China International Capital Corporation Hong Kong Securities Limited
29/F, One International Finance Centre
1 Harbour View Street
Central, Hong Kong

STRICTLY PRIVATE & CONFIDENTIAL
The Board of Directors
Guangdong True Health Medical Technology Development Co., Ltd.
(廣東真健康醫療科技開發股份有限公司)
Room 101, 1/F, Building 9
1889 Huandao East Road
Hengqin New District
Zhuhai
Guangdong Province,
PRC

June 22, 2026

Dear Sirs

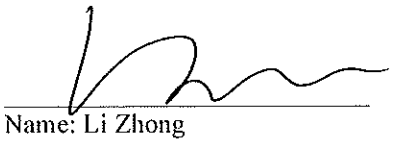
Re: Guangdong True Health Medical Technology Development Co., Ltd. (廣東真健康醫療科技開發股份有限公司) (the "Company")
Global Offering and Listing on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange")

We, China International Capital Corporation Hong Kong Securities Limited, refer to the prospectus of the Company dated June 22, 2026 (the **"Prospectus"**) in connection with the Global Offering.

We hereby give, and confirm that we have not withdrawn, our consent to the issue of the Prospectus and the inclusion therein of all references to our name, address and qualifications, and the opinions given by us, in the form and context in which they respectively appear in the Prospectus.

We hereby consent to this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange for the purpose of the registration of the Prospectus. We also consent to this letter being made available on display as described in Appendix VII headed "Documents Delivered to the Registrar of Companies in Hong Kong and Documents on Display" to the Prospectus.

For and behalf of
China International Capital Corporation Hong Kong Securities Limited



Name: Li Zhong
Title: Executive Director

DBS Asia Capital Limited
73/F, The Center
99 Queen's Road Central
Central
Hong Kong

STRICTLY PRIVATE & CONFIDENTIAL
The Board of Directors
Guangdong True Health Medical Technology Development Co., Ltd.
(廣東真健康醫療科技開發股份有限公司)
Room 101, 1/F, Building 9
1889 Huandao East Road
Hengqin New District
Zhuhai
Guangdong Province,
PRC

June 22, 2026

Dear Sirs

Re: Guangdong True Health Medical Technology Development Co., Ltd. (廣東真健康醫療科技開發股份有限公司) (the "Company")
Global Offering and Listing on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange")

We, DBS Asia Capital Limited, refer to the prospectus of the Company dated June 22, 2026 (**"Prospectus"**) in connection with the Global Offering.

We hereby give, and confirm that we have not withdrawn, our consent to the issue of the Prospectus and the inclusion therein of all references to our name, address and qualifications, and the opinions given by us, in the form and context in which they respectively appear in the Prospectus.

We hereby consent to this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange for the purpose of the registration of the Prospectus. We also consent to this letter being made available on display as described in Appendix VII headed "Documents Delivered to the Registrar of Companies in Hong Kong and Documents on Display" to the Prospectus.

For and behalf of
DBS Asia Capital Limited

Name: Jennifer Kam Yin Liu
Title: Executive Director

EY安永

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道 979 號
太古坊一座 27 樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

22 June 2026

The Directors
Guangdong True Health Medical Technology Development Co., Ltd.
Room 101, 1/F, Building 9, 1889 Huandao East Road
Hengqin New District
Zhuhai
Guangdong Province
PRC

Dear Sirs,

Guangdong True Health Medical Technology Development Co., Ltd. (the "Company") and its subsidiaries (the "Group")
Listing on the Main Board of The Stock Exchange of Hong Kong Limited

We refer to the prospectus dated 22 June 2026 (the "Prospectus") in connection with the proposed initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited, a copy of which is attached and initialed by us on its front cover for the purpose of identification.

We hereby consent to the inclusion of our accountants' report dated 22 June 2026 on the historical financial information for the years ended 31 December 2024 and 2025 and our accountants' report dated 22 June 2026 on the unaudited pro forma financial information as at 31 December 2025 in the Prospectus, and the references to our name in the form and context in which they are included.

This letter is solely being issued in connection with the filing of the Prospectus regarding the listing of the Company's securities on The Stock Exchange of Hong Kong Limited and not for any other purpose.

A member firm of Ernst & Young Global Limited

EY安永

Yours faithfully,

Ernst & Young

Certified Public Accountants
Hong Kong

A member firm of Ernst & Young Global Limited

IMPORTANT: If you are in any doubt about any of the contents of this prospectus, you should seek independent professional advice.

TrueHealth Technology

Guangdong True Health Medical Technology Development Co., Ltd.

廣東真健康醫療科技開發股份有限公司

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

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	**:**	**3,564,700 H Shares (subject to Over-allotment Option)**
Number of Hong Kong Offer Shares	**:**	**356,480 H Shares (subject to reallocation)**
Number of International Offer Shares	**:**	**3,208,220 H Shares (subject to reallocation and Over-allotment Option)**
Maximum Offer Price	**:**	**HK$135.40 per Offer Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong Dollars and subject to refund)**
Nominal Value	**:**	**RMB1.00 per H Share**
Stock Code	**:**	**2697**

Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

CICC 中金公司 DBS 星展集團

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in "Appendix VII—Documents Delivered to the Registrar of Companies in Hong Kong and Documents on Display—A. Documents Delivered to the Registrar of Companies in Hong Kong" to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any other documents referred to above.

The Offer Price is expected to be fixed by agreement by the Overall Coordinators (for themselves and on behalf of the other Underwriters and the Capital Market Intermediaries) and us on the Price Determination Date. The Price Determination Date is expected to be on Friday, June 26, 2026 (Hong Kong time). The Offer Price will be not more than HK$135.40 per Offer Share and is currently expected to be not less than HK$119.30 per Offer Share, unless otherwise announced. Applicants for the Hong Kong Offer Shares may be required to pay, on application (subject to application channels), the maximum Offer Price of HK$135.40 for each Hong Kong Offer Share together with brokerage fee of 1.0%, SFC transaction levy of 0.0027%, Hong Kong Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%, subject to refund if the Offer Price as finally determined is less than HK$135.40 per Hong Kong Offer Share. If, for any reason, the Offer Price is not agreed by 12:00 noon on Friday, June 26, 2026 (Hong Kong time) by the Overall Coordinators (for themselves and on behalf of the other Underwriters and the Capital Market Intermediaries) and us, the Global Offering will not proceed and will lapse.

The Overall Coordinators (for themselves and on behalf of the other Underwriters and the Capital Market Intermediaries) may, with the consent of our Company, reduce the number of Hong Kong Offer Shares and/or the indicative Offer Price range below that stated in this prospectus (which is HK$119.30 to HK$135.40) at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, a notice of the reduction in the number of Hong Kong Offer Shares and/or the indicative Offer Price range will be published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.truehealth.cn** not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. Further details are set forth in "Structure of the Global Offering—Conditions of the Global Offering" and "How to Apply for the Hong Kong Offer Shares" in this prospectus. If applications for the Hong Kong Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Hong Kong Public Offer, then such applications can be subsequently withdrawn if the number of Offer Shares and/or the indicative Offer Price range is so reduced.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement to subscribe for, and to procure applicants for the subscription for, the Hong Kong Offer Shares, are subject to termination by the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters and the Capital Market Intermediaries) if certain grounds arise prior to 8:00 a.m. on the Listing Date. Such grounds are set out in the section headed "Underwriting—Underwriting Arrangements and Expenses—Hong Kong Public Offering—Grounds for termination" in this prospectus. It is important that you refer to that section for further details.

Prior to making an investment decision, prospective investors should consider carefully all the information set forth in this prospectus, including but not limited to the risk factors set forth in "Risk Factors" in this prospectus.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred within the United States or to, or for the account or benefit of U.S. persons, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

ERNST & YOUNG FOR IDENTIFICATION ONLY HONG KONG

ATTENTION

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the websites of the Stock Exchange (**www.hkexnews.hk**) and our Company (**www.truehealth.cn**). If you require a printed copy of this prospectus, you may download and print from the website addresses above.

June 22, 2026

IMPORTANT NOTICE TO INVESTORS: FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Hong Kong Stock Exchange at www.hkexnews.hk under the "*HKEXnews* > *New Listings* > *New Listing Information*" section, and our website at www.truehealth.cn. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

To apply for the Hong Kong Offer Shares, you may:

(1) apply online through the **HK eIPO White Form** service at **www.hkeipo.hk**; or

(2) apply electronically through the **HKSCC EIPO** channel and cause HKSCC Nominees to apply on your behalf by instructing your broker or custodian who is a HKSCC Participant to give **electronic application instructions** via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of this prospectus are identical to the printed prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an **intermediary**, **broker** or **agent**, please remind your customers, clients or principals, as applicable, that this prospectus is available online at the website addresses above.

Please refer to the section headed "How to Apply for Hong Kong Offer Shares" for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application through the **HK eIPO White Form** service or the **HKSCC EIPO** channel must be for a minimum of 20 Hong Kong Offer Shares and in one of the numbers set out in the table.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Hong Kong Offer Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
20	2,735.30	300	41,029.66	4,000	547,062.03	50,000	6,838,275.46
40	5,470.63	400	54,706.20	5,000	683,827.55	60,000	8,205,930.55
60	8,205.93	500	68,382.76	6,000	820,593.05	70,000	9,573,585.64
80	10,941.24	600	82,059.30	7,000	957,358.56	80,000	10,941,240.72
100	13,676.56	700	95,735.86	8,000	1,094,124.07	90,000	12,308,895.81
120	16,411.86	800	109,412.40	9,000	1,230,889.58	100,000	13,676,550.90
140	19,147.17	900	123,088.96	10,000	1,367,655.09	120,000	16,411,861.08
160	21,882.47	1,000	136,765.51	20,000	2,735,310.18	140,000	19,147,171.25
180	24,617.80	2,000	273,531.02	30,000	4,102,965.26	160,000	21,882,481.45
200	27,353.10	3,000	410,296.53	40,000	5,470,620.35	178,240[1]	24,377,084.32

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

No application for any other number of the Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

*If there is any change in the following expected timetable of the Global Offering, we will issue an announcement on the website of our Company at **www.truehealth.cn** and the website of the Stock Exchange at **www.hkexnews.hk**.*

Date[1]

Hong Kong Public Offering commences ..... 9:00 a.m. on Monday, June 22, 2026

Latest time for completing electronic applications via the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**[2]: .....11:30 a.m. on Thursday, June 25, 2026

Application lists of the Hong Kong Public Offering open[3] ..... 11:45 a.m. on Thursday, June 25, 2026

Latest time for (a) completing full payment of **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s) or; (b) giving **electronic application instructions** to HKSCC[4] ..... 12:00 noon on Thursday, June 25, 2026

If you are instructing your **broker** or **custodian** who is a HKSCC Participant to submit **HKSCC EIPO** applications on your behalf through HKSCC's FINI system in accordance with your instruction, you are advised to contact your **broker** or **custodian** for the latest time for giving such instructions which may be different from the latest time as stated above.

Application lists of the Hong Kong Public Offering close[3] ..... 12:00 noon on Thursday, June 25, 2026

Expected Price Determination Date[5] ..... at or before 12:00 noon on Friday, June 26, 2026

Announcement of:

- the final Offer Price;
- the level of indications of interest in the International Offering;
- the level of applications in the Hong Kong Public Offering; and
- the basis of allocations of the Hong Kong Offer Shares

to be published on the website of our Company at **www.truehealth.cn**(6) and the website of the Stock Exchange at **www.hkexnews.hk** . . . . . no later than 11:00 p.m. on Monday, June 29, 2026

Results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels, including:

- from the "Allotment Results" page at designated results of allocations website at **www.tricor.com.hk/ipo/result** or **www.hkeipo.hk/IPOResult** with a "search by ID" function from(7) . . . . . .11:00 p.m. on Monday, June 29, 2026 to 12:00 midnight on Sunday, July 5, 2026

- the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.truehealth.cn**(6) which will provide links to the above mentioned websites of the H Share Registrar . . . . . .no later than 11:00 p.m. on Monday, June 29, 2026

- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from . . . . Tuesday, June 30, 2026 to Monday, July 6, 2026 (excluding Saturday, Sunday and public holidays in Hong Kong)

- for those applying through **HKSCC EIPO** channel, you may also check with your broker or custodian from . . . . . .6:00 p.m. on Friday, June 26, 2026

H Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS in respect of wholly or partially successful applications pursuant to the Hong Kong Public Offering(8)(9) . . . . . .on or before Monday, June 29, 2026

HK eIPO White Form e-Auto Refund payment instructions/refund checks in respect of wholly or partially successful applications if the final Offer Price is less than the maximum Offer Price per Offer Share initially paid on application (if applicable), or wholly/partially unsuccessful applications to be dispatched(10) . . . . . .on or before Tuesday, June 30, 2026

Dealings in the H Shares on the Stock Exchange expected to commence at(9) . . . . . .9:00 a.m. on Tuesday, June 30, 2026

Notes:

(1) Unless otherwise stated, all times and dates refer to Hong Kong local times and dates.

(2) You will not be permitted to submit your application through the **HK eIPO White Form** service or the designated website at **www.hkeipo.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above and/or Extreme Conditions (collectively, "**Severe Weather Signal**") in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, June 25, 2026, the application lists will not open or close on that day. For further details, see "How to Apply for Hong Kong Offer Shares—E. Severe Weather Arrangements."

(4) Applicants who apply for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC via HKSCC's FINI System should refer to the section headed "How to Apply for Hong Kong Offer Shares—A. Application for Hong Kong Offer Shares" in this prospectus.

(5) The Price Determination Date is expected to be on or about Friday, June 26, 2026. If, for any reason, the Offer Price is not agreed between the Overall Coordinators (for themselves and on behalf of the other Underwriters) and us by 12:00 noon on Friday, June 26, 2026, the Global Offering will not proceed and will lapse.

(6) Neither of the websites nor any of the information contained on the websites forms part of this prospectus.

(7) The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at **www.tricor.com.hk/ipo/result** or **www.hkeipo.hk/IPOResult**.

(8) H Share certificates will only become valid at 8:00 a.m. on the Listing Date provided that the Global Offering has become unconditional and the right of termination described in "Underwriting—Underwriting Arrangements and Expenses—Hong Kong Public Offering—Grounds for Termination" has not been exercised. Investors who trade the H Shares on the basis of publicly available allocation details prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.

(9) If a Severe Weather Signal in force is hoisted on Monday, June 29, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to the HKSCC Depository's service counter so that they would be available for trading on Tuesday, June 30, 2026.

(10) Refund mechanism for surplus application monies paid by application via **HKSCC EIPO** channel is subject to the arrangement between applicants and their broker or custodian.

Applicants who have applied for Hong Kong Offer Shares through the **HKSCC EIPO** channel should refer to "How to Apply for Hong Kong Offer Shares—D. Dispatch/Collection of H Share Certificates and Refund of Application Monies" for details.

Applicants who have applied through the **HK eIPO White Form** service and paid their applications monies through single bank accounts may have refund monies (if any) dispatched to the designated bank account in the form of **HK eIPO White Form** e-Auto Refund payment instructions. Applicants who have applied through the **HK eIPO White Form** service and paid their application monies through multiple bank accounts may have refund monies (if any) dispatched to the address as specified in their application instructions in the form of refund cheques in favor of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk.

Further information is set out in "How to Apply for Hong Kong Offer Shares—D. Dispatch/Collection of H Share Certificates and Refund of Application Monies."

The above expected timetable is a summary only. For further details of the structure of the Global Offering, including its conditions, and the procedures for applications for Hong Kong Offer Shares, see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus.

If the Global Offering does not become unconditional or is terminated in accordance with its terms, the Global Offering will not proceed. In such case, our Company will make an announcement as soon as practicable thereafter.

CONTENTS

IMPORTANT NOTICE TO INVESTORS

This prospectus is issued by us solely in connection with the Hong Kong Public Offering and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this prospectus pursuant to the Hong Kong Public Offering. This prospectus may not be used for the purpose of, and does not constitute, an offer or a solicitation of an offer to subscribe for or buy, any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this prospectus to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners and the Joint Lead Managers, the Capital Market Intermediaries, any of the Underwriters, any of our or their respective directors, officers or representatives, or any other person or party involved in the Global Offering. Information contained in our website, located at www.truehealth.cn, does not form part of this prospectus.

Page

EXPECTED TIMETABLE iv

CONTENTS viii

SUMMARY 1

DEFINITIONS AND ACRONYMS 14

GLOSSARY OF TECHNICAL TERMS 27

FORWARD-LOOKING STATEMENTS 30

RISK FACTORS 32

CONTENTS

WAIVERS FROM STRICT COMPLIANCE WITH THE REQUIREMENTS UNDER THE LISTING RULES AND EXEMPTION FROM THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE 69

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING 74

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING 78

CORPORATE INFORMATION 84

INDUSTRY OVERVIEW 85

REGULATORY OVERVIEW 103

HISTORY AND CORPORATE STRUCTURE 116

BUSINESS 143

DIRECTORS AND SENIOR MANAGEMENT 214

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS 224

SUBSTANTIAL SHAREHOLDERS 228

SHARE CAPITAL 230

FINANCIAL INFORMATION 233

FUTURE PLANS AND USE OF PROCEEDS 258

UNDERWRITING 264

STRUCTURE OF THE GLOBAL OFFERING 274

HOW TO APPLY FOR HONG KONG OFFER SHARES 283

APPENDIX I ACCOUNTANTS' REPORT I-1

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION . . II-1

APPENDIX III TAXATION AND FOREIGN EXCHANGE. III-1

CONTENTS

APPENDIX IV	**SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS**	IV-1
APPENDIX V	**SUMMARY OF ARTICLES OF ASSOCIATION**	V-1
APPENDIX VI	**STATUTORY AND GENERAL INFORMATION**	VI-1
APPENDIX VII	**DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG AND DOCUMENTS ON DISPLAY**	VII-1

This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read this prospectus in its entirety before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in "Risk Factors" of this prospectus. You should read that section carefully before you decide to invest in the Offer Shares. In particular, we are a biotechnology company seeking to list on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules on the basis that we are unable to meet the requirements under Rule 8.05(1), (2) or (3) of the Listing Rules. Our Core Product is the product for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants. We may continue to incur substantial costs and expenses in relation to R&D activities for the Core Product, and the Core Product may not be successfully developed or marketed. There are unique challenges, risks and uncertainties associated with investing in companies such as ours. Your investment decision should be made in light of these considerations.

