PW MEDTECH GROUP LIMITED

普华和顺集团公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1358)

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

KEY FINANCIALS

- Revenue for the six months ended June 30, 2026 amounted to approximately RMB394.1 million, representing a decrease of 4.9% from approximately RMB414.4 million for the corresponding period in 2025.
- Gross profit for the six months ended June 30, 2026 amounted to approximately RMB189.9 million, representing a decrease of 10.8% from approximately RMB212.8 million for the corresponding period in 2025. Gross profit margin decreased from 51.3% for the corresponding period in 2025 to 48.2% for the six months ended June 30, 2026.
- Profit for the period for the six months ended June 30, 2026 amounted to approximately RMB37.7 million, representing a decrease of 56.5% from approximately RMB86.6 million for the corresponding period in 2025. Profit attributable to owners of the Company for the six months ended June 30, 2026 amounted to approximately RMB14.7 million, representing a decrease of 77.7% from approximately RMB66.0 million for the corresponding period in 2025.
- Adjusted net profit for the period (non-HKFRS measure) amounted to approximately RMB68.6 million for the six months ended June 30, 2026, representing a decrease of 42.4% from approximately RMB119.1 million for the corresponding period in 2025. Adjusted net profit attributable to owners of the Company (non-HKFRS measure) amounted to approximately RMB31.3 million for the six months ended June 30, 2026, representing a decrease of 62.5% from approximately RMB83.4 million for the corresponding period in 2025.
- The Board resolved to declare an interim dividend of HK1.1 cents per share for the six months ended June 30, 2026 (for the six months ended June 30, 2025: HK4.4 cents).

Note:

(1) We define the "adjusted profit for the period (non-HKFRS measure)" and "adjusted net profit attributable to owners of the Company (non-HKFRS measure)" as profit for the period or profit attributable to owners of the Company adding back (i) share-based compensation expenses of the Blood Purification Business; (ii) professional services fee relating to the spin-off of Sichuan Ruijian Medical (the "Spin-off"); (iii) amortization of fair value increment on intangible assets recognised in the acquisition of Beijing Ruijian Biological; and (iv) income tax effects of non-HKFRS adjustments. We eliminate the impacts of these items that the Group does not consider indicative of the performance of the business of the Group, as they are either non-cash items or non-recurring expenses.

The board (the "**Board**") of directors (the "**Directors**") of PW Medtech Group Limited (the "**Company**" or "**PW Medtech**" and, together with its subsidiaries, collectively the "**Group**") is pleased to announce the unaudited interim condensed consolidated financial results of the Group for the six months ended 30 June 2026 (the "**Relevant Period**"), together with the comparative figures for the corresponding period in 2025 or other date/period as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Unaudited	
		Six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
Revenue	*5*	**394,056**	414,373
Cost of sales		**(204,153)**	(201,594)
Gross profit		**189,903**	212,779
Other income and gains and losses — net	*6*	**5,452**	14,840
Fair value loss on investment properties	*14*	**(127)**	(321)
Reversal of impairment losses on trade receivables		**1,927**	3,722
Reversal of/(provision for) impairment loss recognised on amount due from a related party		**779**	(1,099)
Selling and marketing expenses		**(42,578)**	(43,767)
General and administrative expenses		**(93,454)**	(83,463)
Research and development expenses		**(25,710)**	(22,493)
Operating profit		**36,192**	80,198
Finance income — net	*7*	**14,636**	22,923
Profit before income tax	*8*	**50,828**	103,121
Income tax expenses	*9*	**(13,146)**	(16,502)
Profit for the period		**37,682**	86,619
Other comprehensive (expense)/income			
Items that will not be subsequently reclassified to profit or loss:			
Change in fair value of financial assets at fair value through other comprehensive income		**(10,317)**	27,803
Currency translation differences		**(2,688)**	(502)
Other comprehensive (expense)/income for the period		**(13,005)**	27,301
Total comprehensive income for the period		**24,677**	113,920

	Notes	Unaudited Six months ended 30 June **2026** ***RMB'000***	 2025 *RMB'000*
Profit for the period attributable to:			
Owners of the Company		**14,692**	65,999
Non-controlling interests		**22,990**	20,620
		37,682	86,619
Total comprehensive income for the period attributable to:			
Owners of the Company		**1,687**	93,300
Non-controlling interests		**22,990**	20,620
		24,677	113,920
Earnings per share attributable to owners of the Company for the period (expressed in RMB cents per share)			
Basic and diluted	*10*	**1.01**	4.44

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Assets			
Non-current assets			
Property, plant and equipment	*12*	**895,429**	905,004
Right-of-use assets	*13*	**29,275**	30,498
Investment properties	*14*	**260,933**	261,060
Intangible assets	*15*	**992,912**	1,018,395
Goodwill	*16*	**564,085**	564,085
Deferred tax assets		**9,367**	9,817
Long-term prepayments		**8,984**	14,521
Loan receivables	*17*	**180,000**	—
Non-current financial assets	*18*	**58,262**	70,688
Total non-current assets		**2,999,247**	2,874,068
Current assets			
Inventories		**170,849**	145,201
Loan receivables	*17*	**—**	240,000
Trade and other receivables	*19*	**147,570**	168,144
Financial assets at fair value through profit or loss	*20*	**—**	5,000
Cash and cash equivalents		**1,828,021**	1,802,841
Total current assets		**2,146,440**	2,361,186
Total assets		**5,145,687**	5,235,254
Liabilities			
Current liabilities			
Trade and other payables	*21*	**155,899**	154,969
Lease liabilities		**2,436**	2,247
Bank borrowings		**15,000**	15,000
Contract liabilities		**42,898**	30,037
Tax payables		**12,706**	14,543
Total current liabilities		**228,939**	216,796
Net current assets		**1,917,501**	2,144,390

	Notes	**30 June 2026** **RMB'000** **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Non-current liabilities			
Lease liabilities		**3,602**	4,754
Deferred tax liabilities		**134,494**	139,108
Deferred government grants		**20,201**	20,863
Total non-current liabilities		**158,297**	164,725
NET ASSETS		**4,758,451**	4,853,733
Equity			
Share capital	*22*	**876**	897
Share premium		**1,360,155**	1,392,707
Treasury shares		**(10,220)**	(2,746)
Reserves		**407,363**	418,450
Retained earnings		**2,130,971**	2,141,167
Equity attributable to owners of the Company		**3,889,145**	3,950,475
Non-controlling interests		**869,306**	903,258
TOTAL EQUITY		**4,758,451**	4,853,733

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

PW Medtech Group Limited (the "**Company**") was incorporated in the Cayman Islands on 13 May 2011 as an exempted company with limited liability under the Companies Act, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 8 November 2013.

The Company is an investment holding company. The Company and its subsidiaries (together referred to as the "**Group**") are principally engaged in the research and development ("**R&D**"), manufacturing and sale of advanced infusion set, intravenous cannula products, insulin needles etc. (the "**Infusion Set Business**"), hemodialysis and blood purification medical devices (the "**Blood Purification Business**") and animal-derived regenerative medical biomaterials and human tissue repair alternative products (the "**Regenerative Medical Biomaterials Business**") in the People's Republic of China (the "**PRC**").

2. BASIS OF PREPARATION

These interim condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("**HKAS 34**"), issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. These interim condensed consolidated financial statements were authorised for issue on 28 August 2026.

These interim condensed consolidated financial statements have been prepared with the same accounting policies adopted in the 2025 annual financial statements, except for those that relate to new standards or amendments effective for the first time for periods beginning on or after 1 January 2026. Details of any changes in accounting policies are set out in note 3. The adoption of the new and revised HKFRS Accounting Standards have no material effect on these interim condensed consolidated financial statements.

The preparation of these interim condensed consolidated financial statements in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The areas where significant judgments and estimates have been made in preparing the interim condensed financial statements and their effect are disclosed in Note 4.

These interim condensed consolidated financial statements are presented in Renminbi ("**RMB**"), unless otherwise stated. These interim condensed consolidated financial statements contain condensed consolidated interim financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the group since the 2025 annual financial statements. These interim condensed consolidated financial statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with HKFRS Accounting Standards and should be read in conjunction with the 2025 annual financial statements.

The interim condensed consolidated financial statements have been prepared under the historical cost convention except for certain financial instruments, which are measured at fair value.

These interim condensed consolidated financial statements are unaudited, but have been reviewed by BDO Limited 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 HKICPA.

3. CHANGE IN ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, as described therein.

- Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments
- Amendments to HKFRS 9 and HKFRS 7, Contracts Referencing Nature-dependent Electricity
- Annual Improvements to HKFRS Accounting Standards — Volume 11, Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The amended HKFRS Accounting Standards that are effective from 1 January 2026 did not have any significant impact on the Group's accounting policies. The Group has not early applied any new or amended HKFRS Accounting Standards that is not yet effective for the current accounting period.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to 2025 annual financial statements.

5. REVENUE AND SEGMENT INFORMATION

Disaggregation of revenue from contracts with customers

An analysis of the Group's revenue for the period is as follows:

	For the six months ended 30 June 2026				For the six months ended 30 June 2025			
	Infusion Set Business	**Blood Purification Business**	**Regenerative Medical Biomaterials Business**	**Consolidated**	Infusion Set Business	Blood Purification Business	Regenerative Medical Biomaterials Business	Consolidated
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue from contracts with customers within the scope of HKFRS 15								
Revenue from hospitals	**3,617**	**5,335**	**—**	**8,952**	13,457	2,232	—	15,689
Revenue from medical products distributors	**76,807**	**303,116**	**5,181**	**385,104**	99,930	295,212	3,542	398,684
Total	**80,424**	**308,451**	**5,181**	**394,056**	113,387	297,444	3,542	414,373
Timing of revenue recognition								
Point in time	**80,424**	**308,451**	**5,181**	**394,056**	113,387	297,444	3,542	414,373
Geographical markets								
Mainland China	**80,424**	**228,156**	**5,181**	**313,761**	113,387	194,919	3,542	311,848
India	**—**	**13,535**	**—**	**13,535**	—	38,580	—	38,580
America (excluding U.S.)	**—**	**12,229**	**—**	**12,229**	—	12,859	—	12,859
Africa Region	**—**	**12,338**	**—**	**12,338**	—	12,060	—	12,060
Other Asia countries	**—**	**30,838**	**—**	**30,838**	—	28,786	—	28,786
Others	**—**	**11,355**	**—**	**11,355**	—	10,240	—	10,240
	80,424	**308,451**	**5,181**	**394,056**	113,387	297,444	3,542	414,373

Segment information

Information reported to the chief executive of the Company, being the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance focuses on business units. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group. The Group has the following operating and reportable segments:

— the "Infusion Set Business" segment represents the R&D, manufacturing and sales of advanced infusion set, intravenous cannula products, insulin needles, etc;

— the "Blood Purification Business" segment represents the R&D, manufacturing and sales of hemodialysis and blood purification medical devices; and

— the "Regenerative Medical Biomaterials Business" segment represents the R&D, manufacturing and sales of animal-derived regenerative medical biomaterials and human tissue repair alternative products.

