)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THEPARENT			
Basic	*10*	**0.07**	(0.12)
Diluted	*10*	**0.07**	(0.12)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2026

	Note	**June 30, 2026 (Unaudited)** ***RMB'000***	December 31, 2025 (Audited) *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**6,099**	10,075
Other intangible assets		**19,921**	22,391
Prepayments, other receivables and other assets		**14,312**	5,394
Right-of-use assets		**17,131**	21,297
Investments in an associate		**8,194**	8,266
Deferred tax assets		**59**	234
Amounts due from a related party		**–**	6,000
Time deposits		**51,364**	50,889
Financial assets at fair value through profit or loss ("**FVTPL**")		**–**	215,799
Total non-current assets		**117,080**	340,345
CURRENT ASSETS			
Inventories		**37,519**	67,149
Trade and bills receivables	*11*	**180,027**	155,161
Contract assets		**247,448**	206,347
Prepayments, other receivables and other assets		**86,430**	62,943
Amounts due from related parties		**7,566**	1,651
Financial assets at FVTPL		**304,977**	244,251
Time deposits		**5,057**	114,602
Pledged deposits		**272,896**	47,064
Cash held on behalf of clients		**276,346**	104,250
Cash and cash equivalents		**158,441**	259,145
Total current assets		**1,576,707**	1,262,563

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
		RMB'000	*RMB'000*
CURRENT LIABILITIES			
Trade and bills payables	*12*	**65,273**	118,588
Other payables and accruals		**475,664**	337,832
Amounts due to related parties		**41**	46
Contract liabilities		**240,429**	223,789
Lease liabilities		**7,618**	9,967
Income tax payable		**71**	40
Total current liabilities		**789,096**	690,262
NET CURRENT ASSETS		**787,611**	572,301
TOTAL ASSETS LESS CURRENT LIABILITIES		**904,691**	912,646
NON-CURRENT LIABILITIES			
Lease liabilities		**9,701**	12,611
Deferred tax liabilities		**32**	26
Total non-current liabilities		**9,733**	12,637
Net assets		**894,958**	900,009
EQUITY			
Equity attributable to owners of the parent			
Share capital	*13*	**519**	519
Reserves		**931,889**	935,795
		932,408	936,314
Non-controlling interests		**(37,450)**	(36,305)
Total equity		**894,958**	900,009

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

SIPAI HEALTH TECHNOLOGY CO., LTD. (the "**Company**") is a limited liability company incorporated in the Cayman Islands ("**Cayman**") under the laws of the Cayman Islands. The registered office of the Company is located at Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands.

During the period, the Company and its subsidiaries (together, the "**Group**") were principally engaged in (i) the business of specialty pharmacy (the "**Specialty Pharmacy Business**", including specialty pharmacy network and the provision of pharmacist service), (ii) the business of physician research assistance (the "**Physician Research Assistance Business**", including the provision of site management organisation services and services for image management in clinical trials) and (iii) the provision of commercial insurance services (the "**Commercial Insurance Services Business**", including health management services). The Group's principal place of operations and geographical markets are in the People's Republic of China (the "**PRC**").

The Company was listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on December 23, 2022.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended June 30, 2026 has been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("**IAS 34**"). The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2025. The interim condensed consolidated financial information is presented in Renminbi ("**RMB**"), and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The nature and impact of the amended IFRS Accounting Standards are described below:

(a) Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending December 31, 2026.

(b) Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to IFRS Accounting Standards* – Volume 11 set out narrow scope amendments to IFRS 1, IFRS 7 (and the accompanying Guidance on implementing IFRS 7), IFRS 9, IFRS 10 and IAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding IFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organized into business units based on their products and services and has three reportable operating segments as follows:

Specialty Pharmacy Business	Operation of specialty pharmacy stores and distribution of pharmaceutical products to pharmaceutical companies and other distributors.
Physician Research Assistance Business	Offering pharmaceutical companies and other clinical trial institutions site management organization services, including site feasibility, site initiation, patient recruitment, patient management, data entry and document management, on-site drug management and bio-sample management, site closure and others; and offering services for image management in clinical trials.
Commercial Insurance Services Business	Providing insurance brokerage services to insurance companies and health management services to insurance carriers and enterprise clients.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment gross profit. No analysis of segment assets and liabilities is presented as management does not regularly review such information for the purposes of resource allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Six months ended June 30, 2026