OVERVIEW

Founded in 2018, we engage in developing and commercializing percutaneous puncture and ablation surgical robots in China. We have one Core Product, a percutaneous puncture surgical robot available in four models, namely, TH-S1, TH-S, TH-S Pro and TH-SA. We hold NMPA Class III registration certificates for TH-S1, TH-S, TH-S Pro and TH-SA for lung and abdominal puncture, and we are expanding the indication of TH-S1 to include retroperitoneal lesions. Beyond our Core Product, our pipeline also includes two key products, the percutaneous microwave ablation surgical robot TH-X MW approved for the treatment of liver and lung tumors and the percutaneous microwave ablation surgical robot TH-X HMW approved for the treatment of liver tumors, and five additional product candidates, including the TH-P series of compact percutaneous puncture surgical robots which are approved for lung and abdominal puncture, the MW150 microwave ablation device, the TH-X Cryo cryoablation robot, the TH-LS KI300 and TH-LS LU100 *ex vivo* organ preservation and assessment systems.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND COMMERCIALIZE OUR CORE PRODUCT, OR ULTIMATELY DEVELOP AND COMMERCIALIZE ANY OR ALL OF OUR PRODUCT CANDIDATES SUCCESSFULLY.

The following chart summarizes our product portfolio as of the Latest Practicable Date:

Category	Products	Indications/R&D description	Registration classification	Design development	Design validation	Clinical trial[3]	Registration and approval	Authority and Jurisdiction	Approval date	Upcoming milestone	Owner of global rights or not	Source
Percutaneous puncture surgical robot	Core Product: TH-S1 model[1]	puncture positioning for lung and abdominal organs	III					NMPA, China	May 2022	–	Yes	internally-developed
		puncture positioning for lung and abdominal organs	IIa					Notified Body, the EU[4]	–	CE marking Q4 2026	Yes	internally-developed
		puncture positioning for retroperitoneal lesions[2]	III					NMPA, China	–	registration application Q4 2026	Yes	internally-developed
	Core Product: TH-S model	puncture positioning for lung and abdominal organs	III					NMPA, China	June 2023	–	Yes	internally-developed
	Core Product: TH-S Pro model	puncture positioning for lung and abdominal organs	III					NMPA, China	December 2024	–	Yes	internally-developed
	Core Product: TH-SA model	puncture positioning for lung and abdominal organs	III					NMPA, China	December 2025	–	Yes	internally-developed
	TH-P Elite, TH-P, TH-P PLUS	puncture positioning for lung and abdominal organs	III					NMPA, China	December 2024	–	Yes	internally-developed
Percutaneous ablation surgical robot	Key product: TH-X MW (microwave ablation)	puncture and microwave ablation of liver tumors	III					NMPA, China	September 2024	–	Yes	internally-developed
		puncture and microwave ablation of lung tumors	III					NMPA, China	April 2026	–	Yes	internally-developed
	Key product: TH-X HMW (microwave ablation)	puncture and microwave ablation of liver tumors	III					NMPA, China	November 2025	–	Yes	internally-developed
	MW150 (microwave)	microwave ablation of liver tumors	III					NMPA, China	August 2025	–	Yes	internally-developed
	TH-X Cryo (cryoablation)	cryoablation of solid tumors	III					NMPA, China	–	design validation H1 2027	Yes	internally-developed
Organ perfusion system	TH-LS KI300	normothermic preservation and function assessment of kidney	III					NMPA, China	–	clinical trial 2031	Yes	internally-developed
	TH-LS LU100	normothermic preservation and function assessment of multiple organs	III					NMPA, China	–	clinical trial H1 2027	Yes	internally-developed

Core Product | Key product | Approved/commercialized product/ indication | Complete the clinical evaluation through the same-type comparison pathway

Notes:

1. The NMPA, which our PRC Legal Advisors confirm is the competent authority, has confirmed that TH-S1, TH-S, TH-S Pro, and TH-SA share the same technical principles, intended use, risk classification, structural composition, core technical parameters, and substantially the same software system, and therefore will be classified under a single registration unit and regulated as the same product.
2. We consulted the NMPA, which our PRC Legal Advisors confirm is the competent authority, with respect to the necessity for a clinical trial for expanding the indication of TH-S1 in retroperitoneal lesions, and were advised that a clinical trial is required for such indication expansion.
3. For those products / product candidates that are only required to complete clinical evaluation, the same-type comparisons are generally conducted in-house by us. To the extent that type testing, animal experiments or other work requiring specialized professional qualifications in the relevant field is required during the comparison process, we will engage qualified third-party institutions to perform such work. During the technical review process, the NMPA may, from time to time, raise enquiries in relation to the same-type comparison.
4. CE marking for medical devices is obtained through a conformity assessment conducted by an EU-designated Notified Body (an independent organization designated by an EU Member State to do conformity assessment), and the CE mark is affixed by the manufacturer after testing the product and performing the conformity assessment procedure prescribed by the applicable EU harmonization legislation.

OUR PRODUCT PORTFOLIO

Our Core Product—Percutaneous Puncture Surgical Robot

Our Core Product is a percutaneous puncture surgical robot available in four models, namely, TH-S1, TH-S, TH-S Pro and TH-SA. We classify our Core Product models by their medical device registration certificates and pursue separate certificates for each model to support commercialization. As of the Latest Practicable Date, all four models of our Core Product had obtained regulatory approvals in China.

The table below sets forth a comparison of the four models of our Core Product:

	TH-S1	TH-S	TH-S Pro	TH-SA
Registrant	Our Company			
Intended use	Navigation and positioning for puncture procedures of adult lung and abdominal solid organs			
Risk classification	Class III			
Core structural composition	An image-analysis and puncture planning system, an optical navigation system, a robotic arm control system and a respiratory tracking system			
Product performance	Navigation registration error is not more than 0.5 mm Positioning error is not more than 0.3 mm Positioning repeatability error is not more than 0.2 mm System error is not more than 0.8 mm			
Product positioning	Premium	Mid-tier	Cost-effective	Compact
Target customer group	National medical centers and regional medical centers	Provincial Grade III hospitals	Prefecture level Grade III hospitals with limited budgets	Older hospitals with high demands for space efficiency
Registration status	Approved by the NMPA in May 2022	Approved by the NMPA in June 2023	Approved by the NMPA in December 2024	Approved by the NMPA in December 2025

TH-S1 is the flagship model of our Core Product. It features a remote planning system, which is not available in the other models, thereby better addressing the multi-scenario clinical demands of its high-tier target customers.

See "Business—Our Product Portfolio—Our Core Product—Percutaneous Puncture Surgical Robot" for details.

Our Market Penetration Strategy

We started to commercialize our Core Product in 2022. We seek to penetrate the market through trial installations in medical institutions, and such trial installations are provided free of charge. We arrange and manage such trial installations both directly and through our distributors, with medical institutions being the end-point users and operators of our products. We agree on specific trial terms with medical institutions conducting trial use, which typically includes an agreed capped number of procedures (generally no more than 30 cases). As advised by our PRC Legal Advisors, this market penetration approach is permitted under applicable laws and regulations. The years from 2022 to 2025 represent the initial stage of market promotion, during which it is difficult to achieve scaled sales. We sold one, one and three units of our Core Product in 2023, 2024 and 2025, respectively. During this period, we focused on improving market recognition of our Company and our Core Product. Each of our partnered medical institutions had adopted a specific model of the Core Product based on its clinical needs and budget, demonstrating the clinical value and market recognition of our Core Product across various types of puncture procedures.

We plan to promote the sales of our Core Product through market education, establishing benchmark hospitals, channel partner cultivation, penetration into multiple departments of various levels of hospitals, and adaptive sales models. For details, please see "Business—Our Product Portfolio—Commercial Viability of Our Core Product." We also provide case-based clinical guidance training to physicians and hospitals to assist with rapid onboarding of our products and improve operator proficiency. For details, please see "Business—Our Competitive Strengths—Accelerating deployment of precision interventional solutions through established sales channels."

Competitive Landscape

China's percutaneous puncture surgical robot market is at an early stage, with a limited number of approved products. Manual percutaneous puncture remains the predominant approach for many minimally invasive procedures in current clinical practice, and robot-assisted percutaneous puncture is still at a nascent stage of adoption. Physician adoption may be gradual, as robotic-assisted procedures require training, workflow adjustments and changes to established clinical practice patterns. As a result, the current addressable market for percutaneous puncture surgical robots is small, and the percutaneous puncture surgical robot market is characterized by a small number of participants with significant market share. According to CIC, the aggregate market share of the top five market participants (including us) in the percutaneous puncture surgical robot market in terms of revenue was 82.5% in 2025.

We face potential competition with international and domestic surgical robot companies. We compete primarily based on our R&D capabilities, the clinical performance of our products, our ability to commercialize products and brand recognition. Any products that we successfully develop and commercialize will face competition from novel products that may become available in the future. See "Industry Overview" for details.

Our Key Products

TH-X MW

TH-X MW is a percutaneous microwave ablation surgical robot designed to provide image-guided navigational guidance for percutaneous needle placement and microwave ablation of solid liver tumors. The system features intelligent organ and lesion segmentation, intraoperative real-time 3D navigation, and predictive reference of the ablation energy field. In September 2024, we obtained a Class III medical device registration approval for TH-X MW from the NMPA. We have expanded TH-X MW's indication in lung tumor treatment. In April 2026, we obtained the registration approval from the NMPA.

TH-X HMW

TH-X HMW is our other percutaneous microwave ablation surgical robot approved for the treatment of solid liver tumors. It introduces three major enhancements over TH-X MW, designed to streamline ablation workflow and enhance documentation and postoperative review, leading to more actionable and convenient ablation procedures. In November 2025, we obtained a Class III medical device registration approval for our TH-X HMW from the NMPA.

See "Business—Our Product Portfolio—Our Key Products" for details.

Our Other Products and Product Candidates

In addition to our Core Product and key products, our product portfolio also encompasses compact percutaneous puncture surgical robots (TH-P series), a microwave ablation device (MW150), a cryoablation robot (TH-X Cryo), *ex vivo* organ preservation and assessment systems, and disposables. See "Business—Our Product Portfolio" for details.

OUR COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and differentiate us from our competitors: (i) from precision navigation to full-chain care: a complete minimally invasive oncology solution; (ii) pioneering puncture and ablation surgical robotics, transforming oncologic diagnosis and treatment; (iii) comprehensive capability from clinical needs to technology R&D and standards setting; (iv) accelerating deployment of precision interventional solutions through established sales channels; (v) in-house and localized production enable lower costs, faster iteration, and resilient supply; (vi) strong leadership, deep expertise and strategic partnerships; and (vii) Hengqin headquarters delivers structural advantages in medtech development and commercialization.

OUR STRATEGIES

We intend to capitalize on our competitive strengths by pursuing the following strategies: (i) continue to broaden our product portfolio and application scenarios while advancing our global footprint; (ii) strengthen core platform innovation and build durable technological advantages; (iii) strengthen commercialization to consolidate market leadership and accelerate adoption of our products; and (iv) strengthen integrated supply chain capabilities.

RESEARCH AND DEVELOPMENT

We have built an experienced R&D team with strong expertise in the surgical robots field. As of the Latest Practicable Date, our R&D team consisted of 71 members, with approximately 28.2% holding a doctoral or master's degree. Our R&D team is led by a group of world-class scientists with proven track records in mechanical engineering, electrical and electronic engineering, computer science, software engineering, biomedical engineering, and pharmacy. In particular, the key technical staff of our R&D team have decades of experience in surgical robots development. Our key R&D leadership includes Ms. Cheong Hou Iam (our founder and chairwoman), Mr. Chen Xiangqian (our chief technology officer), and Mr. Shi Jipeng (our R&D director). Each of these individuals has over a decade of relevant experience, gained at leading medical device companies and research institutions. The R&D team is organized into specialized teams and departments covering technology center, R&D center, regulations and management centers, clinical academic department, pharmaceutical development department, and processing department. For more details of our R&D capabilities and processes, see "Business—Research and Development—Product Design and Preclinical Development" and "Business—Research and Development—Our R&D Team."

In 2024 and 2025, our R&D expenses were RMB50.8 million and RMB56.9 million, respectively. We did not capitalize any R&D expense in the Track Record Period. During the same years, our R&D expenses attributable to our Core Product amounted to RMB11.9 million and RMB25.4 million, respectively, accounting for 23.3% and 44.7% of our total R&D expenses for the corresponding periods.

INTELLECTUAL PROPERTY

As of the Latest Practicable Date, we owned (i) 206 issued patents in China, five in other jurisdictions, and (ii) 33 pending patent applications in China. In addition, we owned 15 issued patents in China with respect to our Core Product and our key products.

During the Track Record Period and up to the Latest Practicable Date, (i) we were not involved in any legal, arbitral or administrative proceedings in respect of, and we had not received notice of any material claims of infringement, misappropriation or other violations of third-party intellectual property; and (ii) we were not involved in any proceedings in respect of any intellectual property rights that may be threatened or pending and that may have an influence on the research and development for any of our product candidates in which we may be a claimant or a respondent.

MANUFACTURING

As of the Latest Practicable Date, we had one major manufacturing base located in Zhuhai, with the gross floor area of our manufacturing site of approximately 3,682 square meters. The facility serves as the core of our production system, manufacturing our commercialized products, including our Core Product, other products in our product pipeline and disposables. See "Business—Manufacturing—Manufacturing Facility" for details.

SALES AND MARKETING

We had received marketing approval for 10 of our products (excluding disposables) as of the Latest Practicable Date and had built a customer base spanning 23 key provinces in China, primarily consisting of domestic distributors.

Sales Channel

We primarily sell our products, including our surgical robots and disposables used in conjunction with our surgical robots, to end customers through distributors in China under the distributorship channel. The relationships between distributors and us are categorized as seller-buyer relationships—they buy our products from us and then resell the products to end customers, including hospitals and medical institutions. Our distributors maintain a "buy-out" model with us. As of the Latest Practicable Date, we had engaged and cooperated with a total of 27 distributors in China. See "Business—Sales and Marketing—Sales Channel" for details. During the Track Record Period, all of our revenue from product sales was generated from sales to distributors. According to CIC, our sales model is in line with industry practice.

OUR CUSTOMERS AND SUPPLIERS

Customers

During the Track Record Period, our customers consisted of distributors in China. We typically enter into sales agreements with our customers and grant credit terms on a case-by-case basis determined by our internal assessment.

In 2024 and 2025, the total revenue generated from our five largest customers in each year was RMB1.8 million and RMB11.7 million, respectively, accounting for 100.0% and 96.4%, respectively, of our total revenue for the same years. During the same years, revenue generated from our single largest customer in each year amounted to RMB1.6 million and RMB4.8 million, respectively, representing 88.9% and 39.2%, respectively, of our total revenue for the same years. See "Business—Customers" for details.

Suppliers

During the Track Record Period, our suppliers primarily consisted of (i) CROs; (ii) suppliers of raw materials in connection with our manufacturing; and (iii) providers of sales and marketing services. Our suppliers usually provide us with credit terms of one month.

In 2024 and 2025, the aggregate purchase amount from our five largest suppliers in each year was RMB23.3 million and RMB26.4 million, respectively, accounting for 30.8% and 34.9%, respectively, of our total purchases for the same years. During the same years, the purchase amount from our single largest supplier in each year amounted to RMB6.6 million and RMB9.0 million, respectively, representing 8.7% and 11.9%, respectively, of our total purchases for the same years. See "Business—Our Suppliers and Procurement—Our Suppliers" for details.

PRE-IPO INVESTMENTS

To facilitate our business development and diversify our shareholding structure, we conducted several rounds of Pre-IPO Investments from January 2021 to January 2025. See "History and Corporate Structure—Pre-IPO Investments" for details.

Pursuant to the relevant capital increase agreements and the shareholders' agreement dated January 23, 2025 (the "**January 2025 Shareholders' Agreement**"), the Pre-IPO Investors were granted certain special rights. In particular, they were granted redemption rights against our Controlling Shareholders, pursuant to which they are entitled to require our Controlling Shareholders to repurchase all or part of their equity interests at the agreed repurchase price in the event of the occurrence of certain events. Our Company agreed to assume joint and several liability for the payment obligations of our Controlling Shareholders in respect of such repurchase price and any default interest.

During the Track Record Period, no Pre-IPO Investors had exercised their redemption rights. For details on the accounting treatment of redemption rights of Pre-IPO investments, see '—Pre-IPO Investments' below and note 27 to the Accountants' Report set out in Appendix I to this prospectus.

Between May 2025 and November 2025, our Company, our Controlling Shareholders and the Pre-IPO Investors entered into special rights termination agreements (the "**Special Rights Termination Agreements**"), pursuant to which the relevant redemption rights and other special rights were terminated upon or before the first submission of the listing application to the Stock Exchange for the purpose of the Global Offering or will cease to be effective upon Listing. For details of the Special Rights Termination Agreements, see "History and Corporate Structure—Pre-IPO Investments—Special rights of the Pre-IPO Investors" and "B. Further Information about our Business—1. Summary of material contracts" in Appendix VI to this prospectus.