(i) *Segment revenue and results*

Analysis of the Group's segment revenue and results for the six months ended 30 June 2026 and 2025 is as follows:

	Infusion Set Business		Blood Purification Business		Regenerative Medical Biomaterials Business		Consolidated	
	30 June 2026	30 June 2025	**30 June 2026**	30 June 2025	**30 June 2026**	30 June 2025	**30 June 2026**	30 June 2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
Segment revenue from external customers	**80,424**	113,387	**308,451**	297,444	**5,181**	3,542	**394,056**	414,373
Segment results (Operating profit)	**2,946**	41,614	**80,575**	70,829	**(29,232)**	(24,829)	**54,289**	87,614
Unallocated corporate income							**9,825**	22,850
Unallocated corporate expense							**(13,286)**	(7,343)
Profit before taxation							**50,828**	103,121

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices. There were no inter-segment sales for the periods.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represent the profit/(loss) from each segment without allocation of unallocated corporate income and expenses. This is the measure reported to the chief operating decision maker of the Company for the purposes of resource allocation and performance assessment.

(ii) *Segment assets and liabilities*

	Infusion Set Business		Blood Purification Business		Regenerative Medical Biomaterials Business		Consolidated	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025	**30 June 2026**	31 December 2025	**30 June 2026**	31 December 2025
	RMB'000	RMB'000	**RMB'000**	RMB'000	**RMB'000**	RMB'000	**RMB'000**	RMB'000
	(unaudited)	(Audited)	**(unaudited)**	(Audited)	**(unaudited)**	(Audited)	**(unaudited)**	(Audited)
Segment assets	**1,454,656**	1,440,417	**1,636,945**	1,649,359	**953,969**	945,343	**4,045,570**	4,035,119
Deferred tax assets							**9,367**	9,817
Non-current financial assets							**58,262**	70,688
Unallocated corporate assets							**1,032,488**	1,119,630
Consolidated assets							**5,145,687**	5,235,254
Segment liabilities	**110,195**	112,873	**78,886**	89,956	**23,717**	18,092	**212,798**	220,921
Deferred tax liabilities							**134,494**	139,108
Tax payables							**12,706**	14,543
Unallocated corporate liabilities							**27,238**	6,949
Consolidated liabilities							**387,236**	381,521

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than deferred tax assets, listed equity securities, unlisted investment fund and unallocated corporate assets; and

- all liabilities are allocated to operating segments other than tax payables, deferred tax liabilities and unallocated corporate liabilities.

Unallocated assets mainly represent cash at banks and other receivables in holding company for the period/year ended 30 June 2026 and 31 December 2025.

6. OTHER INCOME AND GAINS AND LOSSES — NET

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Government grants	**1,712**	3,370
Rental income	**7,587**	10,292
Rental management and utility income	**3,398**	2,023
Gain/(loss) on disposal of property, plant and equipment	**18**	(2)
Loss on guarantee liability *(Note)*	**(367)**	(367)
Net foreign exchange loss	**(7,154)**	(1,599)
Fair value change of financial assets at fair value through profit or loss	**259**	1,054
Others	**(1)**	69
Other income and gains and losses — net	**5,452**	14,840

Note: The loss recognised during the periods ended 30 June 2025 and 2026 represents the interest accrued for the period on the guarantee liability as detailed in note 21.

7. FINANCE INCOME — NET

	Unaudited Six months ended 30 June 2026 *RMB'000*	2025 *RMB'000*
Finance income		
Bank interest income	**7,654**	14,801
Interest income on wealth management product	**1,249**	600
Loan interest income	**6,119**	7,850
	15,022	23,251
Finance costs		
Interest expenses on lease liabilities	**(128)**	(133)
Interest expenses on bank borrowings	**(258)**	(195)
	(386)	(328)
Finance income — net	**14,636**	22,923

8. PROFIT BEFORE INCOME TAX

	Unaudited Six months ended 30 June 2026 *RMB'000*	2025 *RMB'000*
Amortisation of intangible assets	**32,299**	32,456
Depreciation of property, plant and equipment	**39,694**	34,675
Depreciation of right-of-use-assets		
— Properties	**1,144**	959
— Leasehold land and land use rights	**300**	300

9. TAXATION

The amount of tax recognised in the condensed consolidated statement of comprehensive income represents:

	Unaudited	
	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Current income tax		
PRC income tax for the period	**(17,310)**	(20,729)
Deferred income tax	**4,164**	4,227
Income tax expenses	**(13,146)**	(16,502)

Below are the major tax jurisdictions that the Group operates during the period.

(a) Cayman Islands profits tax

The Company has not been subject to any taxation in the Cayman Islands.

(b) Hong Kong profits tax

Hong Kong profits tax is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and 16.5% on the estimated assessable profits above HK$2 million. No provision for taxation in Hong Kong was made in the financial statements for the current year as the Group's operations in HK had no assessable profits.

(c) PRC corporate income tax (the "CIT")

The statutory PRC enterprise income tax for the PRC subsidiaries is 25% for the year. According to the Tax Relief Notice (Cai Shui 2020 No. 23) on the Grand Development of Western Region jointly issued by the Ministry of Finance, the State Administration of Taxation and National Development and Reform Commission, enterprises located in the western region of the PRC with over 60% of the principal revenue generated from the encouraged business activities were entitled to a preferential income tax rate of 15% for 10 years from 1 January 2021 to 31 December 2030. Accordingly, certain subsidiaries located in the western region of the PRC are entitled to an income tax rate of 15% for the period.

Three subsidiaries of the Group have been qualified as "High and New Technology Enterprises" under the CIT Law. Therefore, they were entitled to a preferential income tax rate of 15% on their estimated assessable profits during the period. They will continue to enjoy the preferential tax rate in the subsequent periods, provided that they continue to be qualified as "High and New Technology Enterprises" during such periods.

Certain PRC subsidiaries, which are micro and small enterprises, enjoy the preferential tax rate. According to the PRC Enterprise Income Tax Law (the "**EIT Law**") and the Implementation Regulation of the EIT Law, an entity qualified as micro and small enterprises is subject to preferential tax treatment. Eight subsidiaries of the Group are entitled to the preferential tax rate for the periods ended 30 June 2026 and 2025.

(d) Withholding tax ("WHT")

According to applicable tax regulations prevailing in the PRC, dividends distributed by a company incorporated in the PRC to foreign investors with respect to profits derived after 1 January 2008 are generally subject to a 10% withholding tax. Under the double taxation arrangement between the PRC and Hong Kong, the relevant withholding tax rate applicable to the Group is reduced from 10% to 5% subject to the fulfilment of certain conditions.

10. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue (excluding treasury shares) during the periods ended 30 June 2026 and 2025.

	Unaudited	
	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit attributable to owners of the Company	**14,692**	65,999
Weighted average number of ordinary shares in issue (excluding treasury shares) (thousands)	**1,459,193**	1,486,735
Basic earnings per share (RMB cents per share)	**1.01**	4.44

The diluted earnings per share is the same as the basic earnings per share as there were no potential ordinary shares in issue during the period/year ended 30 June 2026 and 31 December 2025.

11. DIVIDENDS

The proposed 2025 final dividend of HK2.0 cents per share (2024: HK5.3 cents per share), totaling HK$28,655,000 (2024: HK$78,797,000) was approved by the Company's shareholders at the annual general meeting held on 26 June 2026. It was disclosed in the Company's announcement on 27 March 2026 and recognised in "trade and other payables" in the interim condensed consolidated statement of financial position and was subsequently paid on 31 July 2026.

The Board has declared an interim dividend of HK1.1 cents per share (six months ended 30 June 2025: HK4.4 cents) for the six months ended 30 June 2026.

12. PROPERTY, PLANT AND EQUIPMENT

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (Audited)
At beginning of period/year	**905,004**	891,691
Additions	**30,451**	88,256
Disposals	**(332)**	(2,689)
Depreciation	**(39,694)**	(72,254)
At end of period/year	**895,429**	905,004

During the period, the Group acquired property, plant and equipment of approximately RMB30,451,000 (six months ended 30 June 2025: RMB40,877,000) and disposed of property, plant and equipment of approximately RMB332,000 during the period (six months ended 30 June 2025: RMB816,000).

13. RIGHT-OF-USE ASSETS

The recognised right-of-use assets relate to the following types of assets:

	Properties *RMB'000*	**Leasehold land and land use rights** *RMB'000*	**Total** *RMB'000*
At 1 January 2025	5,758	24,572	30,330
Additions	2,903	—	2,903
Depreciation for the year	(2,092)	(599)	(2,691)
Early termination of a lease	(44)	—	(44)
At 31 December 2025 (Audited) and 1 January 2026	6,525	23,973	30,498
Additions	221	—	221
Depreciation for the period	(1,144)	(300)	(1,444)
At 30 June 2026 (Unaudited)	5,602	23,673	29,275

14. INVESTMENT PROPERTIES

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(Audited)
FAIR VALUE		
At beginning of period/year	**261,060**	262,880
Change in fair value	**(127)**	(1,820)
At end of period/year	**260,933**	261,060

The balance represented office premises located at No. 23 Panlong West Road, Pinggu District, Beijing, with a construction area of approximately 39,714.5 square meters held by the Group under medium term lease in the PRC.

The Group's property interest held to earn rentals is measured using the fair value model and is classified and accounted for as investment properties.

The fair value of the Group's investment properties as at 30 June 2026 was approximately RMB260,933,000 (31 December 2025: RMB261,060,000).

