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Cofoe Medical Technology Co., Ltd.
可孚醫療科技股份有限公司

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

(Stock Code: 1187)

DISCLOSEABLE TRANSACTION
ACQUISITION OF 60% EQUITY INTEREST IN THE TARGET COMPANY

THE ACQUISITION

The Board is pleased to announce that on November 19, 2026, the Company and the Vendors entered into the Equity Transfer Agreement, pursuant to which the Company has agreed to acquire from the Vendors an aggregate of 60% equity interest in the Target Company (Hefei Kangjuren Medical Device Technology Limited) using its own funds at an aggregate Consideration of RMB99.48 million.

Upon completion of the Acquisition, the Target Company will be owned as to 60% by the Company and will become a non-wholly-owned subsidiary of the Company, and its financial results will be consolidated into the financial statements of the Company.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As the highest of all the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the transaction contemplated under the Equity Transfer Agreement is more than 5% but less than 25%, the transaction constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Hong Kong Listing Rules, but is not subject to approval by the Shareholders of the Company.

INTRODUCTION

The Board is pleased to announce that on November 19, 2026, the Company and the Vendors entered into the Equity Transfer Agreement, pursuant to which the Company has agreed to acquire from the Vendors an aggregate of 60% equity interest in the Target Company (Hefei Kangjuren Medical Device Technology Limited) using its own funds at an aggregate Consideration of RMB99.48 million.

THE EQUITY TRANSFER AGREEMENT

The principal terms of the Equity Transfer Agreement are summarised below:

Date

November 19, 2026

Parties

Purchaser: the Company

Vendors: Mr. Guo Bensheng, Ms. Guo Benli and Anhui Yangjingling Enterprise Management Consulting Co., Ltd.

Subject Matter

The Purchaser has agreed to acquire an aggregate of 60% equity interest in the Target Company held by the Vendors using its own funds at an aggregate Consideration of RMB99.48 million.

Conditions Precedent

The Purchaser's acquisition of the equity interest in the Target Company pursuant to the Agreement is conditional upon the following conditions precedent being fulfilled or waived in writing by the Purchaser:

(1) other than KANGWELL LIMITED, the Target Company has completed the payment of the paid-in capital contributions in respect of all of its subsidiaries;

(2) during the period from June 30, 2026 to the date of signing of the Agreement, there has not been and there has not occurred any circumstance which has had or may reasonably be expected to have a material adverse effect on the assets, financial structure, liabilities, technology, profitability prospects and normal operations of the Target Company;

(3) all necessary transaction documents for the purpose of the equity transfer have been entered into by the parties, including but not limited to the Agreement and the approvals for the equity transfer;

(4) if the above conditions precedent are not all fulfilled or waived in writing by the Purchaser within 10 business days from the date of signing, the Purchaser shall have the right to terminate the Agreement.

Consideration

The Consideration for the equity transfer shall be paid in two instalments by the Purchaser to the Vendors in the following manner:

(1) 90% of the total Consideration shall be paid within 3 business days after the signing of the Agreement and the completion by the Vendors and the Target Company of their cooperation with the Purchaser in completing the change of industrial and commercial registration and the handover, and the date of such payment shall be the completion date;

(2) 10% of the total Consideration shall be paid within 3 months from the date of payment of the first instalment, provided that the Target Company has no other undisclosed debts, external guarantees, committed shares or equity interests or other circumstances of default, and the Vendors have fully performed all of their obligations after the completion date in accordance with the Agreement.

Post-Completion Shortfall Compensation Mechanism

Pursuant to the Agreement, during the recovery period of 24 to 36 months following completion, the Vendors are required to compensate the Target Company in cash for the shortfall between the amount actually recovered and the benchmark net value in respect of receivables formed before the completion date and confirmed by the Purchaser and the Vendors at the time of completion, as well as for damage to inventory and liabilities not fully disclosed. The Purchaser shall have the right to deduct such compensation directly from any sums payable to the Vendors (including any unpaid equity transfer consideration, dividend payments or other amounts).