For illustrative purpose, had the Special Rights granted to the Pre-IPO Investors been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the supplemental agreements, (i) the redemption financial liabilities, net current liabilities/assets and net deficits/assets; and (ii) the finance costs associated with the redemption financial liabilities, the total net losses and the basic and dilutive loss per share would have been:

	As of December 31,	
	2024	2025
	(RMB'000)	
Redemption financial liabilities	499,590	–
Total current liabilities	524,202	30,116
Net current (liabilities)/assets	(410,487)	208,588
Net (deficits)/assets	(374,140)	239,566

	Year ended December 31,	
	2024	2025
	(RMB'000)	
Finance costs associated with the redemption financial liabilities	35,605	45,316
Total net losses	(127,761)	(135,429)
Basic and dilutive loss per share (RMB per share)	(5.30)	(4.43)

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary of historical financial information set forth below has been derived from, and should be read in conjunction with, our consolidated audited financial statements, including the accompanying notes, set forth in the Accountants' Report set out in Appendix I to this document, as well as the information set forth in "Financial Information" of this document. Our financial information was prepared in accordance with IFRS.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the years indicated:

	Year ended December 31,	
	2024	2025
	(RMB'000)	
Revenue	**1,791**	**12,178**
Cost of sales	(481)	(2,884)
Gross profit	**1,310**	**9,294**
Other income and gains	33,264	45,479
Selling and distribution expenses	(40,094)	(38,044)
Administrative expenses	(34,851)	(48,244)
Research and development expenses	(50,846)	(56,874)
Impairment loss of financial assets and contract assets, net	(34)	(123)
Other expenses	(308)	(1,041)
Finance costs	(594)	(398)
Share of loss of an associate	–	(161)
Loss before tax	**(92,153)**	**(90,112)**
Income tax expense	(3)	(1)
Loss for the year	**(92,156)**	**(90,113)**
Attributable to:		
Owners of the parent	(92,156)	(90,113)

For details on the accounting treatment of redemption rights of Pre-IPO Investments, see "Pre-IPO Investments" in this section and note 27 to the Accountants' Report set out in the Appendix I to this prospectus.

Our revenue increased significantly from RMB1.8 million in 2024 to RMB12.2 million in 2025, primarily attributable to higher revenue recognized from the sale of our surgical robots as a result of increased deliveries during the year. In particular, we delivered one TH-S in 2024, compared with a total of six systems in 2025, comprising two TH-S systems, one TH-P system, one TH-S Pro system and two TH-X MW systems. In addition, the increase in delivered systems supported broader clinical utilization and contributed to higher sales of disposables. In 2025, we also recorded revenue from provision of technical services amounting to RMB75,000, representing research and development services provided by us to an associate in relation to the development of limb perfusion systems.

We recorded significant other income and gains of RMB33.3 million and RMB45.5 million in 2024 and 2025, respectively, which was mainly attributable to government grants of RMB31.9 million and RMB42.6 million in the respective years. During the Track Record Period, our government grants were primarily attributable to industry development funds provided to support our research and development activities and one-off incentives awarded under the Hengqin International Sci-Tech Innovation Competition (橫琴國際科技創新創業大賽), both of which were granted by the relevant local government authorities and were non-recurring in nature. From time to time, we received subsidies, incentives and awards in recognition of our research and development efforts and contributions. However, there is no assurance that such subsidies, incentives and awards will continue to be available in the future.

We incurred net losses during the Track Record Period. Our net losses during the Track Record Period were mainly attributable to significant research and development expenses incurred with respect to our research and development activities. In addition, our net losses were also attributable to our other operating costs, including our selling and distribution expenses and administrative expenses. We expect to continue to incur net losses in the near future as we further our research and development efforts, continue the development of, seek regulatory approval for, and commercialize our pipeline products. See "Financial Information—Principal Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income" for details.

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statement of financial position as of the dates indicated:

	As of December 31,	
	2024	2025
	(RMB'000)	
Non-current assets	41,660	42,120
Current assets	113,715	238,704
Current liabilities	24,612	30,116
Net current assets	89,103	208,588
Non-current liabilities	5,313	11,142
Net assets	125,450	239,566

Our net assets increased significantly to RMB239.6 million as of December 31, 2025 from RMB125.5 million as of December 31, 2024. Such increase was mainly attributable to substantial capital injections from shareholders during the year. Although our Group continued to record a net loss in 2025, the impact of these losses was offset by the capital injections, resulting in an increase in net asset position as of December 31, 2025.

For details on the accounting treatment of redemption rights of Pre-IPO investments, see '—Pre-IPO Investments' in this section and note 27 to the Accountants' Report set out in Appendix I to this prospectus.

Summary of Consolidated Statements of Cash Flow

The following table sets forth a summary of our consolidated statement of cash flows for the years indicated:

	Year ended December 31,	
	2024	2025
	(RMB'000)	
Net cash flows used in operating activities	(97,045)	(91,895)
Net cash flows used in investing activities	(6,658)	(2,287)
Net cash flows from financing activities	65,133	192,817
Net (decrease)/increase in cash and cash equivalents	(38,570)	98,635
Cash and cash equivalents at the beginning of the year	122,484	83,908
Effect of foreign exchange rate changes, net	(6)	(149)
Cash and cash equivalents at the end of the year	83,908	182,394

We had net operating cash outflows of RMB97.0 million and RMB91.9 million in 2024 and 2025, respectively. Such net operating cash outflows were primarily due to the significant research and development expenses and other operating expenses we incurred during the Track Record Period without generating a substantial amount of revenue from our commercialized products, for which we commenced limited sales in 2023. We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. As our business develops and expands, we expect to generate more net cash from our operating activities, through increasing sales revenue of the existing commercialized product and by launching new products. Going forward, we believe our liquidity requirements will be satisfied by using funds from a combination of our cash and cash equivalents and net proceeds from the Global Offering.

Working Capital Sufficiency

Taking into account the estimated net proceeds from the Global Offering and the financial resources available to us, including cash and bank balances and considering our cash burn rate, our Directors are of the view that we have available sufficient working capital to cover at least 125% of our costs, including administrative and operating expenses (including any production costs), research and development expenses, and selling and distribution expenses, for at least the next 12 months from the date of this prospectus.

Cash Burn

Our cash burn rate refers to our average monthly (i) net cash used in operating activities, which includes payments for research and development expenses, selling and distribution expenses and administrative expenses; and (ii) capital expenditures. Taking into account our cash and cash equivalents, financial assets at fair value through profit or loss as of April 30, 2026 and assuming average monthly net cash used in operating activities and capital expenditures going forward of 1.8 times the average level in 2025, based on the underlying assumptions that (i) we will increase our investment in research and development by recruiting more R&D talents and conducting more clinical trials related to the upgrade and innovation of our products; (ii) we will increase our selling and distribution spending by recruiting more experienced sales and marketing staff; (iii) we do not expect a significant increase in capital expenditure; and (iv) we do not expect significant acquisition of any assets, we estimate we will be able to maintain our financial viability for 10 months from May 2026 without considering proceeds from the Global Offering; or, if we also take into account the net proceeds from Global Offering, assuming an Offer Price of HK$119.3 per Offer Share (being the low end of the indicative Offer Price range), we estimate we will be able to maintain our financial viability for 30 months from May 2026. Our Directors and our management team will continue to monitor our working capital, cash flows and our business development status.

We currently have no immediate plan for future financing after the Listing taking into account our available cash, proceeds from the Global Offering and based on our cash burn rate. However, with the continuing expansion of our business and development of our products, we could not exclude the possibility to require further funding through public or private equity offerings, debt financing and other sources. We will comply with applicable laws and regulations, including requirements under the Listing Rules, when we proceed with such financings.

RISK FACTORS

We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control. These risks are set out in "Risk Factors" in this prospectus. Some of the major risks we face include: (i) the current market for percutaneous puncture surgical robots is limited, and if the market does not expand as expected, our growth prospects and results of operations could be materially and adversely affected; (ii) if we do not advance technologies and introduce improved products in a timely manner, our products may become non-competitive or obsolete and our revenue and operating results may suffer; (iii) clinical development is a lengthy, expensive and uncertain process, and unsuccessful clinical trials or procedures relating to products and indications under development could have a material adverse effect on our prospects, including incurring additional costs, experiencing delays in completing, or ultimately being unable to complete the development and commercialization of our product if clinical trials fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities; (iv) we have only recently begun commercializing our products and our sales are currently primarily derived from our Core Product, which may make it difficult to evaluate our future prospects; (v) if physicians and hospitals are not receptive to our products, our results of operations may be negatively affected; and (vi) a limited number of customers accounted for a substantial portion of our revenue during the Track Record Period, and any decreases in our future sales to them could adversely affect our financial condition and results of operations.

KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios as of the dates indicated:

	As of December 31,	
	2024	2025
Liquidity ratios		
Current ratio *(times)*[(1)]	4.6	7.9

Note:

(1) Current ratio is calculated based on total current assets divided by total current liabilities.

See "Financial Information—Key Financial Ratios" for further details.

OUR CONTROLLING SHAREHOLDERS

Immediately prior to the Global Offering, our Company was owned as to approximately 10.47%, 9.35%, 7.48%, 7.15%, 6.46%, 5.61% and 0.10%, by Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang, respectively. Renxiang Biotechnology is the general partner of each of Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang and Renxiang Biotechnology is held as to 99.99% by Ms. Cheong.

Each of Renyang Biotechnology, Chengzhen Health and Jiarun Tongchuang was owned as to 99% by China True Health Medical as their sole limited partner, and Jiarun Hechuang was owned as to 99.00% by Shuimu Medical Technology as its sole limited partner. Each of China True Health Medical and Shuimu Medical Technology was owned as to 96.67% by Ms. Cheong. As such, (i) Ms. Cheong is the ultimate beneficial owner of each of Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang; and (ii) Ms. Cheong, Renxiang Biotechnology, China

True Health Medical, Shuimu Medical Technology, Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang are considered to be a group of Controlling Shareholders, who collectively held 46.63% of our total issued Shares as of the Latest Practicable Date.

Immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised), Ms. Cheong, Renxiang Biotechnology, China True Health Medical, Shuimu Medical Technology, Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang will collectively hold approximately 41.96% of our total issued Shares. Accordingly, they will remain as a group of Controlling Shareholders upon Listing.

GLOBAL OFFERING STATISTICS

	Based on an Offer Price of HK$119.30 per Offer Share	Based on an Offer Price of HK$135.40 per Offer Share
Market capitalization of our H Shares[(1)]	HK$4,252.7 million	HK$4,826.6 million
Market capitalization of our Shares[(2)]	HK$4,252.7 million	HK$4,826.6 million
Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company as of December 31, 2025[(3)]	HK$18.35	HK$19.87

Notes:

(1) The calculation is based on the assumption that 35,647,003 H Shares will be in issue immediately following the completion of the Global Offering, assuming the Over-allotment Option is not exercised.

(2) The calculation is based on the assumption that 35,647,003 H Shares will be in issue immediately following the completion of the Global Offering, assuming the Over-allotment Option is not exercised.

(3) The unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company as of December 31, 2025 is calculated after the adjustment referred to in "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus and on the basis of 35,647,003 Shares in issue immediately following the completion of the Global Offering, assuming the Over-allotment Option is not exercised.

DIVIDENDS

We do not have a formal dividend policy, a pre-determined dividend pay-out ratio, or a numerical threshold for determining dividend distributions. We did not declare or pay any dividend during the Track Record Period. We are incorporated under the laws of the PRC. Any dividends we pay will be at the discretion of our Directors and will depend on our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors which our Directors consider relevant. Our shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board.

Under the applicable PRC laws and regulations, a PRC incorporated company is required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, to contribute to certain statutory reserve funds until the aggregate amount contributed to such funds reaches 50% of its registered capital. The company may pay dividends out of after-tax profits after making up for accumulated losses and contributing to statutory reserve funds as mentioned above. As advised by our PRC Legal Advisors, our PRC companies cannot pay dividends if such companies are in an accumulated loss position and any future net profit that we make will have to be first applied to make up for our historically accumulated losses. As a result, we may not have sufficient or any distributable profits to make dividend distributions to our Shareholders, even if we become profitable.

FUTURE PLANS AND USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately HK$388.1 million after deducting the underwriting fees and expenses payable by us in connection with the Global Offering, and assuming an Offer Price of HK$127.40 per Offer Share, being the mid-point of the indicative Offer Price range set out in this prospectus, assuming the Over-allotment Option is not exercised. We intend to use the net proceeds from the Global Offering for the following purposes: (i) approximately HK$289.1 million (representing 74.5% of net proceeds) to fund our research and development activities and commercialization of our Core Product; (ii) approximately HK$38.4 million (representing 9.9% of net proceeds) to fund research and development activities and commercialization of our key products; (iii) approximately HK$23.3 million (representing 6.0% of net proceeds) to fund research and development activities of other product candidates and related patent filings and portfolio expansion; (iv) approximately HK$7.8 million (representing 2.0% of net proceeds) to fund the expansion of our manufacturing capacity and enhance our production capability; and (v) approximately HK$29.5 million (representing 7.6% of net proceeds) to fund our working capital and other general corporate purposes.

LISTING EXPENSES

Our listing expenses mainly include underwriting commissions, professional fees paid to legal advisors, the Reporting Accountants and other professional parties for their services rendered in relation to the Listing and the Global Offering.

Based on the mid-point Offer Price of HK$127.40 per Share, the total estimated listing expenses in relation to the Global Offering are RMB57.4 million (HK$66.1 million), assuming the Over-allotment Option is not exercised, which constitute approximately 14.5% of the gross proceeds. Our total listing expenses consist of (i) underwriting-related expenses and fees (including underwriting commissions, Stock Exchange trading fee, SFC and AFRC transaction levy) of RMB21.7 million (HK$25.0 million); and (ii) non-underwriting-related expenses of RMB35.7 million (HK$41.1 million), including (a) fees payable to the legal advisors and Reporting Accountants of RMB20.7 million (HK$23.8 million) and (b) other fees and expenses of RMB15.0 million (HK$17.3 million). Among the total listing expenses, approximately HK$18.5 million had been charged to profit or loss for the year ended December 31, 2025 and HK$19.1 million is expected to be charged to profit or loss for the year ending December 31, 2026, and approximately HK$28.5 million directly attributable to the issue of the Shares is expected to be deducted from equity upon the completion of the Global Offering. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

RECENT DEVELOPMENTS

Indication Expansion of TH-S1

We are conducting a clinical study focused on the design and verification of TH-S1 to expand its indication in retroperitoneal lesions. As of the Latest Practicable Date, 15 patients had been enrolled and the clinical trial was ongoing. We expect to obtain NMPA registration approval in the second half of 2027. See "Business—Our Product Portfolio" for details.

Indication Expansion for TH-X MW

We have expanded the indication of TH-X MW in lung tumor treatment. We submitted the registration application to the NMPA in July 2025, which was accepted by the NMPA in August 2025. In April 2026, we obtained registration approval. See "Business—Our Product Portfolio" for details.

Expected Loss

We expect a significant increase in loss position for the year ending December 31, 2026, primarily because (i) we anticipate continuing to incur substantial costs and expenses in relation to our R&D activities and sales and marketing initiatives as we proceed with on-going clinical trials or evaluations and further enhance our commercialization capabilities, and (ii) we have incurred, and expect to continue to incur, costs and expenses relating to the Global Offering.

New Tenders

Subsequent to the Track Record Period and up to the Latest Practicable Date, our products participated in three tender processes and were awarded two tenders, including one TH-S1 and one TH-S, with the result of the remaining one still pending.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this prospectus, (i) there has been no material adverse change in our business, the industry where we operate, or market or regulatory environment to which we are subject; (ii) there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the date of the latest audited consolidated financial position of our Group as set out in the Accountants' Report in Appendix I to this prospectus; or (iii) there has been no event since December 31, 2025 that would materially affect the information shown in the Accountants' Report set forth in Appendix I to this prospectus.

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in the section headed "Glossary of Technical Terms" in this prospectus.

"Accountants' Report"	the Accountants' Report for the years ended December 31, 2024 and 2025 prepared by the Reporting Accountants, the text of which is set out in Appendix I to this prospectus;
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong;
"Articles of Association" or "Articles"	the articles of association of our Company adopted on November 20, 2025, which shall become effective as of the date on which the H Shares are listed on the Stock Exchange, as amended from time to time, a summary of which is set out in "Appendix V—Summary of Articles of Association" to this prospectus;
"associate(s)"	has the meaning ascribed to it under the Listing Rules;
"Audit Committee"	the audit committee of our Board;
"Beijing Weidao"	Beijing Weidao Medical Technology Co., Ltd.* (北京微刀醫療科技有限公司), a limited company established in the PRC on September 2, 2021 and a direct wholly-owned subsidiary of our Company, which was subsequently deregistered on November 8, 2024;
"Board" or "Board of Directors"	the board of Directors of our Company;
"business day"	a day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong;
"Capital Market Intermediaries"	the capital market intermediaries participating in the Global Offering and has the meaning ascribed thereto under the Listing Rules;
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC;
"Chengzhen Health"	Zhuhai Chengzhen Health Technology Partnership (Limited Partnership)* (珠海誠真健康科技合夥企業(有限合夥)), a limited partnership established in the PRC on April 4, 2018, which is owned as to 99% and 1% by China True Health Medical as its limited partner, and Renxiang Biotechnology as its general partner, respectively, and is one of our Controlling Shareholders;

"China", "Chinese Mainland" or "PRC"	The People's Republic of China, but for the purpose of this prospectus and for geographical reference only and except where the context requires otherwise, references in this prospectus to "China" and the "PRC" do not apply to Hong Kong, Macau and Taiwan;
"China True Health Medical"	China True Health Medical Technology Co., Ltd. (中國真健康醫療科技有限公司), a limited liability company established in Macau on May 31, 2019, which is owned as to 96.67% and 3.33% by Ms. Cheong and Mr. Cheong Kam Leng (張錦鈴), father of Ms. Cheong, respectively, and is one of our Controlling Shareholders;
"CIC"	China Insights Industry Consultancy Limited, a global market research and consulting company, which is an Independent Third Party;
"CIC Report"	an independent market research report commissioned by us and prepared by CIC for the purpose of this prospectus;
"close associate(s)"	has the meaning ascribed to it under the Listing Rules;
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time;
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
"Company", "our Company" or "the Company"	Guangdong True Health Medical Technology Development Co., Ltd. (廣東真健康醫療科技開發股份有限公司) (formerly known as True Health (Guangdong Hengqin) Medical Technology Co., Ltd.* (真健康(廣東橫琴)醫療科技有限公司)), a limited liability company established in the PRC on March 16, 2018 and subsequently converted into a joint stock company with limited liability on October 29, 2025;
"connected person(s)"	has the meaning ascribed to it under the Listing Rules;
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules;
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Ms. Cheong, Renxiang Biotechnology, China True Health Medical, Shuimu Medical Technology, Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang as further detailed in the section headed "Relationship with Our Controlling Shareholders";