The fair value was determined based on the income approach, by capitalising the estimated net income derived from the investment properties with reference to the lease agreement and taking into account the future growth potential. The discount rate was determined by reference to weighted average cost of capital of the listed companies with similar business portfolio. Key assumptions used in determining the fair value are as follows:

	30 June 2026	31 December 2025
Occupancy rate	**50% to 83%**	50% to 79%
Monthly rent	**RMB40.9 per sq.m. to RMB77.1 per sq.m.**	RMB40.7 per sq.m. to RMB76.8 per sq.m.
Rental growth rate	**2.0%**	2.0%
Discount rate	**5.0%**	5.0%

The fair value of the investment property at 30 June 2026 and 31 December 2025 were measured using income approach with significant unobservable inputs and hence were classified as Level 3 of the fair value hierarchy. There were no transfer into or out of Level 3 during the period.

A significant increase/decrease in the rental value in isolation would result in a significant increase/decrease in the fair value of the investment properties. A significant increase/decrease in the discount rate and capitalisation rate in isolation would result in a significant decrease/increase in the fair value of the investment properties. Generally, a change in the assumption made for the rental value is accompanied by a directionally similar change in the rent growth per annum.

In addition, as a result of the increased uncertainty, significant judgement is required when evaluating the inputs used in the fair value estimate. Reasonably possible changes at the reporting date to any of the relevant assumptions would have affected the fair value of the investment property as presented below:

	As at 30 June 2026 *RMB'000*	As at 31 December 2025 *RMB'000*
Discount rate increased by 1%	**(33,167)**	(32,562)
Expected occupancy rate decreased by 3%	**(9,737)**	(9,874)
Rental growth rate decreased by 0.5%	**(20,355)**	(21,593)

15. INTANGIBLE ASSETS

	As at 30 June 2026 *RMB'000* **(unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
At beginning of period/year	**1,018,395**	1,068,300
Additions	**6,816**	15,008
Amortisation	**(32,299)**	(64,913)
At end of period/year	**992,912**	1,018,395

16. GOODWILL

The carrying amount of goodwill is allocated to the cash generating units (CGUs) as follows:

	Goodwill carrying amount	
	As at 30 June 2026 *RMB'000* **(unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Infusion Set Business	**160,754**	160,754
Blood Purification Business	**323,540**	323,540
Regenerative Medical Biomaterials Business	**79,791**	79,791
	564,085	564,085

Goodwill was acquired through business combinations and it is related to the Infusion Set Business, Blood Purification Business and Regenerative Medical Biomaterials Business. Goodwill is monitored by the management at the operating segment level.

As at 31 December 2025 and 30 June 2026, management determines that there is no impairment on goodwill.

17. LOAN RECEIVABLES

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(Audited)
Fixed-rate loan receivables	**180,000**	240,000
Analysed as:		
Current	**—**	240,000
Non-current	**180,000**	—
	180,000	240,000

On 20 April 2023, the Group advanced a loan to an independent third party with the principal of RMB180,000,000 at the rate of 5.3% per annum with a maturity date in April 2026. The interest is repayable on a half-yearly basis. In April 2026, the outstanding principal amount was extended to a maturity date on 23 April 2028 and the interest rate was revised to 4.5% per annum during the period from 24 April 2026 to 23 April 2028 with other terms remaining unchanged. The loan is collateralised by certain real properties owned by the borrower located in Beijing with fair value over the carrying amount as at 30 June 2026. The management has assessed the expected credit loss on the loan receivable and considered the effect was immaterial.

On 28 September 2023, a loan advance with the principal of RMB120,000,000 was granted to another independent third party. The loan is interest bearing at 4.55% per annum. The interest is repayable on a semi-yearly basis. In May 2025, the outstanding principal amount was extended to a maturity date on 31 May 2026 with other terms remaining unchanged. The loan is collateralised by certain real properties owned by the borrower located in Suzhou with fair value over the carrying amount as at 30 June 2025. The management has assessed the expected credit loss on the loan receivable and considered the effect was immaterial. The borrower repaid RMB60 million in July 2025 and subsequently repaid RMB60 million in June 2026.

18. NON-CURRENT FINANCIAL ASSETS

Financial assets at fair value include the following:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(Audited)
Non-current assets		
Equity securities designated at FVOCI		
— Listed equity securities *(note (i))*	**36,713**	48,778
Financial assets measured at FVTPL		
— Unlisted investment fund *(note (ii))*	**21,549**	21,910
	58,262	70,688

Notes:

(i) As at 30 June 2026 and 31 December 2025, the Group held 0.65% equity interest in Lepu Biopharma Co., Ltd.. The resulted fair value loss of approximately RMB10,317,000 (six months ended 30 June 2025: fair value gain of approximately RMB27,803,000) was recognised to the other reserves directly during the period ended 30 June 2026.

These assets were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature. The fair values of the listed equity securities investments were determined based on the quoted market closing prices on the Stock Exchange at the end of the reporting period. No dividends were received on these investments nor disposal of investment was made during the reporting period.

(ii) The underlying assets of the unlisted investment fund represent a private equity investing into medical industry. This investment fund was principally to achieve long-term capital appreciation primarily through privately-negotiated investments in companies and/or their affiliates which is/are engaged in the research and development and sales of medical devices. The Group is a limited partner who held 26.3% in this investment fund and neither control nor significant influence in their operational and financing decisions.

The directors of the Company have determined the fair value of the interest held in the investment fund as at 30 June 2026 and 31 December 2025 with reference to the valuation report issued by Flagship Appraisals and Consulting Limited, an independent professional valuer who has professional qualifications and relevant experience. The fair value of the investment fund is determined by using the market approach, with reference to comparable companies benchmark multiples. The resulted fair value loss of approximately RMB361,000 (six months ended 30 June 2025: fair value gain of approximately RMB972,000) was recognised during the period ended 30 June 2026.

(iii) Further details of the valuation methodology on the measurement of financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss are disclosed in note 25.

19. TRADE AND OTHER RECEIVABLES

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(Audited)
Trade receivables *(note i)*	**52,540**	67,394
Bills receivables *(note ii)*	**1,122**	1,234
Prepayments and deposits	**36,350**	25,817
Value added tax recoverables	**10,366**	12,364
Other receivables	**31,295**	29,049
Interest receivables	**2,414**	2,647
Amount due from a related party *(note iii)*	**13,483**	29,639
	147,570	168,144

Notes:

(i) Included in trade and other receivables are trade receivables (net of impairment losses) with the following ageing analysis, based on invoice dates, as of the end of reporting period.

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(Audited)
Up to 3 months	**28,416**	44,559
3 months to 6 months	**8,006**	9,016
6 months to 12 months	**7,499**	8,975
1 year to 2 years	**4,070**	89
2 years to 3 years	**4,549**	4,755
	52,540	67,394

The Group recognised impairment losses based on the expected credit loss model.

Trade receivables are due within 180 days from the date of billing. The Group does not hold any collateral as security.

(ii) The ageing of bills receivables is within 180 days, which is within the credit term.

(iii) The amount due from a related party is interest-free, unsecured and repayable on demand. The reversal of impairment loss on amount due from a related party of approximately RMB779,000 (six months ended 30 June 2025: provision for impairment loss RMB1,099,000) was recognised in profit or loss for the period ended 30 June 2026.

(iv) Impairment assessment

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience indicated significantly different loss patterns for different customer segments, the grouping for trade receivables for the assessment of ECLs is by customer segments, while Group A represents normal distribution customers, Group B represents hospital customers, Group C represents distributor customers who identified as having significant increase in risk of default and Group D represents three credit-impaired customers with significant risk of default.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

30 June 2026	**Group A**	**Group B**	**Group C**	**Group D**
Expected credit loss rate (%)	**10.12**	**2.04**	**96.82**	**48.67**
Gross carrying amount (RMB'000)	**46,880**	**6,749**	**2,296**	**7,247**
Loss allowance (RMB'000)	**4,744**	**138**	**2,223**	**3,527**
31 December 2025	Group A	Group B	Group C	Group D
Expected credit loss rate (%)	7.74	1.03	100	58.22
Gross carrying amount (RMB'000)	57,741	10,141	2,296	9,775
Loss allowance (RMB'000)	4,468	104	2,296	5,691

Expected credit loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade receivables during the period/year is as follows:

	RMB'000
At 1 January 2025	**19,057**
Reversal of impairment losses recognised during the year	(6,498)
At 31 December 2025 (Audited) and 1 January 2026	**12,559**
Reversal of impairment losses recognised during the period	(1,927)
At 30 June 2026 (Unaudited)	**10,632**

20. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(Audited)
Wealth management products — non-principal protected	**—**	5,000

The amount included a wealth management product issued by a bank in the PRC. The product is not redeemable on demand and not principal protected. The return of the product is determined by the performance of the underlying investments which are mainly debt instruments.

The details of the valuation methodology on financial assets at fair value through profit or loss are disclosed in note 25.

The movements of financial assets at fair value through profit or loss during each of the period/year are as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(Audited)
At beginning of period/year	**5,000**	5,148
Addition	**424,000**	270,498
Disposal	**(429,620)**	(271,161)
Fair value change	**620**	515
At end of period/year	**—**	5,000

21. TRADE AND OTHER PAYABLES

	As at 30 June 2026 *RMB'000* (unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Trade payables	**43,514**	58,788
Salary and staff welfare payables	**38,105**	43,487
Dividend payable	**24,888**	—
Advances from customers	**2,456**	2,697
Deposits received	**3,219**	3,240
Value added tax and other taxes	**5,428**	5,362
Professional service fee	**4,426**	8,815
Provision for loss from guarantee liability *(note)*	**23,781**	23,414
Deferred government grants — current portion	**1,325**	1,327
Amount due to related parties	**157**	242
Other payables	**8,600**	7,597
	155,899	154,969

As at 30 June 2026 and 31 December 2025, except for the advances from customers, deposits received, value added tax and other taxes and deferred government grants which are not financial liabilities, all trade and other payables of the Group were non-interest bearing, and their fair value approximated their carrying amounts due to their short maturities.

Included in trade payables are trade creditors with the following ageing analysis, based on invoice dates, as of the end of reporting period:

	As at 30 June 2026 *RMB'000* (unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Up to 6 months	**23,975**	44,159
6 months to 12 months	**7,514**	3,566
Over 1 year	**3,852**	1,278
2 years to 3 years	**561**	1,480
Over 3 years	**7,612**	8,305
	43,514	58,788

Note:

The guaranteed liability was in relation to a joint guaranteed liability of the Group's subsidiary, Xuzhou Yijia Medical Device Co., Ltd. ("**Xuzhou Yijia**"). Based on the final judgement from the Supreme People's Court of the PRC in 2018, Xuzhou Yijia was liable to the principal and accumulated interest on a defaulted loan granted by a bank, which Xuzhou Yijia had undertaken a joint guarantee with another independent guarantor. In view of this and having considered the risks and liabilities relating to this guaranteed liability, the directors of the Company accrued a provision for loss on this guaranteed liability, which represented the principal and accumulated interest on the defaulted loan in 2018 and up to 30 June 2026.