Corporate Governance Structure

Upon completion, the board of directors of the Target Company shall comprise 5 directors, of which the Purchaser has the right to nominate 3 directors and appoint the chairman. In addition, the person in charge of finance of the Target Company shall also be appointed by the Purchaser. Accordingly, the Target Company will become a non-wholly-owned subsidiary of the Company, and its financial results will be consolidated into the financial statements of the Company.

Service Period Undertaking and Non-Competition Obligations

In order to ensure a smooth transition of the business of the Target Company, the Founding Shareholders of the Target Company have undertaken not to transfer the shares of the Target Company held by them within 5 years after the signing of the Agreement without consent from the Purchaser. Meanwhile, the Founding Shareholders and the core personnel of the Target Company are subject to strict non-competition obligations during the period in which the Vendors hold their equity interest in the Target Company and for two years after their departure. In the event of any breach of such obligations, the breaching party shall, in addition to compensating the Purchaser in full for all losses, pay to the Purchaser one-off liquidated damages of RMB1 million.

Effectiveness

The Agreement shall become effective upon the approval thereof by the general meeting or the board of directors of each party and the signing thereof by the parties.

Remedies and Liability for Breach

1. Remedies of the Purchaser

The Target Company and the Vendors agree and confirm that if the Target Company or the Vendors materially breaches any provision of the Agreement:

(1) the Purchaser shall notify the breaching party in writing, stating that it has materially breached the Agreement and that such breach should be rectified within a reasonable period;

(2) if such breach is not rectified within the period referred to in the preceding paragraph and the purpose of the Agreement cannot thereby be achieved, the Purchaser shall have the right to unilaterally terminate the Agreement at any time. The Purchaser shall not bear any liability for the unilateral termination of the Agreement. The Purchaser shall have the right to require the Target Company and the Vendors to jointly and severally return all equity transfer consideration paid and to compensate the Purchaser for all losses suffered as a result thereof, including but not limited to the cost of funds occupied, intermediary fees incurred for this transaction and losses arising from the loss of the transaction opportunity;

(3) if the Purchaser does not elect to terminate the Agreement, the Target Company and the Vendors shall be obliged to continue to rectify or make good the breach within the period required by the Purchaser and in accordance with the Purchaser's requirements; if the Target Company and the Vendors fail to rectify or make good the breach in accordance with the new requirements, the Purchaser shall have the right to take corresponding legal remedies.

2. Liability of the Target Company and the Vendors for breach

(1) The Vendors shall be jointly and severally liable to compensate the Purchaser for the losses actually suffered by the Purchaser and caused by the Target Company, the Vendors and breach of the Agreement.

(2) If the Target Company or the Vendors breaches the Agreement by violating or failing to lawfully perform its obligations, undertakings, representations and warranties under the Agreement, the Vendors shall be jointly and severally liable to compensate the Purchaser, and the Target Company shall compensate the Purchaser for the losses actually suffered by the Purchaser (including direct and indirect losses and reasonable expenses such as litigation costs and legal fees).

(3) The Vendors undertake that the Purchaser shall not bear any liability, obligation or loss in respect of the matters of the Target Company prior to the date of change of industrial and commercial registration for the equity transfer (including any indirect loss suffered by the Purchaser as a result of such liability, obligation or loss being borne by the Target Company after the completion of the equity transfer). The Vendors agree to jointly and severally indemnify the Purchaser against, and hold the Purchaser harmless from, any such direct or indirect liability, obligation or loss borne by the Purchaser.

Basis of Consideration

The Consideration for the Acquisition was determined by the Purchaser and the Vendors after arm's length negotiations, having taken into account, among other things, (a) the market value of the entire equity interest of Hefei Kangjuren Medical Device Technology Co., Ltd. (Kangjuren Shares) as at July 31, 2026 (the valuation base date) as stated in the valuation report prepared by Beijing KYSIN Assets Appraisal Co., Ltd. (the valuer), a qualified independent valuer in the PRC; and (b) long-term development factors after arm's length negotiations among the parties.