"core connected person(s)"	has the meaning ascribed to it under the Listing Rules;
"Core Product"	has the meaning ascribed thereto under Chapter 18A of the Listing Rules and for the purpose of this prospectus, our Core Product refers to our percutaneous puncture surgical robot, which comprises four models;
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules;
"COVID-19"	a viral respiratory disease caused by the severe acute respiratory syndrome coronavirus;
"CSDC"	China Securities Depositary and Clearing Corporation Limited (中國證券登記結算有限責任公司);
"CSRC"	the China Securities Regulatory Commission of the PRC (中國證券監督管理委員會);
"Director(s)"	the director(s) of our Company;
"Domestic Unlisted Share(s)"	ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which are not listed on any stock exchange;
"EIT"	the enterprise income tax;
"EIT Law"	the PRC Enterprise Income Tax Law (中華人民共和國企業所得税法), as enacted by the NPC on March 16, 2007 and effective on January 1, 2008, as amended, supplemented or otherwise modified from time to time;
"Extreme Conditions"	the occurrence of "extreme conditions" as announced by any government authority of Hong Kong due to serious disruption of public transport services, extensive flooding, major landslides, large-scale power outage or any other adverse conditions before Typhoon Signal No. 8 or above is replaced with Typhoon Signal No. 3 or below;
"FINI"	Fast Interface for New Issuance, an online platform operated by HKSCC for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all initial public offerings;
"General Rules of HKSCC"	General Rules of HKSCC published by the Stock Exchange and as amended from time to time;
"Global Offering"	the Hong Kong Public Offering and the International Offering;

"Group", "our Group", "we", "our" or "us"	our Company and all of our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be);
"Guide"	the "Guide for New Listing Applicants" published by the Stock Exchange in November 2023 which took effect on January 1, 2024, as amended or supplemented or otherwise modified from time to time;
"H Share(s)"	ordinary share(s) in the share capital of our Company with nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and for which an application has been made for listing and permission to trade on the Stock Exchange;
"H Share Registrar"	Tricor Investor Services Limited;
"Haikou Weidao"	Haikou Weidao Medical Technology Co., Ltd.* (海口微刀醫療科技有限公司), a limited company established in the PRC on December 23, 2021 and an indirect wholly-owned subsidiary of our Company, which was subsequently deregistered on January 4, 2024;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited;
"**HKSCC EIPO**"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your or a designated HKSCC Participant's stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf;
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC;
"HKSCC Operational Procedures"	the operational procedures of HKSCC in relation to CCASS and FINI, containing the practices, procedures and administrative requirements relating to the operation and functions of CCASS and FINI as from time to time in force;
"HKSCC Participant"	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant;

"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC;
"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name, submitted online through the designated website at **www.hkeipo.hk**;
"**HK eIPO White Form** Service Provider"	the **HK eIPO White Form** service provider designated by our Company as specified on the designated website at **www.hkeipo.hk**;
"Hong Kong Offer Shares"	the 356,480 new H Shares being initially offered by our Company for subscription in the Hong Kong Public Offering, subject to reallocation as described in the section headed "Structure of the Global Offering" in this prospectus;
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price (plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), on the terms and subject to the conditions described in this prospectus, as further described in the section headed "Structure of the Global Offering—The Hong Kong Public Offering" in this prospectus;
"Hong Kong Takeovers Code" or "Takeovers Code"	Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC;
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering listed in the section headed "Underwriting—Hong Kong Underwriters" in this prospectus;
"Hong Kong Underwriting Agreement"	the underwriting agreement dated June 18, 2026 relating to the Hong Kong Public Offering entered into by our Company, our Controlling Shareholders, the Joint Sponsors, the Overall Coordinators and the Hong Kong Underwriters, as further described in the section headed "Underwriting—Underwriting Arrangements and Expenses—Hong Kong Public Offering—Hong Kong Underwriting Agreement" in this prospectus;
"IFRS"	International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards and interpretations issued by the International Accounting Standards Committee
"Independent Third Party(ies)"	individuals or company(ies), who or which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is not a connected person of our Company within the meaning of the Listing Rules;

"International Offer Shares"	the 3,208,220 new H Shares being initially offered by our Company for subscription in the International Offering, together with, where relevant, any additional Shares to be issued pursuant to the exercise of the Over-allotment Option, subject to reallocation, as described in the section headed "Structure of the Global Offering" in this prospectus;
"International Offering"	the offer of the International Offer Shares by the International Underwriters at the Offer Price outside the United States in offshore transactions in reliance on Regulation S and subject to the terms and conditions described in "Structure of the Global Offering—The International Offering" in this prospectus;
"International Underwriters"	the underwriters for the International Offering;
"International Underwriting Agreement"	the underwriting agreement relating to the International Offering to be entered into by our Company, our Controlling Shareholders, the Joint Sponsors, the Overall Coordinators and the International Underwriters on or about the Price Determination Date, as further described in the section headed "Underwriting" in this prospectus;
"Jiarun Hechuang"	Zhuhai Jiarun Hechuang Technology Development Partnership (Limited Partnership)* (珠海嘉潤合創科技發展合夥企業(有限合夥)) (formerly known as Tianjin Jiarun Hechuang Technology Development Partnership (Limited Partnership)* (天津嘉潤合創科技發展合夥企業(有限合夥)), a limited partnership established in the PRC on January 11, 2021, which is owned as to 99% and 1% by Shuimu Medical Technology as its limited partner, and Renxiang Biotechnology as its general partner, respectively, and is one of our Controlling Shareholders;
"Jiarun Tongchuang"	Zhuhai Jiarun Tongchuang Technology Development Partnership (Limited Partnership)* (珠海嘉潤同創科技發展合夥企業(有限合夥)) (formerly known as Tianjin Jiarun Tongchuang Technology Development Partnership (Limited Partnership)* (天津嘉潤同創科技發展合夥企業(有限合夥)), a limited partnership established in the PRC on April 4, 2018, which is owned as to 99% and 1% by China True Health Medical as its limited partner, and Renxiang Biotechnology as its general partner, respectively, and is one of our Controlling Shareholders;
"Jiarun Xinchuang"	Zhuhai Jiarun Xinchuang Technology Development Partnership (Limited Partnership)* (珠海嘉潤新創科技發展合夥企業(有限合夥)) (formerly known as Tianjin Jiarun Xinchuang Technology Development Partnership (Limited Partnership)* (天津嘉潤新創科技發展合夥企業(有限合夥)), a limited partnership established in the PRC on December 29, 2020, which is owned as to 66.67%, 32.33%, and 1% by Ms. Xu Yan (徐岩), an Independent Third Party, and Ms. Cheong as its limited partners, and Renxiang Biotechnology as its general partner, respectively, and is one of our Controlling Shareholders;

"Joint Bookrunners"	the joint bookrunners as named in the section headed "Directors and Parties Involved in the Global Offering" of this prospectus;
"Joint Global Coordinators"	the joint global coordinators as named in the section headed "Directors and Parties Involved in the Global Offering" of this prospectus;
"Joint Lead Managers"	the joint lead managers as named in the section headed "Directors and Parties Involved in the Global Offering" of this prospectus;
"Joint Sponsors"	China International Capital Corporation Hong Kong Securities Limited and DBS Asia Capital Limited;
"Latest Practicable Date"	June 14, 2026, being the latest practicable date for ascertaining certain information in this prospectus before its publication;
"Listing"	the listing of the H Shares on the Main Board;
"Listing Committee"	the listing sub-committee of the board of directors of the Stock Exchange;
"Listing Date"	the date, expected to be on or about June 30, 2026, on which the H Shares are to be listed and on which dealings in the H Shares are to be first permitted to take place on the Stock Exchange;
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
"Macao" or "Macau"	the Macau Special Administrative Region of the PRC;
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange;
"MIIT"	the Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部);
"Ministry of Finance" or "MOF"	Ministry of Finance of the PRC (中華人民共和國財政部);
"MOFCOM"	Ministry of Commerce of the PRC (中華人民共和國商務部);
"MOP"	Macau Pataca, the lawful currency of Macau;

"Ms. Cheong"	Ms. Cheong Hou Iam (張昊任), our founder, our executive Director, the chairperson of our Board, the general manager of our Company and one of our Controlling Shareholders;
"MST"	Ministry of Science and Technology of the PRC (中華人民共和國科學技術部);
"NDRC"	National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會);
"NHC"	National Health Commission of the PRC (中華人民共和國國家衛生健康委員會);
"NMPA"	National Medical Products Administration (國家藥品監督管理局);
"Nomination Committee"	the nomination committee of our Board;
"Offer Price"	the final offer price per H Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) at which the Offer Shares are to be subscribed for pursuant to the Global Offering and to be determined in the manner described in "Structure of the Global Offering—Pricing and Allocation—Determining the Offer Price" in this prospectus;
"Offer Shares"	the Hong Kong Offer Shares and the International Offer Shares;
"Overall Coordinators"	the overall coordinators as named in the section headed "Directors and Parties Involved in the Global Offering" of this prospectus;
"Over-allotment Option"	the option expected to be granted by us to the International Underwriters under the International Underwriting Agreement, exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters), pursuant to which we may be required to allot and issue up to 534,700 additional H Shares (representing approximately 15.0% of the number of Offer Shares initially being offered under the Global Offering) at the Offer Price, to cover overallocations in the International Offering, if any, as further described in the section headed "Structure of the Global Offering" in this prospectus;
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC;

"PRC Company Law"	the Company Law of the PRC (《中華人民共和國公司法》), enacted by the Standing Committee of the Eighth National People's Congress on December 29, 1993 and effective on July 1, 1994, and subsequently amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023, as amended, supplemented or otherwise modified from time to time;
"PRC government"	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and organizations of such government or, as the context requires, any of them;
"PRC Legal Advisors"	Beijing DeHeng Law Offices, our legal advisors as to PRC laws in connection with the Global Offering;
"Pre-IPO Employee Incentive Scheme"	the pre-IPO employee incentive scheme adopted by our Company, and the principal terms of which are set out in the section headed "Appendix VI—Statutory and General Information—E. Employee Incentive Scheme" to this prospectus;
"Pre-IPO Investment(s)"	the pre-IPO investment(s) in our Company, details of which are set out in "History and Corporate Structure—Pre-IPO Investments" in this prospectus;
"Pre-IPO Investor(s)"	the investor(s) of the Pre-IPO Investments, details of which are set out in "History and Corporate Structure—Pre-IPO Investments" in this prospectus;
"Price Determination Agreement"	the agreement to be entered into by the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company on the Price Determination Date to record and determine the final Offer Price;
"Price Determination Date"	the date expected to be on or around June 26, 2026 but no later than 12:00 noon on June 26, 2026 on which our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) determine the Offer Price for the purpose of the Global Offering;
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of our Board;
"Renminbi" or "RMB"	the lawful currency of the PRC;

"Renxiang Biotechnology"	Guangdong Hengqin Renxiang Biotechnology Co., Ltd.* (廣東橫琴任祥生物科技有限公司), a limited liability company established in the PRC on April 30, 2019, which is owned as to 99.99% and 0.01% by our Ms. Cheong and Ms. Yu Lili (于莉莉), an Independent Third Party, respectively, and is one of our Controlling Shareholders;
"Renyang Biotechnology"	Guangdong Hengqin Renyang Biotechnology Center (Limited Partnership)* (廣東橫琴任陽生物科技中心(有限合夥)), a limited partnership established in the PRC on May 9, 2019, which is owned as to 99% and 1% by China True Health Medical as its limited partner, and Renxiang Biotechnology as its general partner, respectively, and is one of our Controlling Shareholders;
"Reporting Accountants"	Ernst & Young, the reporting accountants of our Company;
"R&D"	research and development;
"Regulation S"	Regulation S under the U.S. Securities Act;
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國外匯管理局);
"SAMR"	the State Administration of Market Regulation of the PRC (中華人民共和國國家市場監督管理總局);
"SAT"	the State Administration of Taxation of the PRC (中華人民共和國國家税務總局);
"SCNPC"	the Standing Committee of the National People's Congress (全國人民代表大會常務委員會);
"SFC"	the Securities and Futures Commission of Hong Kong;
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising Domestic Unlisted Shares and H Shares;
"Shareholder(s)"	holder(s) of our Share(s);
"Shuimu Medical Technology"	China Shui Mu Medical Technology Company Limited (中國水木醫療科技有限公司), a limited liability company established in Macau on May 31, 2019, which is owned as to 96.67% and 3.33% by Ms. Cheong and Mr. Cheong Kam Leng (張錦鈴), father of Ms. Cheong, respectively, and is one of our Controlling Shareholders;

"Sophisticated Investor(s)"	has the meaning ascribed to it under Chapter 2.3 of the Guide;
"Sponsor-Overall Coordinator"	DBS Asia Capital Limited;
"Stabilizing Manager"	China International Capital Corporation Hong Kong Securities Limited
"State Council"	the State Council of the PRC (中華人民共和國國務院);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited;
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules;
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules;
"Track Record Period"	the years ended December 31, 2024 and 2025;
"Trial Measures"	the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法), promulgated by the CSRC on February 17, 2023;
"True Health (Beijing)"	True Health (Beijing) Medical Technology Co., Ltd.* (真健康(北京)醫療科技有限公司) (formerly known as Kangren (Beijing) Medical Technology Co., Ltd.* (康任(北京)醫療科技有限公司)), a limited liability company established in the PRC on November 21, 2022 and a direct wholly-owned subsidiary of our Company;
"True Health (Guangdong Hengqin)"	True Health (Guangdong Hengqin) Medical Device Co., Ltd.* (真健康(廣東橫琴)醫療設備有限公司) (formerly known as True Health (Zhuhai) Medical Technology Co., Ltd.* (真健康(珠海)醫療科技有限公司)), a limited liability company established in the PRC on July 26, 2021 and a direct wholly-owned subsidiary of our Company;
"True Health (Guangzhou)"	True Health (Guangzhou) Medical Device Co., Ltd.* (真健康(廣州)醫療設備有限公司), a limited liability company established in the PRC on May 12, 2026 and a direct wholly-owned subsidiary of our Company;
"True Health (Hainan)"	True Health (Hainan) Medical Technology Co., Ltd.* (真健康(海南)醫療科技有限公司), a limited liability company established in the PRC on November 10, 2021 and a direct wholly-owned subsidiary of our Company;

"True Health (HK)"	True Health (HK) Medi-Technology Co., Limited (真健康(香港)醫療科技有限公司), a limited liability company established in Hong Kong on August 19, 2025 and a direct wholly-owned subsidiary of our Company;
"True Health (Macau)"	China True Health Technology Co., Ltd. (中國真健康科技有限公司) (formerly known as China Fu Dan Medical Technology Investment Ltd. (中國復旦醫療科技投資有限公司), a limited liability company established in Macau on August 3, 2021 and a direct wholly-owned subsidiary of our Company;
"True Health Jiesheng (Guangdong Hengqin)"	True Health Jiesheng (Guangdong Hengqin) Medical Technology Co., Ltd.* (真健康捷盛(廣東橫琴)醫療科技有限公司), a limited liability company established in the PRC on December 6, 2024 and a direct wholly-owned subsidiary of our Company;
"Underwriters"	the Hong Kong Underwriters and the International Underwriters;
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement;
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction;
"U.S. persons"	U.S. persons as defined in Regulation S;
"U.S. Securities Act"	United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time;
"VAT"	the PRC value-added tax;
"Xinhui Runkang"	Xinhui Runkang (Zhuhai Hengqin) Investment Consulting Center (Limited Partnership)* (欣慧潤康(珠海橫琴)投資諮詢中心(有限合夥)), a limited partnership established in the PRC on August 13, 2021, which is owned as to (i) 26%, 25%, 10%, 9% by Ji Caixia (季彩霞), Li Yi (李毅), Huang Yin (黃茵), and Zhang Dongwu (張東武) as its limited partners, who are Independent Third Parties, and (ii) 30% by Renxiang Biotechnology as its general partner, respectively, and is one of our Controlling Shareholders;
"Zhenyida (Beijing)"	Zhenyida (Beijing) Medical Technology Co., Ltd.* (真易達(北京)醫療科技有限公司), a limited company established in the PRC on September 5, 2023 and a direct wholly-owned subsidiary of our Company, which was subsequently deregistered on May 29, 2025;

"Zhenyida (Huzhou)"	Zhenyida (Huzhou) Medical Technology Co., Ltd.* (真易達(湖州)醫療科技有限公司), a limited liability company established in the PRC on March 1, 2023 and a direct wholly-owned subsidiary of our Company;
"Zhuhai Jiansheng"	Zhuhai Jiansheng Medical Technology Co., Ltd.* (珠海健升醫療科技有限公司), a limited company established in the PRC on July 28, 2022 and a direct wholly-owned subsidiary of our Company, which was subsequently deregistered on November 15, 2024;
"Zhuhai Meijirui"	Zhuhai Meijirui Medical Technology Partnership (Limited Partnership)* (珠海美吉睿醫療科技合夥企業(有限合夥)), a limited partnership established in the PRC on June 15, 2022, which is our employee shareholding platform and is owned as to 97%, 1%, 1%, and 1% by Ms. Cheong, Ms. Guo Jian (郭健), our executive Director and vice general manager of our Company, and Mr. Shi Jipeng (史紀鵬), our R&D director, as its limited partners and Renxiang Biotechnology as its general partner, respectively, and is one of our Controlling Shareholders. For details, see "History and Corporate Structure—Our Employee Shareholding Platform" and "Statutory and General Information—E. Pre-IPO Employee Incentive Scheme" in Appendix VI to this prospectus;
"Zhuhai Yudao"	Zhuhai Yudao Medical Technology Co., Ltd.* (珠海譽刀醫療科技有限公司), a limited company established in the PRC on July 28, 2022 and an indirect wholly-owned subsidiary of our Company, which was subsequently deregistered on January 24, 2024; and
"%"	per cent.

Unless otherwise specified, all references to any shareholdings in our Company following the completion of the Global Offering assume that the Over-allotment Option is not exercised.

Unless the content otherwise requires, references to "2024" and "2025" in this prospectus refer to our financial year ended December 31 of such year.

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in the prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translations of company names which are marked with "" and other terms from the Chinese language are provided for identification purposes only.*

Certain amounts and percentage figures included in this prospectus were subjected to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be arithmetic aggregation of the figures preceding them.