The bank assigned the entire right and interest in and to the said guaranteed liability to an independent third party in 2024 who then demanded repayment from Xuzhou Yijia. In August 2025, Xuzhou Yijia filed a bankruptcy application to a PRC court to protect the legitimate rights and interests of its creditors and Xuzhou Yijia and the application was accepted, and an administrator has been appointed to handle the bankruptcy proceedings. Xuzhou Yijia continued to operate its business without any disruption under the administrator's supervision since then and up to 30 June 2026. As at the date of this announcement, the Group is still working for a settlement with the creditors.

22. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

	Number of issued and fully Paid ordinary shares	**Share capital**	**Share premium**	**Number of treasury shares**	**Treasury shares**
		RMB'000	*RMB'000*		*RMB'000*
At 1 January 2025	1,533,231,098	939	1,456,478	46,496,000	(46,800)
Repurchase of shares	—	—	—	15,191,000	(19,759)
Cancellation of shares	(59,642,000)	(42)	(63,771)	(59,642,000)	63,813
At 31 December 2025 and 1 January 2026	1,473,589,098	897	1,392,707	2,045,000	(2,746)
Repurchase of shares	—	—	—	38,811,000	(40,047)
Cancellation of shares	(30,734,000)	(21)	(32,552)	(30,734,000)	32,573
At 30 June 2026	1,442,855,098	876	1,360,155	10,122,000	(10,220)

During the year ended 31 December 2025, 15,191,000 ordinary shares were repurchased, of which 59,642,000 ordinary shares have been cancelled as at 31 December 2025. The total amount paid to acquire the shares was approximately RMB19,759,000 during the year.

During the period ended 30 June 2026, 38,811,000 ordinary shares were repurchased, of which 30,734,000 ordinary shares have been cancelled as at 30 June 2026. The total amount paid to acquire the shares was approximately RMB40,047,000 during the period.

23. CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of the period/year ended but not yet incurred is as follows:

	As at 30 June 2026 *RMB'000* **(unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Commitments for the :		
Acquisition of property, plant and equipment	**11,920**	11,666

24. RELATED PARTY DISCLOSURES

(a) During the period, the Group had the following material related party:

Name of the related party	**Relationship with the Group**
Lepu Medical Technology (Beijing) Co., Ltd. ("**Lepu Medical**")	Dr. Zhongjie Pu, deemed as the actual controller of Lepu Medical by the Shenzhen Stock Exchange, is the spouse of Executive Director of the Group

(b) During the period, the Group had the following material related party transactions:

	Unaudited Six months ended 30 June	
	2026 *RMB'000*	2025 *RMB'000*
Related party transactions		
Sales of medical devices		
— Lepu Medical and its subsidiaries *(note i)*	**9,951**	43,407
Medical products processing services fee income *(note ii)*		
— Lepu Medical and its subsidiaries	**1,203**	1,435
Purchases of medical devices molds and components *(note iii)*		
— Lepu Medical and its subsidiaries	**451**	2,704

Notes:

(i) Sales of medical devices totaling RMB9,951,000 to a related company were conducted in the normal course of business and in accordance with the terms of the agreement between the Company and the related party.

(ii) Medical products processing services fee income totaling RMB1,203,000 to a related company were conducted in the normal course of business and in accordance with the terms of the agreement between the Company and the related party.

(iii) Purchases of medical devices molds and components totaling RMB451,000 to a related company were conducted in the normal course of business and in accordance with the terms of the agreement between the Company and the related party.

(c) Amount due from/(to) related parties

The amount due from/(to) related parties are interest-free, unsecured and repayable on demand.

(d) Compensation of key management personnel

The remuneration of directors and other members of key management of the Group during the period was as follows:

	Unaudited	
	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Salaries and other allowances	**1,933**	1,889

25. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The carrying amounts of the financial assets and financial liabilities recognised at the end of reporting period were categorised as follows:

	As at	As at
	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(Audited)
Financial assets		
— at amortised cost	**2,126,789**	2,172,804
— at fair value through profit or loss	**21,549**	26,910
— at fair value through other comprehensive income	**36,713**	48,778
	2,185,051	2,248,492
Financial liabilities		
Financial liabilities at amortised cost	**173,156**	164,102

The fair values of financial assets are determined as follows:

— the fair values of investments held for trading with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market price; and

— the fair values of other financial assets are determined based on valuations making reference to market capitalisations of comparable companies engaged in the same industry.

HKFRS 13 requires disclosures for financial instruments that are measured at fair value by level of the following fair value measurement hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs for the asset or liability that are not based on observable market data.

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Description	**As at 30 June 2026** ***RMB'000*** **(unaudited)**	As at 31 December 2025 *RMB'000* (Audited)	**Fair value hierarchy**	**Valuation technique and key input**	**Significant unobservable input**
Financial assets at fair value through profit or loss					
— Wealth management product	**—**	5,000	Level 3	Quoted prices from financial institutions	Expected rate of return ranging from 0.75%–1.75% (31 December 2025: 0.93%–1.78%)
— Unlisted investment fund	**21,549**	21,910	Level 3	Valuations making reference to market capitalisations of comparable companies engaged in the same industry	Selection of comparable companies and weighting of the selected companies used in valuation
Financial assets at fair value through other comprehensive income					
— Listed equity securities	**36,713**	48,778	Level 1	Quoted market prices	N/A

For the financial assets at fair value through profit or loss, it consisted of wealth management products and unlisted investment fund as detailed in notes 18 and 20.

Wealth management products represent bank wealth management products, measured at fair value through profit or loss. These instruments are not traded in an active market and do not have observable market data. The fair value of the unlisted investment is based on quote provided by the financial institution. The fair value is within level 3 of the fair value hierarchy.

The fair value of unlisted investment fund is arrived at based on a valuation carried out by Flagship Appraisals and Consulting Limited, an independent valuer not connected to the Group. The fair value was determined based on market approach, where fair value estimated with references to comparable companies' benchmark multiples.

For the financial assets at fair value through other comprehensive income, it consisted of listed equity securities as detailed in note 18.

The fair value of listed equity securities investments was determined based on the quoted market closing prices on the Stock Exchange.

26. CONTINGENT LIABILITIES

The Company is currently involved in an arbitration (the "**Hong Kong Arbitration**") commenced by independent third parties, Taibang Biological Ltd. ("**Taibang**") and Tianxinfu (Beijing) Medical Appliance Co., Ltd. ("**TXF**", together with Taibang, the "**Claimants**"), at the Hong Kong International Arbitration Centre ("**HKIAC**"). The Claimants allege, based on the Share Exchange Agreement entered into between the Company and China Biologic Products Holdings, Inc. ("**CBPO**") in 2017 (please refer to the circular of the Company dated 14 November 2017 for further details) and the Indemnification Agreement entered into among the Company, CBPO and TXF in 2022, that the Company is liable for indemnification in connection with a civil lawsuit (the "**Hsu Lawsuit**") filed by Mr. Hsu Hu Ping ("**Mr. Hsu**") against TXF before a Chinese court in April 2024. In the Hsu Lawsuit, Mr. Hsu claims approximately RMB 80,000,000 in total for alleged profits, dividends, interest and other amounts under certain technology development agreements that he claims to have signed with TXF. As of the date of this announcement, to the best of our knowledge, no final judgment has been rendered in the Hsu Lawsuit.

The Company has denied the Claimants' claims and raised defences in the Hong Kong Arbitration. The merits hearing of the Hong Kong Arbitration is scheduled for June 2027, and an award is expected to be issued possibly in the third to fourth quarter of 2027. At present, the HKIAC has not yet made any ruling on the merits of the claim for indemnification, and it is not feasible to reliably determine whether the Company will be held liable for such indemnification as of the date of this announcement.

Save as disclosed above, as at 30 June 2026, the Group did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group.

27. EVENT AFTER REPORTING PERIOD

From 1 July 2026 to the date of this announcement, Sichuan Ruijian Medical, a non-wholly owned subsidiary of the Company, repurchased 25,673,547 of its own shares on the open market, representing approximately 8.36% of its total issued share capital. The total consideration paid was approximately RMB200,339,000. Following the share repurchase, the Group's equity interest in Sichuan Ruijian Medical increased from 48.65% to 53.10%.

MANAGEMENT DISCUSSION AND ANALYSIS

Market and Business Review

PW Medtech Group Limited (the "**Company**" or "**PW Medtech**", together with its subsidiaries the "**Group**") is a leading medical device company in China focusing on the fast-growing and high-margin segments in China's medical device industry, and has been committed to expanding new markets with development potential while solidifying its leading position in the industry.

Looking back at the first half of 2026, the global economy was still in a period of fluctuation and adjustment. Facing a complicated external environment, China's economy held up under pressure, with GDP growing 4.7% year-on-year in the first half of the year.

In 2026, China's medical device industry is at the start of the 15th Five-Year Plan, with both opportunities and challenges ahead. Several national support policies are continuing to take effect, providing strong backing for the industry's growth. From the demand side, an aging population is steadily driving up the rigid demand for chronic disease management, rehabilitation care, and basic diagnostic devices. At the same time, companies are also facing challenges. The volume-based procurement of medical consumables is continuing to advance, covering an increasingly wide range, which puts pressure on product prices and profit margins. Competition is intensifying in some niche areas, highlighting short-term business pressures. In the long run, companies are actively adapting to the regular operations of centralized procurement by continuously optimizing internal management and increasing investment in innovation, striving to seize new opportunities amid structural adjustments in the industry.

For the six months ended June 30, 2026, the Group achieved an operating revenue of RMB394.1 million, representing a decrease of 4.9% compared to the same period last year, mainly due to the significant decrease in product prices in the infusion set business segment, as the centralized volume-based procurement policy has been almost fully implemented from the second half of 2025 and covers Beijing and other regions that account for a high proportion of the infusion set business's sales, consequently leading to a significant decrease in the segment's sales revenue. During the same period, the Group recorded a gross profit of RMB189.9 million, representing a year-on-year decrease of 10.8%, with an overall gross margin of 48.2%. Profit attributable to owners of the Company was RMB14.7 million, representing a decrease of 77.7% compared to the same period in 2025.