As of the valuation base date, the book value of the consolidated owners' equity of Kangjuren Shares was RMB86.4105 million.

According to the valuation report dated November 16, 2026 issued by the valuer, under the market approach, the market value of the entire equity interest of Kangjuren Shares as at the valuation base date was assessed as RMB166 million.

Valuation

The valuer adopted the market approach and the asset-based approach to carry out the valuation, and selected the market approach as the basis for the final valuation conclusion.

The asset-based approach measures the total equity value of shareholders based on the market value of the book assets and liabilities and identifiable off-balance-sheet assets of the valuation target as at the valuation base date, but does not incorporate the value of unidentifiable off-balance-sheet assets such as human resources, customer resources, unique profitability and management models and goodwill, and therefore is difficult to fully reflect the overall value of the enterprise. In addition, this method is based on the replacement cost of assets and tends to overlook the overall profitability of the enterprise. The market approach, by contrast, evaluates the current fair market value of the valuation target by reference to comparables in the actual market, and is direct in logic and highly comparable. After analysis, the market approach was adopted as the basis for the final valuation conclusion.

The comparable companies for this valuation were selected from A-share listed companies in the same industry as Kangjuren Shares. The valuer excluded ST companies and companies listed for less than three years, and selected entities whose principal products cover respiratory health products as comparable companies. Based on measurements carried out on the basis of the relevant information publicly disclosed by each comparable company as at the valuation base date, and after adjusting the original value ratios to take into account differences between the comparable companies and Kangjuren Shares in aspects such as financial position, the adjusted average revenue-based value ratio (EV/S) was 1.92. As the comparable companies are all listed companies while Kangjuren Shares is a non-listed company, the valuer also applied a discount for lack of marketability.

The market approach valuation has made necessary adjustments to the operating and financial data of the comparable listed companies, and can reasonably reflect the value judgement of Kangjuren Shares in an open market under a fair transaction.

INFORMATION ON THE TARGET COMPANY

The Target Company is a limited liability company established in the PRC in June 2011 with a registered capital of RMB31.035 million. As at the date of this announcement, its major shareholders are Mr. Guo Bensheng, Anhui Yangjingling Enterprise Management Consulting Co., Ltd. and Ms. Guo Benli, holding 58.18%, 16.18% and 13.43% of the equity interest in the Target Company respectively. The Target Company is engaged in the research and development, production, sales and servicing of medical devices, principally oxygen concentrators and nebulisers.

The following table sets out a summary of the financial information of the Target Company prepared in accordance with the China Accounting Standards for Business Enterprises:

Unit: RMB'0000

Item	**As of October 31, 2026 (unaudited)**	**For the year ended December 31, 2025 (audited)**	**For the year ended December 31, 2024 (audited)**
Total assets	37,275.10	31,937.42	28,921.10
Net assets	8,410.67	9,972.34	11,991.31
Revenue	21,359.61	21,729.48	32,136.45
Profit before tax	-1,175.60	-2,008.11	1,812.87
Profit after tax	-1,156.56	-2,014.26	1,640.35

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company's existing product portfolio includes various respiratory support products such as ventilators, oxygen concentrators and nebulisers. The Acquisition represents a horizontal integration within the same industry, which will help integrate the resources of both parties in respect of product research and development, manufacturing, brand and channels, further improve the Company's product matrix of oxygen concentrators, realise the synergies of production capacity and distribution channels, expand market share and enhance competitive advantages, thereby further consolidating the Company's market position in the respiratory health sector, and is in the interests of the Company and the Shareholders as a whole.