For the purpose of this prospectus, references to "provinces" of China include provinces, municipalities under direct administration of the central government and provincial-level autonomous regions.

In this prospectus, unless the context otherwise requires, explanations and definitions of certain terms used in this prospectus in connection with our Group and our business shall have the meanings set out below. The terms and their meanings may not correspond to standard industry meaning or usage of these terms.

"2D"	two-dimensional in terms of width and height
"3D"	three-dimensional in terms of width, height and depth
"abdomen"	the part of the body between the chest and the pelvis
"ablation"	the removal or destruction of a body part or tissue or its function, often using minimally invasive techniques like heat, cold, or lasers
"AE"	adverse event, any untoward medical occurrence in a patient or clinical trial subject
"AI"	artificial intelligence
"algorithm"	a procedure or formula for solving a problem, based on conducting a sequence of specified actions
"biopsy"	removal of a sample of tissue from a living person or animal for pathological examination
"CAGR"	compound annual growth rate
"CE marking"	a certification mark that indicates conformity with health, safety and environmental protection standards for products sold within the European Economic Area
"Class II medical device"	medical devices with moderate risks, which shall be strictly controlled and administered to ensure their safety and effectiveness under the Regulation on the Supervision and Administration of Medical Devices (《醫療器械監督管理條例》)
"Class III medical device"	medical devices with relatively high risks, which shall be strictly controlled and administered through special measures to ensure their safety and effectiveness under the Regulation on the Supervision and Administration of Medical Devices (《醫療器械監督管理條例》)
"confidence intervals" or "CI"	a range of values so defined that there is a specified probability that the value of a parameter lies within it
"CRO"	contract research organization, a company that provides professional research services to pharmaceutical and medical device companies on a contractual basis
"cryoablation"	a procedure in which an extremely cold liquid or an instrument called a cryoprobe is used to freeze and destroy abnormal tissue

"CT"	computed tomography, a medical imaging technique that uses computer-processed combinations of multiple X-ray measurements taken from different angles to produce cross-sectional images of internal organs, bones, soft tissues and blood vessels
"disposables"	for purposes of this prospectus, surgical instruments and accessories which are discarded and replaced after one or limited times of use
"*ex vivo*"	a medical procedure in which an organ, cells, or tissue are taken from a living body for a treatment or procedure, and then returned to the living body
"FAS"	full analysis set, a trial population which is as close as possible to the general population for which a test treatment is intended. The FAS population can include individuals who fail to comply with the treatment protocol
"GMP"	good manufacturing practices, quality assurance guideline that ensures that products are consistently produced and controlled to the quality standards appropriate to their intended use and as required by the product specification
"Grade III hospitals"	divided into three classes by National Health Commission of the PRC (中華人民共和國國家衛生健康委員會), among which, Grade III hospitals are at the highest level, typically having more than 500 beds, providing high-level specialist medical and healthcare services to several regions and performing advanced teaching and research tasks. Grade III hospitals are divided into Special, A, B, and C grades
"IP"	intellectual property
"ischemia-reperfusion injury"	the paradoxical exacerbation of cellular dysfunction and death, following restoration of blood flow to previously ischemic tissues
"lesions"	an area of abnormal or damaged tissue caused by injury, infection, or disease
"lung nodules"	a small mass of dense tissue on the lung
"microwave ablation"	a minimally invasive treatment that uses microwave energy to heat and destroy tumor cells
"minimally invasive surgery" or "MIS"	surgical procedure performed through tiny incisions instead of a large opening
"MRI"	magnetic resonance imaging, a procedure that uses magnetism, radio waves, and a computer to create images of areas inside the body

"normothermic machine perfusion"	to preserve organs *ex vivo* by simulating physiological conditions such as body temperature
"PACS"	picture archiving and communication system
"PCT(s)"	Patent Cooperation Treaty, an international patent law treaty provides a unified procedure for filing patent applications to protect inventions in each of its contracting states
"percutaneous"	passing through the skin, as an injection or a topical medicine
"percutaneous puncture"	a technique to access internal organs or tissue via a needle puncture through the skin
"pneumothorax"	a symptom when air leaks into the space between the lung and chest wall
"PPS"	per protocol population, the subset of the FAS population which excludes subjects who fail to comply with the treatment protocol
"radiofrequency"	the oscillation rate of an alternating electric current or voltage or of a magnetic, electric or electromagnetic field or mechanical system in the frequency range from around 20 kHz to around 300 GHz
"registrational clinical trial"	a controlled clinical trial of a medical device candidate designed to demonstrate statistically significant clinical efficacy and safety of such device as used in human patients for regulatory approval of such device
"robotic arm"	a type of mechanical arm with similar functions to a human arm
"serious AE" or "SAE"	serious adverse events, AEs that result in death, or is life-threatening, or require in-patient hospitalization or cause prolongation of existing hospitalization, or result in persistent or significant disability or incapacity
"SMO"	site management organization, an organization that provides clinical trial related services to medical device companies having adequate infrastructure and staff to meet applicable requirements
"spirometer"	an instrument for measuring the air entering and leaving the lungs
"thoracic"	of, or relating to, thorax, the part of the vertebrate body between the neck and the abdomen

We have included in this prospectus forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This prospectus contains certain forward-looking statements and information relating to our Company and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this prospectus, the words "aim," "anticipate," "believe," "could," "expect," "going forward," "intend," "may," "ought to," "plan," "project," "seek," "should," "will," "would" and the negative of these words and other similar expressions, as they relate to our Group or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing our company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- the timing of initiation and completion, and the progress of our research and development programs and clinical trials;
- the timing and likelihood of regulatory filings and approvals, and pricing of our product candidates;
- the commercialization of our product candidates;
- the market opportunities and competitive landscape of our product candidates;
- estimates of our costs, expenses, future revenues, capital expenditures and our needs for additional financing;
- our ability to attract and retain senior management and key employees;
- our operations and business prospects;
- future developments, trends, conditions and competitive landscape in the industry and markets in which we operate;
- our strategies, plans, objectives and goals and our ability to successfully implement these strategies, plans, objectives and goals;
- our ability to continue to maintain our market position in the relevant surgical robot markets;
- our financial condition and operating results and performance;
- industry trends and competition;
- our ability to attract customers and build our brand image;
- general political and economic conditions;
- changes to regulatory and operating conditions in the industry and markets in which we operate;
- our dividend policy; and
- the amount of, and potential for, future development of our business.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this prospectus are qualified by reference to the cautionary statements in this section.

In this prospectus, statements of or references to our intentions or those of our Directors are made as of the date of this prospectus. Any such information may change in light of future developments.

An investment in our H Shares involves various risks. You should carefully consider all the information in this prospectus and in particular the risks and uncertainties described below before making an investment in our H Shares. In particular, we are a surgical robot company seeking to list on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules. Our operations and the surgical robot industry involve certain risks and uncertainties, some of which are beyond our control and may cause you to lose all your investment in our H Shares. The occurrence of any of the following events could materially and adversely affect our business, financial condition and results of operations. If any of these events occurs, the trading price of our H Shares could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us, or not expressed or implied below, or that we deem immaterial, could also harm our business, financial condition and results of operations.

These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in the section headed "Forward-looking Statements" in this prospectus. You should seek professional advice from your relevant advisors regarding your prospective investment in the context of your particular circumstances.

RISKS RELATING TO THE DEVELOPMENT OF OUR PRODUCT CANDIDATES

The current market for percutaneous puncture surgical robots is limited, and if the market does not expand as expected, our growth prospects and results of operations could be materially and adversely affected.

Manual percutaneous puncture remains the predominant approach for many minimally invasive procedures in current clinical practice, and robot-assisted percutaneous puncture is still at a nascent stage of adoption. As a result, the current addressable market for percutaneous puncture surgical robots is small. Market expansion assumes a gradual shift in clinical practice, hospital procurement behavior and physician acceptance, none of which is assured. If manual percutaneous puncture continues to be widely adopted due to familiarity, cost considerations or perceived adequacy for existing clinical needs, the market for robot-assisted percutaneous puncture may expand more slowly than projected or may remain limited for a prolonged period, which would constrain the addressable market for percutaneous puncture robots, including our Core Product, and limit our growth.

Even if the market expands, our ability to capture market share and scale up is subject to significant commercialization risks. Sales of surgical robotic systems typically involve long and uncertain sales cycles, as hospital purchases are subject to capital expenditure planning, tendering and procurement processes, internal clinical consensus and budget approvals. These factors may delay or prevent purchasing decisions, result in uneven order flow and revenue recognition, and increase our commercialization costs. In addition, physician adoption may be gradual, as robotic-assisted procedures require training, workflow adjustments and changes to established clinical practice patterns. Installed systems may therefore experience slower-than-expected utilization ramp-up, which could reduce downstream procedure volumes.

The degree of market acceptance of our products, if approved for commercial sale, will also depend on a number of factors, including:

- the clinical applications for which our product candidates are approved;
- physicians, hospitals and patients considering our products (upon commercialization) as a safe and effective device;
- the potential and perceived advantages and disadvantages of our products (upon commercialization) and relevant applications compared to alternative products;
- the prevalence and severity of any negative or inconclusive results or complications;

- limitations or warnings contained in the labeling approved by regulatory authorities;
- the timing of market introduction of our product candidates (upon commercialization) as well as competitive products;
- the cost of treatment in relation to alternative treatments;
- the willingness of patients to pay out-of-pocket in the absence of coverage and reimbursement by third-party payers and government authorities; and/or
- the effectiveness of our sales and marketing efforts.

If any products that we commercialize fail to achieve market acceptance among physicians, patients, hospitals or others in the medical community or if we fail to maintain good relationships with them, we will not be able to generate significant revenue. Even if our products achieve market acceptance, we may not be able to maintain that market acceptance over time if new products or technologies introduced are more favorably received than ours, or are more cost-effective or render our products obsolete.

Furthermore, pricing and reimbursement uncertainty may continue to impede adoption, and the timing, consistency and effectiveness of reimbursement coverage across regions remain uncertain. If reimbursement policies are limited, delayed, implemented unevenly, or do not sufficiently support hospital economics or patient affordability, hospitals may be reluctant to procure robotic systems or may limit their use after installation, which would negatively affect our growth.

Our growth prospects are also affected by intense competition in a concentrated market. The percutaneous puncture surgical robot market is characterized by a small number of participants with significant market share. According to CIC, the aggregate market share of the top five market participants (including us) in the percutaneous puncture surgical robot market in terms of revenue was 82.5% in 2025. Our competitors may have greater financial, technical, clinical and commercialization resources. They may apply for marketing approvals in China or other countries for medical device products with the same intended use as our approved product and product candidates. The ability of the relevant authorities, such as the NMPA, to concurrently review multiple marketing applications for the same type of innovative medical device may be limited, and the registration process of our pipeline product may be prolonged. Our competitors may obtain regulatory approvals earlier, establish stronger clinical reference networks, offer more competitive pricing or financing terms, bundle robotic systems with complementary platforms, or invest more heavily in clinical education and market access. If we are unable to sufficiently differentiate our Core Product, demonstrate compelling clinical and economic value, or execute our commercialization strategy effectively, we may be unable to achieve or sustain meaningful market share even if the overall market grows.

If the market for percutaneous puncture surgical robots remains limited, expands more slowly than expected, or if we are unable to overcome commercialization, reimbursement, adoption or competitive challenges, our revenue growth, profitability and long-term business prospects could be materially and adversely affected.

If we do not advance technologies and introduce improved products in a timely manner, our products may become non-competitive or obsolete and our revenue and operating results may suffer.

Iteration of technologies is crucial to our products. Disruptive technologies and medical research breakthroughs may render our products non-competitive or even obsolete. Without timely introduction of new technologies, our products could become susceptible to competition, or even obsolete, and our revenue and operating results would suffer. Even if we introduce new technologies in a timely manner, our technology capabilities may not be superior to our competitors indefinitely given the pace of change in the technology segment, which may in turn adversely impact our competitive advantage and our ability to commercialize our products if we fail to differentiate them from our competitors' products with market relevance. As a result, we may have to make significant investments in advanced technologies to face such

competition. However, iterations and innovations of technologies often require us to invest in substantial time and energy. If such iterations or innovations fail, our time and energy will be in vain, which may have a material adverse impact on our business operations and financial condition.

Clinical development is a lengthy, expensive and uncertain process, and unsuccessful clinical trials or procedures relating to products and indications under development could have a material adverse effect on our prospects, including incurring additional costs, experiencing delays in completing, or ultimately being unable to complete the development and commercialization of our product if clinical trials fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities.

According to a catalog issued by the NMPA, medical devices are classified into three different categories, Class I, Class II and Class III, depending on the degree of risk associated with a particular medical device and the extent of control needed to ensure the safety and efficacy of such medical device. As of the Latest Practicable Date, we had obtained eight NMPA Class III medical device registration certificates (including two under the innovative device program, comprising one domestic first and one global first, and excluding disposables) and two NMPA Class II registration certificates (excluding disposables). To obtain the requisite medical device registration certificates, we need to conduct, at our own expense, adequate and well-controlled clinical trials in accordance with applicable laws and regulations to demonstrate the safety and efficacy of our products.

Some of our current and future products may be classified or reclassified as Class III medical devices under relevant PRC laws and regulations. See "Regulatory Overview—Laws and Regulations Relating to Medical Devices—Regulations Relating to and Classification of Medical Devices" for more details. If this occurs, there may be more extensive regulatory requirements for the approval, manufacture, distribution and supervision of such products. These requirements may include additional clinical trials conducted under more stringent protocols than those required for Class II certifications, the need to obtain licenses to manufacture and distribute Class III medical devices and the establishment of an information management system to ensure traceability of all Class III medical devices that we manufacture and sell. Complying with the additional regulatory requirements for a Class III medical device may increase our research and development, regulatory, manufacturing and distribution costs, delay our research and development and commercialization timelines and have a material adverse effect on our business, results of operations and financial condition.

Successful preclinical studies and early clinical trials do not necessarily mean that later clinical trials will also result in data that replicate the results of prior trials and preclinical studies and ultimately lead to regulatory approval. Our TH-S1 was under development for other indications in addition to the commercialized indications; we also had additional product candidates under different stages of preclinical development or registration process as of the Latest Practicable Date. See "Business—Our Product Portfolio" for a detailed description of the development stages of our products and product candidates. We may experience numerous unexpected events during, or as a result of, clinical trials that could delay or prevent our ability to obtain the necessary regulatory approval or commercialize our product candidates, including but not limited to:

- regulators or institutional review boards ("IRBs," also known as independent ethics committees) may not authorize us or our investigators to commence or conduct a clinical trial at a prospective trial site;
- unanticipated protracted negotiations or an inability to agree on reasonable contractual terms with prospective CROs and hospitals for the provision of trial centers, which may lead to delayed commencement (if at all) of clinical studies for regulatory approvals;
- failure of our product to demonstrate superior results than competing or alternative products, if applicable;
- clinical trials of our product candidates may fail to demonstrate the primary or secondary endpoints as anticipated, and we may decide, or regulators may require us, to conduct additional clinical trials or abandon product development programs;

- the number of subjects required for clinical trials of our product candidates may be larger than we anticipate, enrollment may be insufficient or slower than we anticipate or subjects may drop out at a higher rate than we anticipate;

- our third-party contractors in connection with our clinical studies may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;

- we might have to suspend or terminate clinical trials of our product candidates for various reasons, including a finding of a lack of clinical response or other unexpected characteristics; and

- the initial or interim results of the clinical trial may not be predictive of the final results; interim, "topline" and preliminary data from clinical trials of our product candidates under different indications may change as more patient data becomes available and are subject to confirmation, audit, and verification procedures that could result in material changes in the final data.

There can be no assurance that the ongoing or planned clinical trials will be completed in a timely or cost-effective manner or result in a commercially viable product. If we experience delays in the completion of, or the termination of, a clinical trial of any of our product candidates, the commercial prospects of that product candidate may be impacted, and our ability to generate revenue from any of those product candidates may be delayed. In addition, any delays in completing our clinical trials may increase our costs, slow down our product candidate development process and approval process, and jeopardize our ability to commercialize that product candidate. This may have a material adverse effect on our business and financial condition. Clinical trials of our product candidates may produce negative or inconclusive results. Our future clinical trial results may not be favorable. Even if our future clinical trial results show favorable efficacy, not all users may benefit. We cannot assure you that our product candidates are able to suit the conditions of each clinical trial participant.

Our business and financial prospects depend substantially on the success of our product portfolio. If we are unable to successfully complete clinical trials, obtain regulatory approval and commercialize our products, or experience significant delays in doing so, our prospects may be materially and adversely affected.

As of the Latest Practicable Date, we had commercialized our Core Product and key products for their indication in percutaneous punctures and percutaneous microwave ablation, respectively. We are extending our Core Product and key products to other indications in addition to the commercialized indications. In addition, we are pursuing CE marking for our Core Product to enable global market access. See "Business—Our Product Portfolio" for details. Our business substantially depends on the successful development, obtaining and maintaining the necessary regulatory approvals and subsequent commercialization of our current and future product candidates. We have invested a significant portion of our efforts and financial resources in the R&D of our product candidates. In 2024 and 2025, our research and development expenses amounted to RMB50.8 million and RMB56.9 million, respectively. We expect to continue to incur substantial and increasing expenditures through the continued and expanded scope of commercialization of our product candidates.