As a leading company in the domestic medical device industry, PW Medtech will always maintain strategic focus, concentrate on its core business, and actively respond to market changes under the normalization of centralized procurement. The Group will adhere to an innovation-driven development strategy, optimize its product portfolio and operational efficiency, and create long-term value for all shareholders with more resilient business results.

Business Strategies and Future Outlook

PW Medtech currently has three main business segments: the Infusion Set Business, the Blood Purification Business and the Regenerative Medical Biomaterials Business. The Group sticks to innovation-driven growth, continuously working on technological innovation and product development, steadily expanding production capacity and diversifying our product matrix. At the same time, we keep optimizing our sales structure and marketing strategies, focusing on streamlined operations and cost-efficiency, all to strengthen our overall competitiveness.

In the Infusion Set Business segment, the Group, as a leading company in advanced infusion set business in China, continues to focus on traditional strong areas while also actively exploring emerging clinical demand for infusion products, and specializes in R&D, manufacturing, and selling infusion sets, intravenous cannulas, and insulin needles and pens, etc. Infusion treatment is a basic and commonly used treatment in clinical practice. With factors like aging population, deeper tiered medical care, and routine implementation of centralized procurement policies all interacting, the domestic infusion consumables industry is entering a crucial point of value chain restructuring. Since the second half of 2025, the centralized volume-based procurement policy for products like infusion sets and intravenous cannulas has been further deepened nationwide, with some regions that previously didn't participate gradually implementing volume-based procurement, resulting in a significant decrease in product prices and continued pressure on enterprises' profit margins. During the Relevant Period, the Group's Infusion Set Business achieved an operating revenue of RMB80.4 million, representing a decrease of 29.1% compared to the same period last year, accounting for approximately 20.4% of the Group's total operating revenue for the Relevant Period. The decrease in operating revenue for the Infusion Set Business during the Relevant Period was mainly because the increase in product sales volume couldn't make up for the price cuts caused by volume-based procurement. The Group will continue to follow the "low-cost, high-quality" strategy, and reduce operating costs by optimizing automated production processes and refining operations. At the same time, the Group is accelerating the optimization of its product matrix, while ensuring the supply of volume-based products, focusing precisely on higher value-added products such as precision filtration infusion sets and intravenous catheters; the Group will also focus on the emerging hot areas of infusion products such as diabetes care, and promote the R&D and launch of new products.

In the Blood Purification Business segment, Sichuan Ruijian Medical, a subsidiary of the Group, is a leading blood purification medical device company in China, its products include blood purification consumables, such as hemodialyzer, hemodiafilter and hemoperfutor, and hemodialysis equipment such as hemodialysis machines and continuous blood purification equipment. In addition, Sichuan Ruijian Medical acquired Beijing Handao Technology Co., Ltd. (北京含道科技有限公司) in July 2026 to expand into the peritoneal dialysis business, enrich its blood purification product line, and boost its market competitiveness through industry chain integration and collaborative development. Driven by factors like the aging population and rising chronic kidney disease rates, the number of ESRD (end-stage renal disease) patients needing dialysis treatment continues to grow. At the same time, the gradual improvement of the medical insurance system has increased ESRD patients' willingness to undergo treatment; combined with the continuous optimization and quality improvement of dialysis technology, this has effectively boosted patients' treatment adherence, and the treatment penetration rate among Chinese patients keeps rising. The government strongly supports the construction of tightly-knit county-level medical communities and the enhancement of service capabilities of county-level hospitals, requiring that counties with regular population sizes generally have hemodialysis capacity; this is also driving growth in grassroots and county-level dialysis centers, fully unleashing the inherent potential of the hemodialysis market in China. Since 2024, the volume-based procurement of blood purification consumables through the inter-provincial alliance of 23 provinces including Henan, as well as the Beijing-Tianjin-Hebei "3N" alliance, has been in a regular execution phase. The core consumables that the Group won the bid — such as hemodialyzer, hemodiafilter, dialysis tube, and arteriovenous fistula puncture needle — are under some price pressure, however, the volume-based procurement also provides the Group with stable hospital purchase volumes, allowing us to exchange quantity for price. In overseas markets, some regions are facing increased competition, leading to a slight drop in export revenue. The Company will actively adjust its business strategy and continue to push forward the expansion of overseas operations. In the first half of 2026, the Blood Purification Business recorded an operating revenue of RMB308.5 million, representing a year-on-year increase of 3.7%, accounting for 78.3% of the total operating revenue.

In the Regenerative Medical Biomaterials Business segment, benefiting from the upgrade of healthcare consumption in China, the deepening of aging, and the breakthroughs in next-generation tissue regenerative materials technology, the regenerative medical biomaterials industry is entering a golden development period where innovation dividends are being released faster, and becoming the most promising investment area in medical devices. The National Medical Products Administration fully supports the transformation of innovative medical device achievements, further boosting market confidence in locally made high-end innovative materials. The Group's Regenerative Medical Biomaterials Business segment focuses on the R&D, manufacturing, and sales of animal-derived regenerative medical biomaterials and human tissue repair alternative products. We have a rich product pipeline, covering a variety of high-margin clinical application scenarios like breast reconstruction, oral repair, hernia repair, dura mater repair, burn treatment, and cosmetic injections. During the Relevant Period, the Group's Regenerative Medical Biomaterials Business recorded an operating revenue of RMB5.2 million. The Group will fully leverage our technological leadership and resource integration capabilities, expand sales network coverage and promotion efforts, boost sales growth, and bring more innovative products to market.

Looking ahead, driven by factors including technological innovation and market demand, the Group will continue to increase its R&D investment to promote technological upgrades and market expansion of key products, strictly control product quality, and optimize marketing strategies to address the challenges posed by the normalization of centralized procurement, thereby enhancing the Group's overall competitiveness in the industry. By deepening our local market advantage of domestic substitution, expanding the overseas market share of, inter alia, blood purification products, seeking development opportunities amid industry challenges and consolidating our leading position, the Group strives to repay its shareholders and investors with even better performance.

Emphasis on Innovation and R&D

The Group sees innovative R&D as the core foundation for sustainable development, continuously improving our research capabilities and accelerating the translation of clinical results. Currently, the Group has an experienced R&D team with solid academic and research backgrounds, helping us develop innovative products and constantly enhance our R&D strength.

In the first half of 2026, all our product registrations and R&D processes progressed smoothly:

- In the Infusion Set Business segment, the Group has always focused on research and development and continuously optimizing the materials and performance of infusion sets and cannula products, improving the product line in the field of infusion care, and actively exploring medical devices for diabetes and other care areas. In 2026, the Group obtained registration certificates for disposable drug transfer devices used for dispensing and liquid transfer, as well as electronic pen-style injectors for insulin injection. In addition, the Group expects to submit a registration application for insulin pumps for insulin injection in the second half of 2026, to further expand the product portfolio in the diabetes care field.

- In the Blood Purification Business segment, the Group has always been committed to meeting the differentiated clinical needs of dialysis patients. We continuously drive product innovation and iteration in aspects such as the safety, biocompatibility, and toxin removal efficiency of dialyzers, and we plan to submit registration applications for several new dialyzers in 2026, including wet membrane dialyzers and hemodialyzers more suitable for clearing medium and large molecule toxins. At the same time, in 2026, the Group obtained the registration certificate for hemodiafilter for continuous blood purification therapy, as well as disposable hemoperfutors for removing exogenous drugs or toxins, further expanding the Company's product layout in the field of blood purification consumables. In addition, in the first half of 2026, the Group submitted a registration application for a non-compliant PTA drug-coated balloon catheter for the treatment of vascular stenosis and blockage in arteriovenous fistulas of hemodialysis patients, entering the vascular access maintenance field.

- In the Regenerative Medical Biomaterials Business segment, the Group obtained the product registration certificate for a dura mater patch used for repairing dura mater defects in January 2026. Two products for injectable cosmetic use, an injectable tissue matrix filler and an injectable composite tissue matrix filler, which we submitted for registration in 2025, are currently in the registration review process. Clinical trials are ongoing for tissue filler products used for tissue defect filling and repair.

As of June 30, 2026, the Group has obtained 61 product registration certificates, covering infusion sets, intravenous cannulas, hemodialyzer, hemoperfutor, hemodialysis equipment, breast tissue patches, absorbable oral repair membranes, biological patches, dura mater, enteral feeding devices, insulin pens, insulin needles, and blood transfusion devices. As of June 30, 2026, the Group owns 182 product patents and copyrights, including 68 patents related to infusion sets, 89 patents and copyrights for blood purification products, and 25 patents for regenerative medical biomaterial products, and we have also applied for 65 new patents. The Group will continue to focus on product innovation and R&D, following the strategy of "produce and focus our R&D efforts for a leading next generation of products", focusing on the R&D innovation of medical devices to enhance our overall competitiveness in the industry.

Expansion of Distribution Networks

The Group leverages a nationwide professional sales network and a strong promotion team to fully empower three main segments. Our sales backbone has an average of ten years of industry experience, and nearly half of them have a medical education background, ensuring professional and efficient communication with clinical end users. The Group closely follows policy directions, flexibly optimizing sales structures and bidding and tendering strategies, while also deepening the "low cost, high quality" strategy and operating in a refined way to comprehensively improve business efficiency.

Strategic Share Repurchase Plan

At the annual general meeting of the Company held on June 26, 2026, the Board was granted a general mandate to repurchase the Company's shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), up to a maximum of 10% of the total issued shares (excluding treasury shares) as of the date of the annual general meeting (the "**2026 Repurchase Mandate**"). The Board has appointed dedicated staff of the Company to carry out the share repurchase under such mandate depending on market conditions.

During the Relevant Period, the Company actively promoted the repurchase under the share repurchase plan announced by the Company on July 4, 2025 (the "**2025 Share Repurchase Plan**") and the 2026 Repurchase Mandate. As of the date of this announcement, the Company had repurchased a total of 40,718,000 shares, with the highest transaction price at HK$1.40 per share, the lowest at HK$1.02 per share, and the total transaction amount approximately HK$47.888 million. Share repurchase helps improve the market liquidity of the Company's shares, provide some support for the share price, show the market that the management has confidence in the Company's long-term value, and enhance the flexibility of the capital structure. For details of the Company's share repurchases completed before the date of this announcement, including the number and price of the shares repurchased, please refer to the section headed "Purchase, Sale or Redemption of the Company's Listed Securities" of this announcement.