No Director has any material interest in the Acquisition. The Board considers that the Equity Transfer Agreement has been entered into on normal commercial terms and that the terms of the Acquisition are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PURCHASER (THE COMPANY)

The Company is a leading enterprise in full-life-cycle personal health management specialising in the research and development, production, sales and servicing of medical devices, with business covering five major areas, namely health monitoring, rehabilitation aids, respiratory support, medical care and traditional Chinese medicine therapy. The Company has established four research institutes and four production bases, and maintains a well-developed full-chain system covering research and development, production, marketing and services. Adhering to the corporate mission of "guarding health, caring for life", the Company leverages technological innovation to continuously drive product iteration and technological advancement, and is committed to building a nationally renowned medical brand with global competitiveness.

The A shares of the Company are listed on the Shenzhen Stock Exchange (stock code: 301087) and the H shares of the Company are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1187).

INFORMATION ON THE VENDORS

Mr. Guo Bensheng and Ms. Guo Benli are both residents of the PRC. As at the date of this announcement, Mr. Guo Bensheng is the chairman and general manager of the Target Company, and Ms. Guo Benli is a director of the Target Company.

Anhui Yangjingling Enterprise Management Consulting Co., Ltd. is a limited liability company incorporated in the PRC, principally engaged in provision of management consulting services. Mr. Guo Bensheng is its executive director and holds 71.50% of its equity interest, Mr. Wang Qian holds 25.00%, and Ms. Zhang Jing holds 3.50%.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Vendors and their ultimate beneficial owners are Independent Third Parties.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As the highest of all the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the transaction contemplated under the Equity Transfer Agreement is more than 5% but less than 25%, the transaction constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Hong Kong Listing Rules, but is not subject to approval by the Shareholders of the Company.

DEFINITIONS

"Acquisition"	the acquisition of the shares in the Target Company by the Purchaser pursuant to the Equity Transfer Agreement
"Company" or "Purchaser"	Cofoe Medical Technology Co., Ltd., a joint stock company with limited liability established in the PRC, the A shares and H shares of which are listed and traded on the Shenzhen Stock Exchange and the Hong Kong Stock Exchange respectively
"Consideration"	the aggregate consideration of RMB99.48 million payable by the Purchaser for the Acquisition
"Director(s)"	the director(s) of the Company
"Equity Transfer Agreement" or "Agreement"	the equity transfer agreement entered into between the Purchaser and the Vendors on November 19, 2026 in respect of the Acquisition
"Founding Shareholders"	Mr. Guo Bensheng and Ms. Guo Benli
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Independent Third Party(ies)"	any person(s) or company(ies) independent of the Company and its connected persons
"Kangjuren Shares"	Hefei Kangjuren Medical Device Technology Co., Ltd. (合肥康居人醫療器械科技股份有限公司), which was renamed as Hefei Kangjuren Medical Device Technology Limited (合肥康居人醫療器械科技有限責任公司) upon the change of its corporate form from a joint stock company with limited liability to a limited liability company
"PRC" or "China"	the People's Republic of China
"Shareholder(s)"	the holder(s) of the shares of the Company

"Target Company"	Hefei Kangjuren Medical Device Technology Limited (合肥康居人醫療器械科技有限責任公司)
"Valuer"	Beijing KYSIN Assets Appraisal Co., Ltd.
"Vendors"	Mr. Guo Bensheng, Ms. Guo Benli and Anhui Yangjingling Enterprise Management Consulting Co., Ltd.
"%"	per cent

By Order of the Board
Cofoe Medical Technology Co., Ltd.
ZHANG Min
Executive Director and Chairman of the Board

Hong Kong, November 19, 2026

As at the date of this announcement, the Board of the Company comprises (i) Mr. ZHANG Min, Mr. ZHANG Zhiming, Mr. XUE Xiaoqiao and Mr. HE Bangjie as executive Directors; and (ii) Mr. NING Huabo, Ms. SHEN Nan and Mr. ZHOU Rong as independent non-executive Directors.