We may experience numerous unexpected events during, or as a result of, clinical trials that could delay or prevent our ability to receive regulatory approvals for indication expansion, upgrades and iterations of our existing products and our product candidates and their subsequent commercialization, including but not limited to:

- regulators, or ethics committees may not authorize us or our principal investigators to commence a clinical trial or conduct a clinical trial at a prospective trial site;

- clinical trials of our products for indication expansion, upgrades and iterations and product candidates may produce negative or inconclusive results, or other unexpected characteristics, and we may decide, or regulators may require us, to conduct additional clinical trials, suspend or terminate the product development programs;

- the initial or interim results of clinical trials may not be predictive of the final clinical trial results and may be subject to adjustments;
- the number of patients required for clinical trials of our product candidates may be larger than anticipated;
- patient enrollment may be insufficient or slower than anticipated or patients may drop out at a higher rate than anticipated;
- our inability to reach agreements on acceptable terms with prospective CROs, SMOs and hospitals as trial centers, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs, SMOs and hospitals;
- our third-party contractors may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;
- we might have to suspend, delay or terminate clinical trials of our products or our product candidates for various reasons, including a finding of poor surgical outcomes or other unexpected characteristics, a finding that participants are being exposed to unacceptable health risks or reasons outside of our control, such as occurrences of epidemics;
- regulators or ethics committees may require that we or our principal investigators suspend or terminate clinical research or not rely on the results of clinical research for various reasons, including non-compliance with regulatory requirements;
- the cost of clinical trials of our products or product candidates may be greater than anticipated; and
- the supply or quality of our products or product candidates for use in a clinical trial or other materials necessary to conduct clinical trials of our product candidates may be insufficient or inadequate.

If we are unable to conduct additional clinical trials or other testing of our products for indication expansion, upgrades and iterations or product candidates beyond those that we currently contemplate, or if the results of these trials or tests are not positive or are only modestly positive or if they raise safety concerns, we may:

- experience delay in obtaining regulatory approval for our products for indication expansion, upgrades and iterations or product candidates or not be able to obtain regulatory approval at all;
- obtain approval for modified or narrowed indications or approved indications, upgrades and iterations with additional prerequisites;
- be subject to additional post-marketing study requirements;
- be subject to restrictions on how the product is distributed or used;
- be unable to obtain medical insurance reimbursement for use of the product; or
- be inferior to products of competitors when being selected by physicians and hospitals.

Whether we can generate profit from our operating activities largely depends on the successful commercialization of our approved products (whether by themselves or for indication expansion, upgrades and iterations) and product candidates. This will depend on several factors, including but not limited to:

- receipt of regulatory approvals from the NMPA and other comparable regulatory authorities for our products or product candidates;
- establishing sufficient commercial-scale manufacturing capabilities;

- obtaining and maintaining patent, trade secret and other intellectual property protection and regulatory exclusivity;
- ensuring that we do not infringe, misappropriate or otherwise violate the patent, trade secret or other intellectual property rights of third parties;
- successful launch of our products for indication expansion, upgrades and iterations or product candidates, if and when approved;
- gaining market acceptance and penetration and meeting market demand;
- successfully maintaining an effective distribution channel for our product and product candidates;
- progress of surgical training in the use of our product and product candidates;
- competition with other surgical robots;
- continuously developing, introducing and marketing new or enhanced versions of our product and product candidates on a timely basis; and
- maintaining an acceptable safety profile for our product and product candidates following regulatory approval, if and when received.

If we encounter difficulties in enrolling suitable patients in our clinical trials, our clinical trial could be delayed or otherwise adversely affected.

We may not be able to initiate or continue clinical trials for our products for indication expansion, upgrades and iterations and product candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials, or if there are delays in the enrollment of eligible patients as a result of the competitive clinical enrollment environment. The inability to enroll a sufficient number of patients who meet the applicable criteria set out in the protocol could result in significant delays in our clinical trials. Subject enrollment for our clinical trials may be affected by a variety of factors, including:

- the size and nature of the patient population;
- the patient eligibility criteria defined in the protocol;
- the size of the study population required for analysis of the trial's primary endpoints;
- the proximity of patients to trial sites;
- the design of the trial;
- our ability to engage CROs/SMOs with the appropriate competence and experience;
- the patients' perceptions as to the potential advantages and risks of the product candidates being studied in relation to other available products, product candidates or non-surgical therapies;
- our ability to obtain and maintain patient consents; and
- the risk that patients enrolled in clinical trials may drop out or fail to return for post-treatment follow-up at a higher rate than anticipated.

Our clinical trials will likely compete with other clinical trials for product candidates that are in the same therapeutic areas as our product candidates. This competition will reduce the number and types of patients available to us as some patients who might have opted to enroll in a trial being conducted by one of our competitors instead of ours. Even if we are able to enroll a sufficient number of patients in our clinical trials, patient enrollment may also be delayed as a result of epidemics or similar events. Such delays in patient enrollment may result in increased costs or may affect the timing or outcome of the planned clinical trials, which could delay or prevent the completion of these trials and adversely affect our ability to advance the further development and timely commercialization of our products for indication expansion, upgrades and iterations and product candidates.

Our algorithms and methodologies are complex and may contain errors or may not operate properly, which could adversely affect our business, financial condition and results of operations.

Our algorithms and methodologies are crucial to both our Core Product and key products. We feed certain clinical data into our algorithms, which typically include clinical assessment information and CT scan results. We cannot guarantee that the above working mechanism of our algorithms can function properly as designed. If our algorithms cannot access abundant and accurate information input to enable it to process and plan properly, or if our algorithms cannot achieve the intended processing and planning, the efficiency and efficacy of our algorithms may be lower due to suboptimal task recommendation, which could materially adversely affect our business operations and results of operations.

We allocate our limited resources to pursue particular product candidates and may fail to capitalize on products or identify opportunities that may later prove to be more profitable or for which there is a greater likelihood of success.

We have limited financial and managerial resources and we currently only focus on certain key products in selective indications. However, our selection of focus on percutaneous puncture surgical robots may not yield any commercially viable products or may cause us to miss other opportunities in the market. If we are unable to accurately evaluate the commercial potential or target market for our key products, or fail to focus on products or identify appropriate opportunities that may later prove to be more profitable or for which there is a greater likelihood of success, our business operations may suffer, which may have a material adverse effect on our financial condition.

RISKS RELATING TO RELIANCE ON THIRD PARTIES

We engage third parties to conduct certain aspects of our clinical trials. If we lose our relationship with these third parties, or if these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or successfully commercialize our products and our business could be substantially harmed.

We have engaged third parties, including CROs or SMOs, to assist us in conducting clinical trials. In 2024 and 2025, purchases of services from CROs was RMB1.7 million and RMB4.7 million, respectively. See "Business—Collaborations with CROs/SMOs" for details. If such third parties with which we contract for clinical trials do not perform in an acceptable manner, or if we suffer setbacks in these clinical trials, we may be unable to develop and successfully commercialize our products as anticipated. Therefore, we have less control over the quality, timing and cost of these studies and the ability to recruit trial subjects than if we conducted these trials wholly by ourselves. If we are unable to maintain or enter into agreements with these third parties on favorable terms to us, or if any such engagement with us is terminated, we may be unable to enroll patients on a timely basis or otherwise conduct our trials in the manner we anticipate, and the development of the product candidates covered by those agreements could be substantially delayed.

In addition, there is no guarantee that these third parties may devote adequate time and resources to our studies or perform as required under their contractual obligations, meet the expected deadlines or maintain clinical trial information regarding our product candidates or in accordance with regulatory requirements, including clinical, laboratory and manufacturing guidelines. Our reliance on these third parties may result in delays in completing, or in failing to complete, these studies if they fail to perform in accordance with the contractual arrangements. If these third parties fail to meet expected deadlines, fail to timely transfer to us any regulatory information, fail to adhere to protocols or fail to act in accordance with regulatory requirements or our agreements with them, or if they otherwise perform in a substandard manner or in a way that compromises the quality and/or accuracy of their activities and/or the data they obtain, then clinical trials of our product candidates may be extended, delayed or terminated, or our data generated by those studies may be rejected or not accepted by the applicable regulatory authorities, such as the NMPA, which would increase the cost of and the development time for the relevant product candidates. If any of the preclinical studies or clinical trials of our product candidates is affected by any of the above-mentioned reasons, we will be unable to meet our anticipated development or commercialization timelines, which would have a material adverse effect on our business and prospects.

We rely on providers of marketing and promotional services to promote and market our products and product candidates. If any of them fail to perform their contractual obligations to us in a timely manner, or encounter any operational difficulties, we may be unable to commercialize our products and product candidates as anticipated.

We rely on both our in-house marketing team and third-party providers of marketing and promotional services to market and promote our products. We incurred selling and distribution expenses of RMB40.1 million and RMB38.0 million in 2024 and 2025, respectively. See "Business—Sales and Marketing" for more details on this arrangement. The success of our marketing activities in part depends on our ability to maintain and enhance our relationships with qualified service providers and our ability to attract, motivate and retain qualified and professional employees in our marketing and sales teams. However, we have limited control over these service providers. If any of these service providers fail to adequately perform their obligations to market and promote our products and product candidates, either due to breaches of their duties or due to their insolvency or other operational difficulties, we may not be able to timely find replacement service providers, and the promotion and commercialization efforts of our products and product candidates may be hindered, and our business operations, results of operations, and financial condition could be materially adversely affected.

A limited number of customers accounted for a substantial portion of our revenue during the Track Record Period, and any decreases in our future sales to them could adversely affect our financial condition and results of operations.

In 2024 and 2025, the aggregate sales to our five largest customers of each year amounted to RMB1.8 million and RMB11.7 million, respectively, representing 100.0% and 96.4% of our revenue during the same years, respectively. In 2024 and 2025, the aggregate sales to our largest customer of each year amounted to RMB1.6 million and RMB4.8 million, respectively, representing 88.9% and 39.2% of our revenue during the same years, respectively. It is likely that we will continue to be dependent upon a limited number of customers for a significant portion of our revenue for the foreseeable future. The loss of one or more major customers or a reduction in purchase from any major customer may reduce our revenue.

We may not timely realize the benefits of collaborations.

We may from time to time establish collaborations with third parties that we believe will complement or augment our development and commercialization efforts. We face competition in seeking appropriate strategic partners and the negotiation process for the collaboration can be time-consuming and complex. If and when we collaborate with a third party for development and commercialization of a product, we can expect to relinquish some or all of the control over the future success of that product to the third party. Any of these relationships may require us to incur non-recurring and other charges, increase our near and long-term expenditures, issue securities that dilute our existing Shareholders, or disrupt our management and business.

Further, we may not be able to control actions of collaborators. Our interests may not always align, and we may have disputes from time to time. As a result, if we enter into collaboration agreements and strategic partnerships, we may not be able to timely realize the benefit of such transaction, which could delay our timelines or otherwise adversely affect our business.

RISKS RELATING TO COMMERCIALIZATION OF OUR PRODUCTS

We have only recently begun commercializing our products and our sales are currently primarily derived from our Core Product, which may make it difficult to evaluate our future prospects.

We began to commercialize our Core Product in China in 2022. As a result, a substantial amount of our revenue during the Track Record Period was derived from the sales of our Core Product. During the Track Record Period, we sold one unit and three units of our Core Product in 2024 and 2025, respectively, to our customers. Our sales volume was relatively small during the Track Record Period, as we were at the initial stage of market promotion, during which it is difficult to achieve scaled sales. Our revenue generated from the sales of our Core Product accounted for 88.9% and 33.4% of our total revenue for 2024 and 2025, respectively. We

expect sales of our Core Product will continue to account for a significant portion of our total sales in the foreseeable future. However, we cannot assure you that the demand for our Core Product will continue to grow as anticipated or our revenue generated from our Core Product will be substantial in the future. Accordingly, our operating history and historical results of operations may not be a reliable indicator of our future performance or serve as an adequate basis for evaluating our business prospects and financial performance.

Our other product candidates may not be successfully commercialized or we may not be able to develop new products that would diversify our product portfolio and reduce our dependence on sales of our Core Product, or to do so in a timely or competitive manner. In such scenarios, our cash flow, results of operations and business may be materially and adversely impacted. Any failures to increase our revenue and/or to diversify our product and service offerings, may have a material and adverse effect on our cash flow, results of operations and business.

There is also no assurance that we will be able to maintain and further improve our sales and profit margin for our Core Product, which may be adversely affected by many factors out of our control, including business disruption due to epidemics (for example, the recent COVID-19 pandemic), introduction of substitute products marketed by our competitors, disruptions in manufacturing or sales, issues with respect to product quality or severe adverse events incurred after the procedure, downward pricing pressure caused by changes in market competition, coverage of medical insurance, expiration of patent protection, and disputes over intellectual property or other matters with third parties. If we are unable to maintain and further improve the sales volumes and optimize pricing level or profit margin of our Core Product, our business, financial condition and results of operations may be materially and adversely affected. Moreover, there is no guarantee that we may be able to successfully develop or commercialize new products that would diversify our product portfolio and reduce our dependence on our Core Product, or to do so in a timely or competitive manner. Furthermore, even if we are able to bring more products to market, we may not be able to expand our business and capture market share, maintain our competitive position, or sustain growth and profitability. As a result, any predictions about our future success or viability may not be as accurate as they could be even if we had a history of successfully commercializing our products.

If physicians and hospitals are not receptive to our products, our results of operations may be negatively affected.

Physicians and hospitals play important roles in recommending and deciding what products are to be used. They not only provide professional advice but also offer help throughout the entire therapeutic procedures from candidate screening, operation assistance to post-operation follow-up visit. Our strategic marketing model provides that our in-house marketing force actively works with physicians and hospitals. If our products and product candidates (upon commercialization) are not widely accepted by physician and hospital communities, our sales of our currently commercialized products may decline, and we may not be able to effectively market our other product candidates.

In addition, many of our products or product candidates represent innovative medical devices in China or even globally. Physicians are expected to undergo requisite training to become proficient in the use of some of our products and product candidates, which may take a longer time than we expected. Encouraging physicians to dedicate their time and energy necessary for adequate training remains challenging, and we may not be successful in these efforts. If physicians are not properly trained, they may misuse or ineffectively use our products and product candidates, which may also result in unsatisfactory patient treatment outcomes, patient injury, negative publicity or lawsuits against us, any of which could have a significant adverse effect on our reputation, business, financial condition, results of operations and prospects. Following completion of training, we also rely on trained physicians to advocate the benefits of our products in the marketplace. If we are not able to enhance our product awareness and receive recognition from these physicians, other physicians and hospitals may not be inclined to use our products, and our results of operations may be adversely affected.

If our distributors fail to expand or maintain their sales network, or if we fail to educate or manage our distributors effectively, our sales may decline.

In the medical device industry, it is the industry norm to rely on distributors for sale of medical devices to hospitals, according to CIC. During the Track Record Period and up to the Latest Practicable Date, we primarily sold our commercialized products to third-party distributors, which then resell these products to hospitals and/or sub-distributors. We intend to continue engaging distributors to sell our products in the foreseeable future. However, we may not be able to identify or engage a sufficient number of distributors with an extensive sales network. Furthermore, all products we now commercialize primarily are our percutaneous puncture surgical robots. However, we aim to commercialize more products, including our ablation surgical robots in the future, and we cannot assure you that the existing distributors that we now engage have adequate sales network for our future products. We may either educate our existing distributors for our new products, or engage new distributors with different sales networks, which attempts may fail or take a lot of time. For further information, see "Business—Sales and Marketing—Sales Channel" in this prospectus. If our distributors fail to expand their sales network, or otherwise encounter any difficulties in selling our products, our business, financial condition and results of operations may be materially and adversely affected.

In addition, we have limited control of our distributors, who are independent from us. We cannot assure that our distributors will not violate our distribution agreements with them. Such violations may include, among other things, (i) failing to meet target sales amounts; (ii) selling our products outside their designated distribution territories or to hospitals without further authorization; (iii) selling our products at prices below our designated lowest price; (iv) failing to comply with applicable laws or regulatory requirements when marketing, promoting or selling our products; (v) failing to provide proper training and other services to our end customers; or (vi) selling products that compete with ours. Failure to adequately manage our network of distributors, or non-compliance by distributors with our distribution agreements, violations of applicable laws and other illegal or inadequate practices by distributors could harm our corporate reputation and disrupt our sales, and our financial condition and results of operations could be materially and adversely affected.

Actions taken by our distributors in violation of the distribution agreements could adversely affect our business, financial condition and results of operations.

We rely on the distribution agreements and the policies and measures we have in place to manage our distributors, including their compliance with laws, rules, regulations and our policies in China or other jurisdictions where we operate. See "Business—Sales and Marketing." We cannot guarantee that we will be able to effectively manage our distributors, or that our distributors would not breach our agreements and policies. If our distributors take one or more of the following actions, our business, financial condition and results of operations may be adversely affected:

- breaching the distribution agreements or our policies and measures, including by selling competing products, by selling products outside their designated territories or by selling our products that they are not authorized to sell;
- failing to adequately promote our products;
- failing to maintain the requisite licenses, permits or approvals, or failure to comply with applicable regulatory requirements under the law and regulations in China and other jurisdictions where we operate; or
- violating anti-corruption, anti-bribery, competition or other laws and regulations of China or other jurisdictions where we operate.

Any violation or alleged violation by our distributors of the distribution agreements, our policies or any applicable laws and regulations could result in the decrease in the market value of our brand and an unfavorable public perception about the quality of our products.

If we are unable to build or maintain sufficient sales and marketing capability, we may not be able to successfully create, increase market awareness of, or sell our product or product candidates once approved, which will materially affect our ability to generate product sales revenue.

As we are still at the early stage of commercializing our surgical robots, we have limited experience in building and maintaining sufficient sales and marketing capabilities to support the commercialization of our products. Our ability to successfully commercialize our product candidates may involve more inherent risks, take longer, and cost more than it would if we were a company with more experience in launching and marketing products.

We are gradually establishing and expanding our sales and marketing team. We expect that our marketing and promotion activities will primarily include hosting training sessions for physicians, participating in medical conferences and assisting hospital seminars. We will have to compete with other medical devices companies to recruit, hire, train and retain marketing and sales personnel. There can be no assurance that we will be able to further develop and successfully maintain in-house sales and commercial distribution capabilities to successfully commercialize any of our product candidates, if and when approved, and as a result, we may not be able to generate product sales revenue. If we are unable to further develop internal sales and marketing capabilities, we will likely pursue collaborative arrangements regarding the sales and marketing of our products. However, there can be no assurance that we will be able to establish or maintain such collaborative arrangements, or if we are able to do so, that they will have effective sales forces. Any revenue we receive will depend upon the efforts of such third parties. We would have little or no control over the marketing and sales efforts of such third parties, and our revenue from product sales may be lower than if we had commercialized our products ourselves. We also face competition in our search for third parties to assist us with the sales and marketing efforts for our products. As a result, if our products are commercialized, our products' market positions remain uncertain.