In the future, the Group will continue to review market changes and, in line with our cash flow conditions, optimize and advance the share repurchase plan as appropriate, always aim to maximize shareholder value, flexibly use capital market tools, and effectively protect the interests and returns of our investors.

Financial Review

Overview

	Six months ended June 30,		
	2026	2025	Change
	RMB'000	*RMB'000*	
Revenue			
— Infusion Set Business	**80,424**	113,387	–29.1%
— Blood Purification Business	**308,451**	297,444	3.7%
— Regenerative Medical Biomaterials Business	**5,181**	3,542	46.3%
Total Revenue	**394,056**	414,373	–4.9%
Gross profit	**189,903**	212,779	–10.8%
Gross profit margin	**48.2%**	51.3%	
Profit for the period	**37,682**	86,619	–56.5%
Profit attributable to owners of the Company	**14,692**	65,999	–77.7%
Adjusted profit for the period(1)	**68,647**	119,131	–42.4%
Adjusted profit attributable to owners of the Company(1)	**31,273**	83,402	–62.5%

Note:

(1) Please refer to the section entitled "Non-HKFRS Measure — Adjusted Net Profit and Adjusted Profit Attributable to Owners of the Company" for more information about the non-HKFRS measures.

Revenue

The revenue of the Group decreased by 4.9% from approximately RMB414.4 million for the six months ended June 30, 2025 to approximately RMB394.1 million for the Relevant Period. The decline was primarily attributable to the decrease in sales from the Infusion Set Business, partially offset by an increase in sales from the Blood Purification Business and the Regenerative Medical Biomaterials Business.

Revenue from the Infusion Set Business amounted to approximately RMB80.4 million for the Relevant Period, representing a decrease of 29.1% from the six months ended June 30, 2025. The decrease was mainly due to the significant decrease in product prices, as the volume-based centralized procurement policy has been almost fully implemented from the second half of 2025, and covers Beijing and other regions that account for a high proportion of the Infusion Set Business's sales. Despite a slight uptick in sales volume for the Relevant Period, it was insufficient to offset the sharper price decrease.

Revenue from the Blood Purification Business for the Relevant Period amounted to approximately RMB308.5 million, representing an increase of 3.7% compared to approximately RMB297.4 million for the six months ended June 30, 2025. The increase was mainly contributed by the growth in domestic market sales resulting from increased demand and market expansion, partially offset by a decrease in export sales revenue caused by a more competitive environment.

Revenue from the Regenerative Medical Biomaterials Business amounted to approximately RMB5.2 million for the Relevant Period, mainly contributed by the increased sales of the biological patch and the breast tissue patch.

Gross Profit

The Group's gross profit decreased by 10.8% from approximately RMB212.8 million for the six months ended June 30, 2025 to approximately RMB189.9 million for the Relevant Period. The gross profit margin decreased from 51.3% for the six months ended June 30, 2025 to 48.2% for the Relevant Period, mainly due to the decrease in the gross profit margin of the Infusion Set Business.

The gross profit margin of the Infusion Set Business decreased from 59.4% for the six months ended June 30, 2025 to 39.3% for the Relevant Period, mainly due to the significant decrease in unit sales prices resulting from the expansion of implementation areas under the volume-based procurement policy.

The gross profit margin of the Blood Purification Business increased from 48.2% for the six months ended June 30, 2025 to 50.3% for the Relevant Period, primarily due to changes in product mix.

The gross profit margin of the Regenerative Medical Biomaterials Business increased from 58.0% to 63.4% for the Relevant Period, reflecting the effect of economies of scale as sales volume increased.

Selling and Marketing Expenses

Selling and marketing expenses decreased by 2.7% from approximately RMB43.8 million for the six months ended June 30, 2025 to approximately RMB42.6 million for the Relevant Period. The decrease was mainly attributable to the decrease in selling and marketing expenses incurred by the Infusion Set Business, partially offset by the increase in selling and marketing expenses incurred by the Blood Purification Business and the Regenerative Medical Biomaterials Business.

Selling and marketing expenses of the Infusion Set Business decreased from approximately RMB18.9 million for the six months ended June 30, 2025 to approximately RMB15.0 million for the Relevant Period due to the decrease in promotion expenses as a result of sales contraction.

Selling and marketing expenses of the Blood Purification Business increased from approximately RMB22.6 million for the six months ended June 30, 2025 to approximately RMB23.4 million for the Relevant Period, which was mainly due to increased personnel expenses.

Selling and marketing expenses of the Regenerative Medical Biomaterials Business increased from approximately RMB2.3 million for the six months ended June 30, 2025 to approximately RMB4.1 million for the Relevant Period. The increase was due to increased staff costs, office and travelling expenses, in line with sales expansion.

General and Administrative Expenses

General and administrative expenses increased by 12.0% from approximately RMB83.5 million for the six months ended June 30, 2025 to approximately RMB93.5 million for the Relevant Period. The increase was mainly attributable to the increase in administrative expenses incurred by the group headquarters and the Infusion Set Business.

The general and administrative expenses of the group headquarters and the Infusion Set Business increased by 33.2% from approximately RMB24.2 million for the six months ended June 30, 2025 to approximately RMB32.2 million for the Relevant Period. The increase was mainly due to the increase in professional service fees and property repair and maintenance costs.

The general and administrative expenses of the Blood Purification Business increased by 4.9% from approximately RMB37.6 million for the six months ended June 30, 2025 to approximately RMB39.4 million for the Relevant Period. The increase was mainly due to the increase of RMB1.9 million in professional service fees related to the terminated Spin-off, as well as the increase in other routine operating expenses, partially offset by the decrease in share-based compensation expense from approximately RMB9.3 million for the six months ended June 30, 2025 to approximately RMB7.3 million for the Relevant Period.

The general and administrative expenses of the Blood Purification Business included amortisation of the intangible assets and depreciation of property, plant and equipment valuation surplus identified and recorded during the business combination accounting process under HKFRSs, which amounted to approximately RMB10.8 million for the Relevant Period (approximately RMB10.8 million for the six months ended June 30, 2025).

The general and administrative expenses of the Regenerative Medical Biomaterials Business increased by 0.5% from approximately RMB21.7 million for the six months ended June 30, 2025 to approximately RMB21.8 million for the Relevant Period.

The general and administrative expenses of the Regenerative Medical Biomaterials Business included amortisation of the fair value increments on intangible assets identified and recognised during the business combination accounting process under HKFRSs, which amounted to approximately RMB19.8 million for the Relevant Period (approximately RMB19.8 million for the six months ended June 30, 2025). During the accounting process for the acquisition of Beijing Ruijian Biological, the Group recognized certain fair value increments on intangible assets totaling approximately RMB793.7 million. These intangible assets relate to certain products under development as at the date of acquisition. The amortisation was calculated using the straight-line method over a 20-year period, commencing upon the Group obtaining registration certificate for the products. Starting from August 1, 2024, amortisation has commenced for all of the foresaid intangible assets with fair value increments, as Beijing Ruijian Biological had obtained the registration certificates for the relevant products and started preparing for the production and sales of such products. Accordingly, a fixed monthly amortisation (before income tax) of approximately RMB3.3 million was recorded in the consolidated financial statements from August 2024 onward.

R&D Expenses

R&D expenses increased by 14.3% from approximately RMB22.5 million for the six months ended June 30, 2025 to approximately RMB25.7 million for the Relevant Period, which was mainly due to the increase of R&D expenses incurred by the Regenerative Medical Biomaterials Business and the Infusion Set Business.

R&D expenses of the Regenerative Medical Biomaterials Business increased from approximately RMB4.1 million for the six months ended June 30, 2025 to approximately RMB6.8 million for the Relevant Period. The increase was mainly due to the increase in direct R&D expenses, as some R&D projects were at stages requiring more materials and external services.

R&D expenses of the Infusion Set Business increased from approximately RMB6.0 million for the six months ended June 30, 2025 to approximately RMB7.1 million for the Relevant Period. The increase was mainly attributable to increased investment in R&D projects.

R&D expenses of the Blood Purification Business slightly decreased from approximately RMB12.4 million for the six months ended June 30, 2025 to approximately RMB11.8 million for the Relevant Period. The decrease was mainly because some R&D projects have reached the capitalization stage, where costs are capitalized instead of being expensed.

Other Income and Gains and Losses — Net

Net other gains decreased by 63.3% from approximately RMB14.8 million for the six months ended June 30, 2025 to approximately RMB5.5 million for the Relevant Period, mainly due to (i) the increase in foreign exchange loss by RMB5.6 million resulting from the fluctuation of the exchange rate between RMB and US dollar, and (ii) the decrease of RMB4.4 million in rental income and government grants.

Fair Value Loss on Investment Properties

Fair value loss on investment properties decreased from approximately RMB0.3 million for the six months ended June 30, 2025 to approximately RMB0.1 million for the Relevant Period. The fair value loss was mainly due to the decline of the rental market.

Operating Profit

Operating profit decreased by 54.9% from approximately RMB80.2 million for the six months ended June 30, 2025 to approximately RMB36.2 million for the Relevant Period, which was the net result of

(i) the decrease of the operating profit generated by the group headquarters and the Infusion Set Business, from a profit of approximately RMB34.1 million for the six months ended June 30, 2025 to a loss of approximately RMB15.3 million for the Relevant Period, due to the decrease in gross profit of the Infusion Set Business and the increases in professional service fees and foreign exchange loss of the group headquarters; (ii) the increase in the operating loss generated by the Regenerative Medical Biomaterials Business from approximately RMB24.8 million for the six months ended June 30, 2025 to approximately RMB29.2 million for the Relevant Period as both its selling and marketing expenses and R&D expenses increased at a pace higher than the increase in its gross profit for the Relevant Period; and (iii) the increase of the operating profit generated by the Blood Purification Business from approximately RMB70.9 million for the six months ended June 30, 2025 to approximately RMB80.7 million for the Relevant Period due to the increase in gross profit.

Finance Income — Net

Net finance income decreased by 36.2% from approximately RMB22.9 million for the six months ended June 30, 2025 to approximately RMB14.6 million for the Relevant Period. The decrease was mainly due to lower deposits interest rates and a lower balance of loans receivable.