	Specialty Pharmacy Business *RMB'000* (Unaudited)	Physician Research Assistance Business *RMB'000* (Unaudited)	Commercial Insurance Services Business *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Segment revenue	**408,805**	**249,490**	**81,621**	**739,916**
Segment results	**26,688**	**64,952**	**56,892**	**148,532**
Reconciliation:				
Other income and gains				**55,420**
Selling and marketing expenses				**(49,686)**
Administrative expenses				**(93,554)**
Research and development expenses				**(5,120)**
Impairment losses recognized on financial assets and contract assets, net				**(2,081)**
Other expenses				**(1,906)**
Finance costs				**(436)**
Restructuring costs				**(7,489)**
Share of profits and losses of an associate				**(72)**
Group's profit before tax				**43,608**

Six months ended June 30, 2025

	Specialty Pharmacy Business *RMB'000* (Unaudited)	Physician Research Assistance Business *RMB'000* (Unaudited)	Commercial Insurance Services Business *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Segment revenue	925,825	215,121	83,118	1,224,064
Segment results	50,094	61,990	64,015	176,099
Reconciliation:				
Other income and gains				15,103
Selling and marketing expenses				(80,892)
Administrative expenses				(150,522)
Research and development expenses				(5,083)
Impairment losses recognized on financial assets and contract assets, net				(2,583)
Other expenses				(20,063)
Finance costs				(847)
Restructuring costs				(13,523)
Share of profits and losses of an associate				(58)
Group's loss before tax				(82,369)

Geographical information

During the reporting period, almost all of the Group's revenues were derived from operations in the PRC and nearly all of the Group's non-current assets were located in the Chinese mainland. No geographical segment information is presented in accordance with IFRS 8 *Operating Segments*.

Information about major customers

No further information about major customers is presented as there was no single customer from which over 10% or more of the Group's revenue was derived during the reporting period.

5. REVENUE

An analysis of revenue is as follows:

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Types of goods or services		
Specialty Pharmacy Business	**408,805**	925,825
Physician Research Assistance Business	**249,490**	215,121
Commercial Insurance Services Business	**81,621**	83,118
Total	**739,916**	1,224,064
Timing of revenue recognition		
Recognized at a point in time	**483,967**	1,003,571
Recognized over time	**255,949**	220,493
Total	**739,916**	1,224,064

6. RESTRUCTURING COST

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee-related expenses	**6,326**	12,427
Other losses	**1,163**	1,096
Total	**7,489**	13,523

The Company respectively initiated the restructuring process of the Specialty Pharmacy Business in 2024 and the Hui Min Insurance Business in 2025. For the six months ended June 30, 2026 the Group incurred a restructuring cost of RMB7,489,000(six months ended June 30, 2025: RMB13,523,000), mainly including employee-related expenses and other losses from the disposal of properties and inventories.

7. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax from continuing operations is arrived at after charging/(crediting):

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**382,117**	875,731
Cost of services provided	**209,267**	172,234
Depreciation of property, plant and equipment*	**2,229**	2,115
Depreciation of right-of-use assets*	**4,886**	10,518
Amortisation of other intangible assets*	**3,029**	2,822
Government grants	**(403)**	(1,163)
Interest income	**(2,020)**	(5,154)
Foreign exchange difference, net	**–**	3,556
Impairment losses on financial assets and contract assets, net	**2,081**	2,583
Impairment loss recognized on inventories, net of reversal	**630**	686
Auditor's remuneration	**680**	680
Expense relating to short-term and low-value assets	**1,750**	811
Gains on financial assets at FVTPL	**(8,637)**	(7,349)
(Gains)/loss on disposal of subsidiaries	**(43,878)**	12,177
Loss on disposal of property, plant and equipment	**114**	66
Loss on disposal of other intangible assets	**339**	–
Restructuring costs	**7,489**	13,523
Staff cost (excluding directors' and chief executive's remuneration):		
– Wages and salaries	**270,345**	213,298
– Pension scheme contributions	**24,198**	24,377
– Share-based payment compensation	**720**	42,804

* The depreciation of plant and equipment, depreciation of right-of-use assets and amortization of other intangible assets for each reporting period are set out in "Administrative expenses", "Selling and marketing expenses" and "Cost of sales" in the consolidated statement of profit or loss and other comprehensive income.

8. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains.

Hong Kong

On March 21, 2018, the Hong Kong Legislative Council passed the Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**Bill**"), which introduces the two-tiered profits tax rates regime. The Bill was signed into law on March 28, 2018 and was gazette on the following day.

Under the two-tiered profits tax rates regime, the first HK$2,000,000 of profits of qualifying corporations will be taxed at 8.25%, and profits above HK$2,000,000 will be taxed at 16.5%. The two-tiered profits tax rates regime is applicable to the Group's Hong Kong subsidiaries with estimated assessable profits for its annual reporting period ended on or after April 1, 2018.