If our products cause, or are perceived to cause, severe adverse events, our reputation, revenue and profitability could be materially and adversely affected.

Our products may cause undesirable or unintended severe adverse events as a result of a number of factors, many of which are outside of our control. These factors include potential complications not revealed in clinical trials, unusual but severe complications and adverse events in isolated cases, defective products not detected by our quality control system or misuse of our products. Our products may also be perceived to cause adverse events when a conclusive determination as to the cause of the adverse events is not obtained or is unobtainable.

In addition, our products may be perceived to cause severe adverse events if one or more regulators, such as the NMPA, determine that other companies' products containing the same or similar key parts or using the same technologies as our products caused or are perceived to have caused severe adverse events. If our products caused, or are perceived to have caused, severe adverse events, we may face a number of consequences, including:

- a severe decrease in the demand for, and sales of, the relevant products;
- the recall or withdrawal of the relevant products;
- revocation of regulatory approvals for the relevant products or the relevant production facilities;
- damage to the brand name of our products and the reputation of our Company;
- failure to include our products into the relevant medical insurance coverage; and/or
- exposure to lawsuits and regulatory investigation relating to the relevant products that result in liabilities, fines or penalties.

As a result of these consequences, our sales, profitability and prospects could be materially and adversely affected.

Guidelines, recommendations and studies published by various organizations could disfavor our products.

Government agencies, professional societies, practice management groups, private health and science foundations and organizations focused on various diseases may publish guidelines, recommendations or studies that affect our or our competitors' products and product candidates. Any such guidelines, recommendations or studies that reflect negatively on our products could result in current or potential decreased use, sales of, and revenue from one or more of our products. For example, the government may issue guidelines with respect to the quota for major medical equipment allowed to be sold. Such guidelines may affect the sales and use of our products and further affect our financial condition. Furthermore, our success depends in part on our and our business partners' ability to educate healthcare providers and patients about our products, and these education efforts could be rendered ineffective by, among other things, third parties' guidelines, recommendations or studies.

Commercialization of our products may be affected by the possibility of inclusion in the medical insurance reimbursement list, which may significantly drive down prices of our products.

Our ability to commercialize our products will depend in part on the possibility and the extent to which medical insurance reimbursement for surgical robots will be available to patients, which is out of our control. China has a complex medical insurance system that is undergoing reform. As of the Latest Practicable Date, robot-assisted surgeries had not been covered by the national medical insurance reimbursement. This may affect the patients' choice to use a surgical robot in surgery given the high price of surgical robots caused by its consumable parts and components.

As of the Latest Practicable Date, we had not commenced any initiatives to include our products in medical insurance reimbursement programs. Even if we seek to enroll our products in reimbursement lists in the future, we cannot be sure whether reimbursement will be available for any of our products and, if reimbursement is available, what the level of reimbursement will be. Reimbursement may impact the demand for, or the price of, any product for which we obtain regulatory approval. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any product that we successfully develop.

In the absence of sufficient medical insurance coverage for the use of our products, patients may choose alternative surgical or therapeutic methods, and hospitals may recommend such alternative methods, which would reduce demand for our products and our sales which could in turn materially and adversely affect our business, financial condition and results of operations.

Our commercialization efforts to date have focused primarily on China. Our ability to enter other foreign markets will depend, among other things, on our ability to navigate various regulatory regimes with which we do not have experience, which could delay or prevent the growth of our operations outside of China.

To date, our commercialization efforts have focused primarily on China. Expanding our business to attract customers in other countries and regions is critical to our long-term business growth and sustainability. Our ability to continue to expand our business and to attract talented employees and customers in various international markets will require considerable management attention and resources and is subject to the particular challenges of supporting a rapidly growing business in an environment of multiple languages, cultures, customs, legal systems, alternative dispute resolution systems, regulatory systems and commercial infrastructures. Entering new international markets will be expensive, our ability to successfully gain market acceptance in any particular market is uncertain and the distraction of our senior management team could harm our business, financial condition and results of operations.

Sales of our products outside of China are subject to foreign regulatory requirements that vary widely from country to country. In addition, the regulations of some countries may require that we obtain the marketing authorization of a specified regulatory body. Complying with foreign regulatory requirements, including obtaining registrations or marketing authorizations,

can be expensive and time-consuming, and we may not receive regulatory authorizations, clearances or approvals in each country in which we may plan to market our products or we may be unable to do so on a timely basis. The time required to obtain registrations or marketing authorizations, if required by other countries, may be longer than that required for NMPA clearance, authorization, or approval, and requirements for such registrations and marketing authorizations may significantly differ from NMPA requirements. If we modify our products, we may need to apply for additional regulatory authorizations before we are permitted to sell the modified product. In addition, we may not continue to meet the quality and safety standards required to maintain the authorizations that we have received. If we are unable to maintain our authorizations in a particular country, we may no longer be able to sell the applicable product in that country. A failure or delay in obtaining registration or marketing authorization in one country may have a negative effect on the regulatory process in others.

Doing business internationally also involves a number of additional risks, including data security risks, intellectual property protection, financial risks, and other force majeure factors. These risks and uncertainties may impact our ability to enter foreign markets, which could delay or prevent the growth of our operations overseas, and have a material adverse effect on our business, results of operations and financial condition.

RISKS RELATING TO OUR FINANCIAL POSITION AND NEED FOR ADDITIONAL CAPITAL

We had net operating cash outflows during the Track Record Period. We may need to obtain additional financing to fund our operations. If we are unable to obtain sufficient financing, we may be unable to complete the development and commercialization of our products.

Since our inception, our operations have consumed substantial amounts of cash. We had net cash used in operating activities of RMB97.0 million and RMB91.9 million in 2024 and 2025, respectively. We cannot assure you that we will be able to generate cash flows from operating activities in the future. Our liquidity and financial condition may be materially and adversely affected by negative net cash flows. In addition, our existing cash and cash equivalents may not be sufficient to enable us to complete all development or commercially launch all of our current product candidates for the anticipated characteristics and to invest in additional programs. Accordingly, we may require further funding through public or private offerings, debt financing, collaboration and licensing arrangements or other sources. If we resort to other financing activities to generate additional cash, we will incur financing costs and we cannot guarantee that the financing activities may be available when we need them, on terms that are favorable to us, or at all. Our ability to raise funds will also depend on financial, economic and market conditions and other factors, many of which are beyond our control. If adequate funds are not available to us in a timely manner, we may have to delay, limit, reduce or terminate preclinical studies, clinical trials or other research and development activities or the commercialization for one or more of our product candidates, which in turn will adversely affect our business prospects.

We benefit from certain government grants and preferential tax treatments, the discontinuation of or changes to which could adversely affect our financial condition and profitability.

During the Track Record Period, we received government grants in relation to industry development funds provided to support our research and development activities. Our government grants amounted to RMB31.9 million and RMB42.6 million in 2024 and 2025, respectively. We have also received preferential tax treatments and currently benefit from certain preferential tax treatments that reduce our overall tax obligations. These benefits include reduced tax rates, tax refunds, or other favorable tax policies provided by governmental authorities in certain jurisdictions where we operate. However, these government grants and preferential tax treatments are typically subject to review and renewal by the relevant authorities and are dependent on our compliance with applicable rules and regulations. There is no assurance that we will continue to qualify for such government grants and preferential tax treatment or that these benefits will be renewed upon expiration. In addition, changes to existing laws, regulations, or interpretations of tax policies could result in the reduction or elimination of these benefits. Furthermore, some of the government grants or preferential tax treatments are subject to the satisfaction of certain conditions, including compliance with

requirements of the applicable incentive programs. We cannot guarantee that we have satisfied or will continue to satisfy all relevant conditions, and if we fail to satisfy any such conditions, we may be deprived of the relevant incentives. Any such change, non-renewal, or failure to qualify could significantly increase our tax obligations.

As we are investing heavily in our research and development efforts, our profitability and operating cash flows in the short term may continue to be impacted and we may not generate the results we expect to achieve.

Our technological capabilities and infrastructure are critical to our success. We have been investing heavily in our research and development efforts. We incurred research and development expenses of RMB50.8 million and RMB56.9 million in 2024 and 2025, respectively. The industry in which we operate is evolving rapidly in terms of technological innovation. We need to invest significant resources, including financial resources, in research and development to lead technological advances in order to make our products innovative and competitive in the market. As a result, we expect that our research and development expenses will continue to increase. Furthermore, development activities are inherently uncertain, and we might encounter practical difficulties in commercializing our development results. Our significant expenditures on research and development may not generate corresponding benefits. Given the fast pace at which technologies have been and will continue to be developed, we may not be able to timely upgrade our technologies in an efficient and cost-effective manner, or at all. New technologies in our industries could render our technologies, our technological infrastructure or products that we are developing or expect to develop in the future obsolete or unattractive, thereby limiting our ability to recover related product development costs, which could result in a decline in our revenue, profitability and market share.

We incurred net losses during the Track Record Period and may continue to incur losses in the near term due to our R&D-intensive business model and early-stage commercialization of our surgical robot products.

We incurred net losses during the Track Record Period. Our loss for the year amounted to RMB92.2 million and RMB90.1 million in 2024 and 2025, respectively. Our loss for the year was primarily attributable to significant research and development expenses, costs associated with product development, clinical trials, regulatory approvals, market development efforts, as well as selling and administrative expenses incurred in connection with the commercialization of our surgical robot products.

As a surgical robot company, we operate in a technology- and capital-intensive industry. We have incurred, and expect to continue to incur, substantial expenditures for research and development to enhance existing products, develop new models and technologies, improve product performance and reliability, and comply with evolving regulatory requirements. In addition, given that we are still at an early stage of commercialization, our revenue growth may not immediately offset our operating costs.

Our ability to achieve profitability depends on, among others, the successful market adoption of our surgical robots, the expansion of our sales channels, pricing and reimbursement dynamics, production scale-up, cost control, as well as our ability to compete effectively with existing and potential competitors. There can be no assurance that our products will achieve sufficient market acceptance or that our revenue growth will be adequate to cover our operating expenses in the near term.

If we are unable to successfully execute our business strategy, control costs, or generate sufficient revenue growth, we may continue to incur net losses, which could have a material adverse effect on our financial condition, results of operations and prospects.

Our financial results may be adversely affected by fluctuations in the fair value of financial assets measured at fair value through profit or loss, which may cause volatility in our earnings.

During the Track Record Period, we hold certain financial assets that are measured at fair value through profit or loss in accordance with applicable accounting standards, reflecting our investments in wealth management products, which we utilized as part of our treasury

management to generate returns on surplus cash while maintaining liquidity for our operating needs. In 2025, we recorded an increase in investment income from financial products to RMB2.4 million, as compared to RMB0.7 million in 2024. Changes in the fair value of such financial assets are recognized directly in our profit or loss for the relevant period. As a result, our financial performance may be subject to volatility arising from fair value movements that are not directly related to our core business operations.

The fair value of such financial assets may be affected by various factors beyond our control, including changes in market conditions, interest rates, credit risk of counterparties, valuation assumptions and methodologies, as well as overall macroeconomic conditions. Any adverse movements in the fair value of these financial assets may result in fair value losses, which could have a material adverse impact on our results of operations for the relevant reporting periods.

We are subject to credit risk arising from trade receivables and contract assets.

As of December 31, 2024 and 2025, we recorded trade receivables of nil and RMB4.7 million, respectively; and contract assets of nil and RMB0.4 million, respectively. In 2024 and 2025, our trade receivable and contract asset turnover days was nil and 77 days, respectively. We may be exposed to credit risk with our counterparties and may not be able to collect all of such receivables due to a variety of factors that are outside of our control. If the relationship between us and any of our counterparties is terminated or deteriorated, or if our counterparties experience financial or operational difficulties, the recoverability of our receivables may be negatively affected, which may have a material and adverse effect on our business, financial condition and results of operations.

RISKS RELATING TO OUR INTELLECTUAL PROPERTY RIGHTS

We could be unsuccessful in obtaining or maintaining adequate intellectual property rights protection for our products, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties may compete directly against us.

Our success depends in large part on our ability to protect our proprietary technology, products and product candidates from competition by obtaining, maintaining and enforcing our intellectual property rights, including patent rights and trade secrets. We seek to protect the technology, products and product candidates that we consider commercially important by filing patent applications in China and other jurisdictions, relying on trade secrets or medical regulatory protection or employing a combination of these methods. This process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. We may also fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. As a result, we may not be able to prevent competitors from developing and commercializing competitive products in all such fields and territories through intellectual property protection.

Patents may be invalidated and patent applications may not be granted for a number of reasons, including known or unknown prior deficiencies in the patent application or the lack of novelty or inventiveness of the underlying invention or technology. We may also fail to identify patentable aspects of our research and development output in time to obtain patent protection. Parties who have access to confidential or patentable aspects of our research and development output, such as our employees, consultants, advisors, hospitals, and other third parties, may breach such agreements and disclose such output before a patent application is filed, jeopardizing our ability to seek patent protection. In addition, publications of discoveries in the scientific literature often lag behind the actual discoveries. Patent applications in China and other jurisdictions are typically not published until 18 months after filing, or in some cases, not at all. Under the Patent Law of the PRC (《中華人民共和國專利法》) promulgated by the Standing Committee of the National People's Congress (the "**NPC**") of the PRC, as amended, patent applications are generally maintained in confidence until their publication at the end of 18 months from the filing date. The publication of discoveries in the scientific or patent literature frequently occurs substantially later than the date on which the underlying

discoveries were made and the date on which patent applications were filed. Therefore, we cannot be certain that we were the first to make the inventions claimed in our patents or pending patent applications or that we were the first to file for patent protection of such inventions.

Furthermore, the PRC has adopted the "first-to-file" system under which whoever first files a patent application will be awarded the patent if all other patentability requirements are met. Under the first-to-file system, even after reasonable investigation we may be unable to determine with certainty whether any of our products, processes, technologies, inventions, improvement and other related matters have infringed upon the intellectual property rights of others, because such third party may have filed a patent application without our knowledge while we are still developing that product, and the term of patent protection starts from the date the patent was filed, instead of the date it was issued. Therefore, the validity of issued patents, patentability of pending patent applications and applicability of any of them to our product development programs may be lower in priority than third-party patents issued on a later date if the application for such patents was filed prior to ours and the technologies underlying such patents are the same or substantially similar to ours. In addition, we may be involved in claims and disputes of intellectual property infringement in other jurisdictions. In addition, under PRC patent law, any organization or individual that applies for a patent in a foreign country for an invention or utility model accomplished in China is required to report to the China National Intellectual Property Administration (the "**CNIPA**") for confidentiality examination. Otherwise, if an application is later filed in China, the patent right will not be granted.

The coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. Even if patent applications we own currently, or we may own or license in the future, are to be issued as patents, they may not be issued in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us, or otherwise provide us with any competitive advantage. In addition, the patent position of medical device companies generally is highly uncertain, involves complex legal and factual questions, and has been the subject of much litigation in recent years. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our patents may be challenged in the courts or patent offices in the PRC and other jurisdictions. We may be subject to a third-party preissuance submission of prior art to the CNIPA or other related intellectual property offices, or become involved in post-grant proceedings such as opposition, derivation, revocation, invalidation and re-examination, or inter partes review, or interference proceedings or similar proceedings in foreign jurisdictions challenging our patent rights or the patent rights of others. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology, products or product candidates and compete directly with us without payment to us, or result in our inability to develop or commercialize products and product candidates without infringing, misappropriating or otherwise violating third-party patent rights. Moreover, we may have to participate in interference proceedings declared by the USPTO or other related intellectual property offices to determine priority of invention or in post-grant challenge proceedings, such as invalidation in the CNIPA or oppositions in a foreign patent office, that challenge the priority of our invention or other features of patentability of our patents and patent applications. Such challenges may result in loss of patent rights, loss of exclusivity, or in patent claims being narrowed, invalidated, or held unenforceable, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology, products and product candidates. Such proceedings also may result in substantial costs and require significant time from our scientific, technical and management personnel, even if the eventual outcome is favorable to us. Consequently, we do not know whether any of our technologies, products or product candidates will be protectable or remain protected by valid and enforceable patents. Our competitors or other third parties may be able to circumvent our patents by developing similar or alternative technologies or products in a non-infringing manner.

Furthermore, the life of a patent and the protection it affords is limited. We may face competition for any approved product candidates even if we successfully obtain patent protection once the patent life has expired for the product. The issued patents and pending patent applications, if issued, for our products and product candidates are expected to expire on various dates as described in "Business—Intellectual Property Rights." Upon the expiration of our issued patents or patents that may be issued from our pending patent applications, we will not be able to assert such patent rights against potential competitors and our business and results of operations may be adversely affected.

Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such product candidates might expire before or shortly after such product candidates are commercialized. As a result, our patents and patent applications may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours. Moreover, some of our patents and patent applications are, and may in the future be, co-owned with third parties. If we are unable to obtain an exclusive license to any such third-party co-owners' interest in such patents or patent applications, such co-owners may be able to license their rights to other third parties, including our competitors, and our competitors could market competing products and technology. In addition, we may need the cooperation of any such co-owners of our patents to enforce such patents against third parties, and such cooperation may not be provided to us. Any of the foregoing could have a material adverse effect on our competitive position, business, financial condition and results of operations.

Third parties may initiate legal proceedings alleging that we are infringing, misappropriating or otherwise violating their intellectual property rights, the outcome of which would be uncertain, and we may be subject to substantial costs and liability, or be prevented from using technologies incorporated in our products, or delay the commercialization of our products in certain jurisdictions, as a result of such litigation or other proceedings relating to patent or other intellectual property rights.

Our commercial success depends in part on our avoidance of infringement, misappropriation or other alleged violations of patents, trademarks or other intellectual property rights of third parties. There may be third-party patents or patent applications of which we are currently unaware. Our trademark applications may not be successful due to pre-existing claims. As the healthcare industry expands, more patents or other intellectual properties are issued, and risks of such infringement or misappropriation may arise. Third parties including our business partners and competitors, or even actors outside the healthcare industry, may assert that we are in violation of their patent, trademark or other proprietary rights. We may also be subject to allegations by third parties of unfair competition, defamation or violation of their other rights. We cannot assure you that a court would find in our favor on questions of infringement, validity, enforceability or priority, which could have a material and adverse effect on our ability to develop and commercialize our products covered by the asserted third-party intellectual property rights according to our plan. The burden of successfully challenging a third- party claim may be high and require us to present clear and convincing evidence as to the invalidity of any such claim. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business.