Income Tax Expenses

Income tax expenses decreased by 20.3% from approximately RMB16.5 million for the six months ended June 30, 2025 to approximately RMB13.1 million for the Relevant Period, which was mainly due to the decrease in taxable profit.

Profit for the Period and Profit Attributable to Owners of the Company

The profit for the period of the Group and profit attributable to owners of the Company was approximately RMB37.7 million and RMB14.7 million for the Relevant Period, representing a decrease of 56.5% and 77.7% from RMB86.6 million and RMB66.0 million for the six months ended June 30, 2025, respectively. The decrease was mainly due to decreases of operating profit and finance income.

Non-HKFRS Measure — Adjusted net profit and adjusted net profit attributable to owners of the Company

To supplement our consolidated financial information which are presented in accordance with HKFRS, we set forth below our adjusted net profit and adjusted net profit attributable to owners of the Company, each a non-HKFRS measure, as additional financial measures.

Adjusted net profit and adjusted net profit attributable to owners of the Company is defined as profit for the period or profit attributable to owners of the Company, as adjusted by adding back (i) share-based compensation expenses of the Blood Purification Business; (ii) professional services fee relating to the Spin-off (terminated); (iii) amortization of fair value increments on intangible assets recognised in the acquisition of Beijing Ruijian Biological; and (iv) income tax effects of non-HKFRS adjustments.

We believe that the presentation of non-HKFRS measures facilitates comparisons of operating performance from period to period and company to company by eliminating potential impact of certain items that the Group does not consider indicative of the performance of the business of the Group. We believe that this measure provides useful information to investors in understanding and evaluating the Group's consolidated results of operations in the same manner as they help our management. However, the use of non-HKFRS measures has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for analysis of the Group's results as reported under HKFRS. In addition, this non-HKFRS financial measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures used by other companies.

The following table sets forth the reconciliations of our non-HKFRS financial measures for the six months ended June 30, 2026 and 2025 to the nearest measure prepared in accordance with HKFRS.

	For the six months ended June 30,		
	2026	2025	change
	RMB'000	*RMB'000*	
	(unaudited)	(unaudited)	
Profit for the period	**37,682**	86,619	–56.5%
Add:			
Share-based compensation expenses of the Blood Purification Business[1]	**11,296**	14,269	
Professional services fees related to the Spin-off (terminated)	**3,678**	1,790	
Amortization of fair value increment on intangible assets recognised in the acquisition of Beijing Ruijian Biological[2]	**19,841**	19,841	
Income tax effects of non-HKFRS adjustments above	**(3,850)**	(3,388)	
Adjusted net profit	**68,647**	119,131	–42.4%
Profit attributable to owners of the Company	**14,692**	65,999	–77.7%
Add:			
Share-based compensation expenses of the Blood Purification Business[1]	**5,406**	6,919	
Professional services fees related to the Spin-off (terminated)	**1,783**	868	
Amortization of fair value increment on intangible assets recognised in the acquisition of Beijing Ruijian Biological[2]	**11,548**	11,548	
Income tax effects of non-HKFRS adjustments above	**(2,156)**	(1,932)	
Adjusted net profit attributable to owners of the Company	**31,273**	83,402	–62.5%

Notes:

(1) The item represents the expenses related to share-based payments granted to employees of the Blood Purification Business. On April 18, 2024, the stock incentive plan was approved at the general meeting of Sichuan Ruijian Medical. Under the stock incentive plan, a total of 6,332,340 shares of Sichuan Ruijian Medical (approximately 2.06% shareholding percentage of Sichuan Ruijian Medical) held by its shareholder and employee shareholding platform Ningbo Zhengyao Investment Management Center (Limited Partnership) (寧波正垚投資管理中心(有限合夥)) ("**Ningbo Zhengyao**") will be granted to eligible employees of Sichuan Ruijian Medical. The exercise price per share granted is RMB1.783. All realised gains and corresponding yields of Ningbo Zhengyao will be distributed to the grantees.

The vesting period is from the date of grant until the end of fourth year following the successful initial public offering of Sichuan Ruijian Medical, and the fair value of the shares granted to employees less amount paid by employees is recognized as expenses over the vesting period.

For the six months ended June 30, 2026, approximately RMB7.3 million, RMB3.4 million, RMB0.3 million and RMB0.3 million of share-based compensation expense was recognized as general and administrative expense, selling and marketing expense, R&D expense, and manufacturing overheads, respectively.

(2) The item represents the amortisation of fair value increments on intangible assets identified and recognised through the business combination of Beijing Ruijian Biological. Please refer to the section headed General and Administrative Expenses for details of this item.

Trade and Other Receivables

The Group's trade receivables primarily comprised the outstanding payment from credit sales. As of June 30, 2026, the trade and other receivables of the Group was approximately RMB147.6 million, representing a decrease of approximately RMB20.6 million as compared to approximately RMB168.1 million as of December 31, 2025, which was mainly due to the decrease in trade and other receivables of the Blood Purification Business.

Trade and other receivables of the Blood Purification Business decreased from approximately RMB66.9 million as of December 31, 2025 to approximately RMB40.5 million as of June 30, 2026, mainly due to collection of trade receivables, and the decrease in overseas sales where longer credit periods are usually provided to the distributors due to time-consuming processes involved in cross-border orders.

Trade and other receivables of the group headquarters and the Infusion Set Business increased from approximately RMB99.5 million as of December 31, 2025 to approximately RMB104.9 million as of June 30, 2026, mainly due to the increase in prepayments and deposits, partially offset by the decrease in trade receivables caused by sales contraction and collection of trade receivables.

The Group has selected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and established a provision matrix that was based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The details are disclosed in Note 19 to the interim condensed consolidated financial statements for the Relevant Period.

The Group reviews the financial performance of the customers with long aging receivables periodically and revises the credit terms granted to the customers based on credit risk analysis. Besides review of account receivables, the management may also use letter of collection and lawyer's letter to collect the receivables. The Group would also negotiate with customers to explore the use of debt agreement if there are higher risk of recoverability. In some circumstances, the internal legal department of the Group would be involved in collection of receivables to explore the availability of legal actions, and to issue formal communication to the customer before escalating the actions. Out of the trade receivables aged over 6 months that amounted to approximately RMB13.8 million at December 31, 2025, a total of approximately RMB7.6 million was subsequently received up to June 30, 2026.

As at June 30, 2026, the Group had made loss allowances of approximately RMB10.6 million (as at December 31, 2025: RMB12.6 million) on the trade receivables with a gross amount of approximately RMB63.2 million (as at December 31, 2025: RMB80.0 million).

Inventories

Inventories increased by 17.7% from approximately RMB145.2 million as at December 31, 2025 to approximately RMB170.8 million as at June 30, 2026, which was mainly due to the increase in inventories of the Blood Purification Business and the Infusion Set Business.

Inventories of the Blood Purification Business increased from approximately RMB93.1 million as at December 31, 2025 to approximately RMB112.0 million as at June 30, 2026, which was mainly due to stock of goods to meet the increased sales orders.

Inventories of the Infusion Set Business increased from approximately RMB41.6 million as at December 31, 2025 to approximately RMB49.1 million as at June 30, 2026, which was mainly due to the slowdown in inventory turnover as a result of declining sales.

Property, Plant and Equipment

Property, plant and equipment mainly include buildings and facilities, machinery and equipment and construction in progress. As at June 30, 2026, the property, plant and equipment of the Group amounted to approximately RMB895.4 million, representing a decrease of approximately RMB9.6 million as compared to approximately RMB905.0 million as at December 31, 2025. The decrease was mainly the net result of construction in production lines, purchase of new production facilities and the depreciation.

Investment Properties

Investment properties, mainly comprising factories and offices which are held by the Group for long-term rental yields. As at June 30, 2026, the investment properties of the Group amounted to approximately RMB260.9 million, representing a decrease by approximately RMB0.1 million as compared to approximately RMB261.1 million as at December 31, 2025. The decrease was mainly due to the fair value loss of the properties. The detailed information regarding the investment properties could be found in Note 14 to the interim condensed consolidated financial statements.

Intangible Assets and Goodwill

The Group's intangible assets mainly include development cost, technology know-how, trademarks, computer software and customer relationship. The Group's goodwill, technology know- how, trademarks and customer relationships are mainly identified and recorded during the business combination accounting process for the acquisitions of subsidiaries. The intangible assets are amortised with straight line method for 5–20 years. The goodwill is subject to impairment test at each period end.

As at June 30, 2026, the net value of the Group's intangible assets and goodwill was approximately RMB1,557.0 million, representing a decrease of RMB25.5 million as compared to approximately RMB1,582.5 million as of December 31, 2025. The decrease was primarily the net result of amortisation of the intangible assets which amounted to approximately RMB32.3 million (for the six months ended June 30, 2025: RMB32.5 million) and addition of capitalised development costs which amounted to approximately RMB6.8 million (for the six months ended June 30, 2025: RMB6.9 million) for the Relevant Period.

Loan Receivable

As at June 30, 2026, the Company's gross amount of loan receivable was approximately RMB180.0 million which includes a loan granted to an independent third party in April 2023 and extended in April 2026 as disclosed in the announcement of the Company dated April 20, 2023 and April 23, 2026. The detailed information regarding the loan receivable, including the collaterals and key terms, could be found in Note 17 to the interim condensed consolidated financial statements.

Non-current Financial Assets

As at June 30, 2026, the Group's non-current financial assets was approximately RMB58.3 million (December 31, 2025: RMB70.7 million), comprising investment in the H shares of Lepu Biopharma Co., Ltd. and an unlisted fund. The decrease was mainly due to the decrease in the fair value of the investment in the H shares of Lepu Biopharma Co., Ltd. as a result of decrease in its share price. The detailed information regarding the financial assets could be found in Note 18 to the interim condensed consolidated financial statements.

Financial Resources and Liquidity

As at June 30, 2026, the Group's cash and bank balances amounted to approximately RMB1,828.0 million (December 31, 2025: RMB1,802.8 million), the Group's financial assets at fair value through profit or loss was nil (December 31, 2025: RMB5.0 million). As at June 30, 2026, the Group's bank borrowing balance was RMB15.0 million (December 31, 2025: RMB15.0 million). The bank borrowing carried a fixed interest rate at 3.45% per annum.

The Board is of the opinion that the Group is in a healthy financial position and has sufficient resources to support its operations and meet its foreseeable capital expenditures.