Chinese mainland

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the EIT rate of the PRC subsidiaries is 25% during the reporting period unless subject to tax concession set out below.

Pursuant to Caishui [2023] No. 12 "Announcement of the Ministry of Finance and the State Taxation Administration on Relevant Tax and Fee Policies With Respect to Further Supporting the Development of Small and Micro Enterprises and Individual Businesses"(財政部稅務總局關於進一步支持小微企業和個體工商戶發展有關稅費政策的公告), the EIT rate of certain subsidiaries in the Chinese mainland, whose annual taxable income were less than RMB3,000,000, will be reduced to 5%. This policy has taken effect from 1 January 2023 and will expire on 31 December 2027.

The income tax (credit)/expense of the Group for the reporting period is analysed as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax		
– Charge for the period	**341**	174
– Under provision/(over provision) in previous period	**169**	(1,078)
Deferred income tax	**174**	(326)
Tax expense/(credit) for the period	**684**	(1,230)

9. DIVIDENDS

No dividend has been paid or declared by the Company during the period (for the six months ended June 30, 2025: Nil).

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares outstanding during the period. The calculation of weighted average number of ordinary shares has excluded the treasury shares held in trust of the Company.

The calculation of the diluted earnings/(loss) per share amounts is based on the profit/(loss) for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings/(loss) per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

The calculation of basic and diluted earnings/(loss) per share is based on:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings/(loss)		
Profit/(loss) attributable to ordinary equity holders of the parent	**43,294**	(71,985)
Number of ordinary shares		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings/(loss) per share calculation	**577,703,237**	612,954,181
Effect of dilution – weighted average number of ordinary shares:		
Share option scheme*	**65,499,133**	–
Weighted average number of ordinary shares outstanding during the period used in the diluted earnings/(loss) per share calculation	**643,202,370**	612,954,181
Basic earnings/(loss) per share (RMB per share)	**0.07**	(0.12)
Diluted earnings/(loss) per share (RMB per share)	**0.07**	(0.12)

* As the impact of the share option scheme had an anti-dilutive effect on the basic loss per share amounts presented for the six months ended June 30, 2025, no adjustment has been made on the basic earnings/(loss) per share amounts presented.

11. TRADE AND BILLS RECEIVABLES

	June 30, 2026 *RMB'000* **(Unaudited)**	December 31, 2025 *RMB'000* (Audited)
Bills receivables	–	465
Trade receivables	**211,483**	183,036
Allowance for credit losses	**(31,456)**	(28,340)
Total	**180,027**	155,161

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of allowance for expected credit losses, is as follows:

	June 30, 2026 *RMB'000* **(Unaudited)**	December 31, 2025 *RMB'000* (Audited)
Within 6 months	**158,418**	133,215
6 to 12 months	**21,609**	21,946
Total	**180,027**	155,161

12. TRADE AND BILLS PAYABLES

	June 30, 2026 *RMB'000* **(Unaudited)**	December 31, 2025 *RMB'000* (Audited)
Trade and bills payables	**65,273**	118,588

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	June 30, 2026 *RMB'000* **(Unaudited)**	December 31, 2025 *RMB'000* (Audited)
Within 1 month	**44,235**	67,196
1 to 3 months	**12,620**	27,904
3 to 6 months	**5,803**	11,437
Over 6 months	**2,615**	12,051
Total	**65,273**	118,588

13. SHARE CAPITAL

The Company was incorporated in May 2015 with an authorised share capital of USD200,000 divided into 2,000,000,000 ordinary shares ("**ordinary shares**") with a par value of USD0.0001 each.

A summary of movements in the Company's issued and fully paid share capital is as follows:

Shares

	June 30, 2026 *RMB'000* **(Unaudited)**	December 31, 2025 *RMB'000* (Audited)
Issued and fully paid:		
765,747,914 (2025: 765,526,114) ordinary shares of USD0.0001 each	**519**	519

	Number of shares in issue	**Share capital** *RMB'000*
At January 1, 2025 (audited)	764,182,114	518
Exercise of share options	1,344,000	1
At December 31, 2025 (audited)	765,526,114	519
Exercise of share options *(note a)*	221,800	–
At June 30, 2026 (unaudited)	765,747,914	519

Note a: During the six months ended June 30, 2026, 221,800 ordinary shares with a par value of USD0.0001 were issued upon exercise of share options at total consideration of RMB83,000.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as set out in Appendix C1 to the Listing Rules as its own code of corporate governance. The Company has complied with all applicable code provisions of the CG Code during the Reporting Period, save for the following deviations. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

Code provision C.2.1 of Part 2 of the CG Code stipulates that the roles of chairman and chief executive should be segregated and should not be performed by the same individual. According to the current structure of the Board, the positions of the Chairman and Chief Executive Officer of the Company are held by Mr. MA Xuguang.

The Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) decision to be made by the Board requires approval by at least a majority of the Directors and that the Board comprises three independent non-executive Directors out of six Directors, and the Board believes there is sufficient check and balance on the Board, (ii) Mr. MA Xuguang and the other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that they act for the benefit and in the best interests of the Company and will make decisions of the Group accordingly, and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Group. Moreover, the overall strategic and other key business, financial and operational policies of the Group are made collectively after thorough discussion at both the Board and senior management levels. Finally, as Mr. MA Xuguang is one of our co-founders, the Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman and chief executive officer is necessary.

Code provision M of Part 1 of the CG Code provides that the issuer should have a policy on payment of dividends. As the Company intends to retain most, if not all, of the Company's available funds and any future earnings to fund the development and growth of the Company's business and has not yet adopted a dividend policy to declare or pay any dividends in the near future, the Board will review the Company's status periodically and consider adopting a dividend policy if and when appropriate.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code during the Reporting Period.

The Company's employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended June 30, 2026, the Company repurchased a total of 21,149,600 Shares with an aggregate consideration of approximately HK$42,984,880 on the Stock Exchange and held as treasury Shares. Particulars of the Shares repurchased are as follows:

Month of Repurchase	**No. of Shares Repurchased**	**Price Paid per Share**		**Aggregate Consideration**
		Highest (HK$)	*Lowest (HK$)*	*(HK$)*
January	5,832,600	2.89	2.39	16,116,186
February	5,252,000	2.76	2.29	13,566,038
April	1,071,600	1.44	1.33	1,476,434
May	4,119,400	1.47	1.30	5,782,366
June	4,874,000	1.45	1.14	6,043,856
Total	**21,149,600**			**42,984,880**

Save as disclosed above, during the six months ended June 30, 2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities or sold any treasury Shares (as defined under the Listing Rules). As at June 30, 2026, the Company holds 37,183,600 treasury Shares (as defined under the Listing Rules).

AUDIT COMMITTEE

The Audit Committee had, together with the Board and external auditor of the Company, reviewed the accounting standards and practices adopted by the Group and the interim results for the six months ended June 30, 2026.

SCOPE OF WORK OF AUDITOR

The independent auditor of the Company, Ernst & Young, has also reviewed the Group's interim financial information for the six months ended June 30, 2026 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF THE INTERIM RESULTS AND 2026 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.medbankshealthtech.com), and the 2026 interim report containing all the information required by the Listing Rules will be disseminated to the Shareholders electronically (or in hard copy upon request) and published on the respective websites of the Stock Exchange and the Company in due course.

DEFINITIONS AND GLOSSARY

In this interim results announcement, unless the context otherwise requires, the following expressions shall have the following meanings.

"Audit Committee"	the audit committee of the Board
"Board of Directors" or "Board"	the board of Directors
"CG Code"	the "Corporate Governance Code" as contained in Appendix C1 to the Listing Rules
"China", "Mainland China" or "PRC"	the People's Republic of China, which, for the purpose of this interim results announcement and for geographical reference only, excludes Hong Kong, Macau and Taiwan
"Company" or "our Company"	Sipai Health Technology Co., Ltd., an exempted company with limited liability incorporated under the laws of the Cayman Islands on May 19, 2015
"Director(s)"	the director(s) of the Company or any one of them
"Global Offering"	the Hong Kong Public Offering and the International Offering as defined in the Prospectus

"Group", "our Group", "our", "we" or "us"	the Company and all of its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"IASB"	International Accounting Standards Board
"IFRS"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix C3 to the Listing Rules
"Reporting Period"	for the six months ended June 30, 2026
"Prospectus"	the prospectus of the Company dated December 12, 2022
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) with nominal value of US$0.0001 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)

"SMO"	site management organization, an organization that provides clinical trial related services to medical device companies having adequate infrastructure and staff to meet the requirements of the clinical trial protocol
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$"	United States Dollars, the lawful currency of the United States
"%"	per cent

By order of the Board
Sipai Health Technology Co., Ltd.
Ma Xuguang
Chairman of the Board and Executive Director

Hong Kong, August 20, 2026

As at the date of this announcement, the Board of Directors comprises Mr. MA Xuguang and Mr. LI Ji as executive directors, Mr. YAO Leiwen as non-executive director, as well as Mr. FAN Xin, Mr. HE Haijian and Ms. HUANG Bei as independent non-executive directors.