Pledge of Assets

As at June 30, 2026, the Group's property, plant and equipment with an aggregate carrying amount of approximately RMB68.0 million and right-of-use assets with an aggregate carrying amount of approximately RMB5.5 million were pledged to secure general banking facilities granted to the Group. Saved as disclosed above, during the Relevant Period, the Group did not enter into any off-balance sheet guarantees or other commitments to guarantee the payment obligations of any third party. The Group did not have any interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to it or engages in leasing or hedging, R&D or other services with it.

Commitments

As of June 30, 2026, the Group had a total capital commitment of approximately RMB11.9 million (December 31, 2025: RMB11.7 million), comprising mainly contracted capital expenditure for acquisition of property, plant and equipment.

Capital Expenditure

During the Relevant Period, the Group incurred capital expenditure of approximately RMB31.7 million (for the six months ended June 30, 2025: RMB49.7 million) on the expansion of the plants and procurement of equipment and intangible assets.

Gearing Ratio

The Group monitors capital on the basis of gearing ratio. This ratio is calculated as total borrowing divided by total capital. Total borrowing is the current bank borrowing as shown in the condensed consolidated statement of financial position. Total capital is calculated as "total equity" as shown in the condensed consolidated statement of financial position plus total borrowing.

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Total borrowing	**15,000**	15,000
Total equity	**4,758,451**	4,853,733
Total capital	**4,773,451**	4,868,733
Gearing ratio	**0.31%**	0.31%

Foreign Exchange Risk

The Group mainly operates its business in the PRC and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States dollar and the Hong Kong dollar. Foreign exchange risk arises from foreign currencies held by certain overseas subsidiaries. The

Group did not hedge against any fluctuation in foreign currency during the Relevant Period. Management may consider entering into currency hedging transactions to manage the Group's exposure towards fluctuations in exchange rates in future.

Cash Flow and Fair Value Interest Rate Risk

Other than bank balances with variable interest rates, and the loan receivables with fixed interest rate, the Group has no other significant interest-bearing assets. The management does not anticipate any significant impact to interest-bearing assets resulting from the changes in interest rates because the interest rates of bank balances are not expected to change significantly.

The Group's interest rate risk arises from bank and other borrowings. Borrowing issued at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest risk, respectively.

As at June 30, 2026, it was estimated that a general increase or decrease of 100 basis points in interest rates, with all other variables held constant, would not affect the Group's profit for the Relevant Period (for the six months ended June 30, 2025: decrease or increase by RMBnil).

The sensitivity analysis above has been determined by assuming that the change in interest rates had occurred at the end of Relevant Period and had been applied to the exposure to interest rate risk for the borrowings in existence on that date. The increase or decrease of the 100 basis points represents management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date.

Contingent Liabilities

As at June 30, 2026, saved as disclosed in Note 26 to the interim condensed consolidated financial statements, the Group did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group.

Credit Risk

The carrying amounts of cash and cash equivalents, trade and other receivables and loan receivables represent the Group's maximum exposure to credit risk in relation to its financial assets. The objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problems.

The credit risk of bank balances is limited because the counterparties are banks with good reputation and most of them are state-owned commercial banks in China or public listed companies. Most of the bank deposits of the Group are placed with commercial banks with an acceptable credit rating.

For trade and other receivables and loan receivables, management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Most of trade and other receivables balances are due from state-owned enterprises or major customers with good repayment history. Details of the Group's trade and other receivables credit management are also discussed above under the heading of "Trade and Other Receivables".

Significant Investments

As at June 30, 2026, the Group did not hold significant investments with a value of 5% or more of the Company's total assets. As at the date of this announcement, the Group does not have any plan for material investments or purchase of capital assets.

EMPLOYEES

The Group had approximately 1,433 employees as at June 30, 2026, as compared to 1,477 employees as at December 31, 2025. The Group enters into employment contracts with its employees to cover matters such as position, term of employment, wage, employee benefits, liabilities for breaches and grounds for termination.

Remuneration of the Group's employees includes basic salaries, allowances, bonus and other employee benefits, and is determined with reference to their experience, qualifications and general market conditions. The emolument policy for the employees of the Group is set up by the Board based on their merit, qualification and competence.

INTERIM DIVIDEND

In appreciation of the Shareholders' continuing support, the Board has declared the payment of an interim dividend of HK1.1 cents per share for the six months ended June 30, 2026 (for the six months ended June 30, 2025: HK4.4 cents per share) to the Shareholders whose names appear on the register of members of the Company at the close of business on November 6, 2026. The abovementioned interim dividend will be payable on December 2, 2026. Such declaration of interim dividend demonstrates the Company's commitment to delivering shareholder returns as well as its optimism about the Group's business prospects.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the interim dividend for the six months ended June 30, 2026, the register of members of the Company will be closed from November 4, 2026 to November 6, 2026, both days inclusive, and during which period no transfer of shares of the Company will be registered. The record date will be November 6, 2026. In order to qualify for the interim dividend, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the corresponding share certificates are lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on November 3, 2026.

CORPORATE GOVERNANCE PRACTICES

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of its Shareholders as a whole. The Company has adopted the code provisions as set out in the "Corporate Governance Code" (the "**Code**") as contained in Appendix C1 to the Listing Rules as its own code to govern its corporate governance practices.

In the opinion of the Directors, the Company has complied with the relevant code provisions contained in the Code during the Relevant Period, with the exception of code provision C.2.1 of the Code.

According to code provision C.2.1 of the Code, the roles of chairman and chief executive should be separate and should not be performed by the same person. Currently, Ms. Yue'e Zhang performs both the roles of the chairman of the Board and the chief executive officer of the Company. The Board believes that vesting the two roles in the same person provides the Company with strong and consistent leadership and facilitates the implementation and execution of the Group's business strategies which is in the best interests of the Company. Under the leadership of Ms. Yue'e Zhang, the Board works effectively and performs its responsibilities with all key and appropriate issues discussed in a timely manner. In addition, as all major decisions are made in consultation with members of the Board and relevant Board committees, and there are three independent non-executive Directors on the Board offering independent perspectives, the Board is of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board.

The Board shall nevertheless review the structure and composition of the Board from time to time in light of prevailing circumstances, to maintain a high standard of corporate governance practices of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding dealings in the securities of the Company by each of the Directors and the Group's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities.

Upon specific enquiry, all Directors confirmed that they have complied with the Model Code during the Relevant Period. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group during the Relevant Period.

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

The Company has from time to time, repurchased the shares on the open market during the twelve-month period from July 4, 2025, subject to market conditions and pursuant to the repurchase mandate obtained at the annual general meeting of the Company held on June 10, 2025, and thereafter up to the date of this announcement subject to market conditions and pursuant to the 2026 Repurchase Mandate, 2026. The Board has designated specific staff of the Company to implement the 2025 Share Repurchase

Plan and repurchase of shares pursuant to the 2026 Repurchase Mandate, subject to market conditions and pursuant to the repurchase mandates. The timing, price and amount of repurchases will be determined based upon market conditions and other factors. For further details, please refer to the relevant announcement of the Company dated July 4, 2025 and the circular of the Company dated April 24, 2026.

During the Relevant Period and up to the date of this announcement, the Company has repurchased on the Stock Exchange a total of 40,718,000 shares of the Company (the "**Shares Repurchased**") at a total consideration of approximately HK$47,888,030. Details of the Shares Repurchased are summarized as follows:

Month of repurchase	**Total number of shares repurchased**	**Repurchase price per share**		**Aggregate consideration**
		Highest	**Lowest**	
		HK$	*HK$*	*HK$*
January 2026	677,000	1.28	1.28	866,560
February 2026	3,620,000	1.40	1.28	4,815,430
March 2026	1,079,000	1.05	1.02	1,125,830
April 2026	5,560,000	1.19	1.06	6,433,750
May 2026	20,010,000	1.18	1.14	23,535,820
June 2026	7,865,000	1.18	1.09	9,097,320
July 2026 (up to the date of this announcement)	1,907,000	1.09	1.02	2,013,320

A total of 30,734,000 shares repurchased have been cancelled on June 4, 2026, and an additional total of 9,614,000 shares repurchased have been cancelled on July 17, 2026. As at the date of this announcement, the Company holds 2,415,000 shares repurchased pending cancellation.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Relevant Period and up to the date of this announcement.

As at June 30, 2026 and up to the date of this announcement, there were no treasury shares held by the Company.

REVIEW OF FINANCIAL INFORMATION

Audit Committee

The audit committee of the Company (comprising Mr. Wang Xiaogang, Mr. Chen Geng and Mr. Lin Junshan) has discussed with the management and the external auditor and reviewed the unaudited interim condensed consolidated financial information of the Group for the Relevant Period.

Auditor

The Company's external auditor, BDO Limited, has performed an independent review of the Group's interim condensed consolidated financial information for the Relevant Period in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity". Based on their review, BDO Limited confirmed that nothing has come to their attention that causes them to believe that the unaudited interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the website of the Stock Exchange at *www.hkexnews.hk* and on the website of the Company at *www.pwmedtech.com*. The interim report of the Company for the Relevant Period containing all the information required by the Listing Rules will be dispatched (if requested) to the Shareholders and published on the above websites in due course.

SUPPLEMENTAL INFORMATION ON THE ANNUAL REPORT OF THE COMPANY FOR THE YEAR ENDED DECEMBER 31, 2025

Reference is made to page 109 of the annual report of the Company for the year ended December 31, 2025 (the "**Annual Report**"). The Company would like to supplement that the related party transactions which were regarded as continuing connected transactions under Chapter 14A of the Listing Rules have been set out in the paragraph headed "Continuing Connected Transactions" in the Annual Report, and they have also complied with the requirements in Chapter 14A of the Listing Rules.

APPRECIATION

On behalf of the Board, I would like to thank all our colleagues for their diligence, dedication, loyalty and integrity. I would also like to thank all our Shareholders, customers, bankers and other business associates for their trust and support.

By Order of the Board
PW Medtech Group Limited
Yue'e Zhang
Chairman & Chief Executive Officer

Hong Kong, August 28, 2026

As at the date of this announcement, the Board comprises one executive Director, namely, Ms. Yue'e Zhang; two non-executive Directors, namely, Mr. Jiang Liwei and Mr. Lin Junshan; and three independent non-executive Directors, namely, Mr. Wang Xiaogang, Mr. Chen Geng and Ms. Wang Fengli.