If successful claims are brought against us for infringement, misappropriation or other violations of the asserted intellectual property rights, we may be subject to injunctive or other equitable relief, which could prevent us from developing or commercializing our products according to our plan and further affect our business operations and financial condition. In the event of an adverse result in any such litigation, or even in the absence of litigation, we may need to obtain licenses from third parties to advance our research and development or allow commercialization of our products, or to pursue an alternative arrangement. Any such license might not be available on reasonable terms, or at all, and any alternative arrangement might not be as satisfactory as our original plan.

Even if litigation or other proceedings are resolved in our favor, there could be public announcements of the results of hearings, motions, or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the market price of our H Shares. Such litigations or proceedings could substantially increase our operating losses and reduce the resources

available for development activities or any future sales, marketing or distribution activities. Any of the foregoing could have a material adverse effect on our competitive position, business, financial condition and results of operations.

We may not be able to protect our intellectual property rights.

Filing, prosecuting, maintaining and defending patents on our products in multiple jurisdictions could be prohibitively expensive for us, and our intellectual property rights in some countries can have a different scope and strength from those in some other countries. In addition, the laws of certain countries do not protect intellectual property rights to the same extent as the laws of certain other countries do. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries, or from selling or importing medical products made using our inventions in and into certain jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to certain jurisdictions where we have patent protection but where enforcement rights are not as strong as those in certain other countries. These products may compete with our products and our patent rights or other intellectual property rights may not be effective or adequate to prevent them from competing.

As of the Latest Practicable Date, we owned 206 patents in China and five patents overseas as part of our global strategy, including 106 invention patents, 95 utility models and 10 appearance designs. As of the same date, we also had 33 pending patent applications in China. In addition, as of the Latest Practicable Date, we also held 60 trademarks in China and overseas. If we are unsuccessful in obtaining trademark protection for our primary brands, we may be required to change our brand names, which could materially adversely affect our business. Moreover, as our products mature, our reliance on our trademarks to differentiate us from our competitors will increase, and as a result, if we are unable to prevent third parties from adopting, registering or using trademarks and trade dress that infringe, dilute or otherwise violate our trademark rights, our business could be materially adversely affected.

Many companies have encountered significant problems in protecting and defending intellectual property rights. The legal system in various jurisdictions could make it difficult for us to stop the infringement, misappropriation or other violation of our patents or other intellectual property rights, or the marketing of competing products in violation of our proprietary rights in these countries.

Proceedings to enforce our intellectual property and proprietary rights could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly, could put our patent applications at risk of not issuing, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment, and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees on any issued patent are due to be paid to the CNIPA and other patent agencies in several stages over the lifetime of the patent. The CNIPA and various governmental patent agencies require compliance with a number of procedural, documentary, fee payment, and other similar provisions during the patent application process. Non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official actions within prescribed time limits, non-payment of fees, and failure to properly legalize and submit formal documents. In any such event, our competitors might be able to enter the market, which would have a material adverse effect on our business.

If we are unable to protect the confidentiality of our trade secrets, or if third parties assert that our employees, consultants, collaborators or business partners have wrongfully used or disclosed confidential information or misappropriated trade secrets, our business and competitive position would be materially adversely affected.

In addition to our granted patents and pending patent applications, we rely on trade secrets, including unpatented know-how, technology and other proprietary information, to maintain our competitive position and to protect our products and product candidates. However, nondisclosure agreements with employees, external scientific collaborators, external advisors, sponsored researchers, consultants and other third parties may not adequately prevent disclosures of our trade secrets and other proprietary information. Any of these parties may breach the assignment undertakings stipulated in the employment or consulting agreements that we enter into with them and disclose our proprietary information, and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time-consuming, and the outcome is unpredictable. If any of our trade secrets were lawfully obtained or independently developed by a competitor, we would have no right to prevent them from using that technology or information to compete with us and our competitive position would be harmed.

Furthermore, many of our employees, including our senior management, were previously employed at other medical device companies, including our competitors or potential competitors. Some of these employees, including one of our senior management, are subject to proprietary rights, non-disclosure and non-competition obligations in connection with such previous employment. We may be subject to claims that we or our employees have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such employee's former employer. We are not aware of any material threatened or pending claims related to these matters or concerning the agreements with our senior management, but in the future litigation may be necessary to defend against such claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

In addition, we may be unsuccessful in executing agreements assigning the developed intellectual property to us with each party, including our employees and consultants, who in fact develops intellectual property that we regard as our own, which may result in claims by or against us related to the ownership of such intellectual property. If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs and be a distraction to our management and scientific personnel.

Intellectual property rights do not necessarily protect us from all potential threats.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business or permit us to maintain our competitive advantage. For example:

- others may be able to make products that are similar to our approved product or product candidates or any potential product candidates we may develop or utilize similar technology that is not covered by the claims of the patents that we own or license now or in the future;

- we, current or any future collaboration partners, or any future licensors, might not have been the first to make the inventions covered by the issued patent or pending patent application that we own or may license in the future;

- we, current or any future collaboration partners, and any future licensors, might not have been the first to file patent applications covering certain of our or their inventions;

- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing, misappropriating or otherwise violating our intellectual property rights;

- it is possible that our pending patent applications will not lead to issued patents;
- patents that may be issued from our pending patent applications may be held invalid or unenforceable, including as a result of legal challenges by our competitors or other third parties;
- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may not develop additional proprietary technologies that are patentable;
- the patents of others may harm our business; and
- we may choose not to file a patent for certain trade secrets or know-how, and a third party may subsequently file a patent covering such intellectual property.

Any of the aforementioned threats to our competitive advantage could have a material adverse effect on our business.

Patent terms are limited and thus may be inadequate to protect our competitive position on our products and product candidates for an adequate amount of time.

In most jurisdictions in which we plan to file applications for patents, the term of a granted patent is generally 10 to 20 years from the earliest claimed filing date of a non-provisional patent application in the applicable jurisdictions. The life of a patent and the protection it affords are limited. Even if patents covering our services and products are obtained, we may be open to competition from other companies once our patent rights expire.

As of the Latest Practicable Date, we had been granted 211 patents. Our granted patents have expiration dates ranging from 10 to 20 years. We also had 33 pending patent applications in China as of the Latest Practicable Date. If patents are granted based on these pending patent applications, the resulting patents will be expected to expire in 10 to 20 years, excluding any potential patent term extension or adjustment. Upon expiration of our issued patent or patents that may issue from our pending patent application, and without patent term extensions, we will not be able to assert such patent rights against potential competitors and our business and results of operations may be adversely affected.

Changes in patent law could diminish the value of patents in general, thereby impairing our ability to protect our products.

Depending on decisions by the NPC and the CNIPA, the laws and regulations governing patents could change in a way that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future. The United States has enacted and is currently implementing wide-ranging patent reform legislation. Recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. There could be similar changes in the laws of other jurisdictions that may impact the value of our patent rights or our other intellectual property rights. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents once obtained, if any.

RISKS RELATING TO MANUFACTURING OF OUR PRODUCTS

The manufacture of our products is a highly precise and complex process and subject to strict quality controls. Our business could suffer if we encounter problems in managing the manufacturing process of our products.

We have no experience in large-scale manufacturing of our products for commercial use and we have limited experience in managing the manufacturing process. The manufacture of our products is highly complex and subject to strict quality controls. For a sophisticated surgical device, quality is extremely important due to the serious and costly consequences of a product failure. We cannot eliminate the risk of product defects or failure. Problems can arise

during the manufacturing process for a number of reasons, including equipment malfunction, failure to follow protocols and procedures, defects, insufficient supply of raw materials, advances in manufacturing techniques and man-made or natural disasters and other environmental factors. If problems arise during the production of a set of surgical robots, we may need to replace the parts and components in issue and may experience a delay in manufacturing or incur added expenses. This could, among other things, lead to increased costs, lost revenue, damage to customer relationships, time and expense spent investigating the cause and, depending on the cause, similar losses with respect to other batches or products. If problems are not discovered before the product is released to the market, recall and product liability costs may also be incurred.

Manufacturing methods and technologies are sometimes altered through the development from clinical trials to approval, and further to commercialization, in an effort to optimize manufacturing processes and results. Such alterations carry the risk that they will not achieve these intended objectives. Any of these alterations could cause the products to perform differently and affect the results of planned clinical trials or other future clinical trials conducted with the altered materials. This could delay the commercialization of products and require bridging studies or the repetition of one or more clinical trials, which may result in increases in clinical trial costs, delays in products approvals and jeopardize our ability to commence product sales and generate revenue.

As we expand into new markets, we may face unanticipated surges in demand for our products which could strain our production capacity. If these problems arise or if we otherwise fail to meet our internal quality standards or those of the NMPA or other equivalent regulatory authorities, which include detailed record-keeping requirements, our reputation could be damaged, we could become subject to a safety alert or a recall, we could incur product liability and other costs, product approvals could be delayed, and our business could otherwise be adversely affected.

Failure to meet or maintain compliance with relevant manufacturing standards and any other disruption or suspension of manufacturing activities may affect our business and results of operations.

We had one major manufacturing facility located in Zhuhai, with the gross floor area of our manufacturing site of approximately 3,682 square meters. Our manufacturing facility is subject to regular inspections by the relevant government authorities as part of the process of maintaining or renewing the permits, licenses and certificates required for our business and operations. Such inspections require us to comply with, among other things, the GB/T 42061-2022, the ISO13485-2016, NMPA regulations and other applicable regulations and standards. We cannot guarantee that we will be able to adequately follow and document our adherence to such regulations or other regulatory requirements. Remediating deficiencies can be laborious, time-consuming and costly. Moreover, the NMPA or other comparable regulatory authorities will generally re-inspect the facility to determine whether the deficiency was remediated to its satisfaction, and may note further deficiencies during re-inspection. We may be required to delay, suspend or cease manufacturing activities if we fail to pass these regulatory inspections, which will affect our ability to fulfill product orders and sell our products, and in turn, have a material and adverse effect on our business, financial condition and results of operations.

The continued operation of our manufacturing facilities and our production safety may be substantially interrupted and materially and adversely affected due to a number of factors, many of which are beyond our control. These may include power outages, fuel shortages, mechanical breakdowns, terrorist attacks and wars, or loss of licenses, certifications and permits. If the operation of our manufacturing facilities is substantially disrupted, we may not be able to replace the equipment or inventories, or use different sites or a third-party contractor to continue our production in a legal, timely and cost-effective manner or at all. Additionally, problems may also arise during manufacturing for a variety of reasons, including equipment malfunction, failure to follow specific protocols and procedures, problems with raw materials, expansion of existing manufacturing facilities, changes in manufacturing site and limits to production capacity due to regulatory requirements, changes in the types of products produced, man-made or natural disasters, and environmental factors. As a result of disruption to our manufacturing site or any problems in manufacturing our products, we may fail to fulfill contract obligations or meet market demand for our products, and our business, revenues and profitability could be materially and adversely affected.

Advances in manufacturing techniques may render our facilities and equipment inadequate or obsolete, and as a result, we may also need to develop advanced manufacturing techniques and process controls in order to fully utilize our facilities. If we are unable to do so, if the process to do so is delayed, or if the associated cost is not economically feasible, we may not be able to supply our products in a sufficient quantity to meet future demand, which would limit our development and commercialization activities and our opportunities for growth.

We may not be able to secure a stable supply of qualified raw materials at all times or at all. An increase in the market prices of such supplies may adversely affect our results of operations.

Our key raw materials for the manufacturing of surgical robots mainly include standardized components procured from our suppliers. To ensure the quality of our principal raw materials, we only procure them from selected suppliers that can satisfy our stringent raw material requirements. We cannot assure you that we will be able to secure a stable supply of qualified raw materials at all times going forward. Further, during the Track Record Period, we procured certain raw materials through domestic trading companies for use in our robotic products, namely, robotic arms and optical systems. In 2024 and 2025, imported raw materials accounted for 14.6% and 21.6% of our total purchases, respectively. The customs clearance procedures for imported raw materials could be lengthy and thus could adversely affect the timely supply of such raw materials. If any of these suppliers loses its qualification or eligibility for a variety of reasons including its failure to comply with regulatory requirements, or if we encounter lengthy customs clearance procedures to import certain of our raw materials, we may experience delays in the supply of our raw materials and, if our inventory of the relevant raw material does not sufficiently cover the deficiency over the relevant time period, interruption in our manufacturing process. In addition, we are also exposed to risks associated with fluctuations in prices of raw materials. A significant increase in the costs of raw materials may disrupt our operations and have a directly negative impact on our gross margin.

If we are unable to meet demand for our products by ensuring that we successfully expand our own manufacturing capacity, or if we are unable to successfully manage our anticipated growth or to precisely anticipate market demand, our business could suffer.

To prepare for product launches in the near term, we have established one manufacturing facility in Zhuhai and are planning to further expand our manufacturing capacity to meet the growing demands of our products. See "Business—Properties" for details. Damage to, destruction of or interruption of production at our manufacturing facilities, or delays in completing our new manufacturing facilities could delay our development plans or commercialization efforts. Furthermore, if our manufacturing facilities encounter or, upon completion, encounter unanticipated delays and expenses in manufacturing as a result of any of these difficulties, we may not be able to manufacture sufficient quantities of our products, which would limit our development and commercialization activities.

Manufacturers of surgical robotic products often encounter difficulties in production particularly in scaling up, validating the production process, and assuring high reliability of the manufacturing process (including the absence of contamination). These problems include logistics and shipping, difficulties with production costs and yields, quality control, product testing, operator errors, availability of qualified personnel and compliance with strictly-enforced regulations. We will need to produce our products in the quantities that can meet anticipated market demand. We cannot assure you that we will be able to do so.

During the construction and ramp-up period, there may be significant changes in the macroeconomics of the surgical robot industry, including, among other things, market demand, product and supply pricing trends and customer preferences. Any adverse trends in these respects could result in operational inefficiency and unused capacity in our facilities. We may also experience various unfavorable events in the course of developing our new manufacturing facilities, such as:

- unforeseen delays due to construction, land use rights or regulatory issues, which could result in loss of business opportunities;
- construction cost overruns, which may require diverting resources and management's attention from other projects; and

- difficulty in finding sufficient numbers of trained and qualified manufacturing staff.

The success of our business expansion also depends on our ability to advance products through the development, regulatory approval and commercialization stages. Any delay, suspension or termination in such respects would harm our ability to generate satisfactory returns on our investment in manufacturing expansion, if at all, which in turn could have a material adverse effect on our business, financial condition and results of operations.

We may be subject to product liability lawsuits that could cause us to incur substantial liabilities.

We face an inherent risk of product liability as a result of clinical testing and any current or future commercialization of our products globally. The medical device industry has historically been litigious particularly in certain jurisdictions, and we could face financial exposure. For example, we may be sued if our products cause or are perceived to cause injury or are found to be otherwise unsuitable during clinical testing, manufacturing, marketing or sale. Such product liability claims, if any, may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the medical device product, negligence, strict liability or a breach of warranties. Claims could also be asserted under applicable consumer protection acts. If we cannot successfully defend ourselves against or obtain indemnification from our collaborators for product liability claims, we may incur substantial liabilities or be required to limit commercialization of our products. Even successful defense would require significant financial and management resources. There is also the possibility that defects in the design or manufacture of our products might necessitate product recalls.

Regardless of the merits or eventual outcome, any liability claims or product recalls may result in:

- decreased demand for our products and loss of revenue;
- injury to our reputation;
- withdrawal of clinical trial participants and inability to continue clinical trials;
- initiation of investigations by regulators;
- costs to defend the related litigation;
- a diversion of management's time and our resources;
- substantial monetary awards to trial participants or patients, product recalls, withdrawals or labeling, marketing or promotional restrictions;
- exhaustion of any available insurance and our capital resources;
- the inability to commercialize any product; and/or
- a decline in the price of our H Shares.

If we are unable to defend ourselves against such claims in the PRC, among other things, we may be subject to civil liability for physical injury, death or other losses caused by our products and to criminal liability and the revocation of our business licenses if our products are found to be defective. In addition, we may be required to recall the relevant products, suspend sales or cease sales. Even if we are able to successfully defend ourselves against any such product liability claims, doing so may require significant financial resources and the time and attention of our management.

RISKS RELATING TO OUR OPERATIONS

Our future success depends on our ability to retain key executives and to attract, hire, retain and motivate other qualified and highly skilled personnel.

We are highly dependent on the principal members of our senior management, as well as other key clinical and scientific personnel, and other employees and consultants. Competition for qualified employees in the healthcare industry is intense and the pool of qualified candidates is limited. We may not be able to retain the services of our senior management or key clinical and scientific personnel, or attract and retain experienced senior management or key clinical and scientific personnel in the future. If one or more of our senior management or key clinical and scientific personnel are unable or unwilling to continue in their present positions or join a competitor or form a competing company, we may not be able to replace them in a timely manner or at all, and our product development progress may be disrupted as a result, which will have a material and adverse effect on our business and results of operations. In addition, we will need to hire additional employees as we expand our commercialization and manufacturing teams. The success of our hospital penetration strategy also depends on our ability to attract, motivate and retain qualified and professional employees in our sales and marketing team who have, among other things, sufficient expertise in the applications of surgical robots and are able to communicate effectively with medical professionals. We may not be able to attract and retain qualified employees on acceptable terms. Further, when we hire an employee, it is possible that our competitor may allege that such employment violates the non-compete agreement between such employee and our competitor as his or her former employer. Our business and growth depend on the continued service of our senior management and personnel in our R&D team to develop products and our sales and marketing team to promote our products. Our employment agreements do not prevent employees from terminating their employment with us at any time. The loss of the services of any of these persons could impede the achievement of our research, development and commercialization objectives.

Furthermore, replacing executive officers, key employees or consultants may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize products. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these key personnel or consultants on acceptable terms given the competition among numerous medical device companies for similar personnel. We also experience competition for the hiring of R&D and clinical personnel from universities and research institutions. Our consultants and advisors may be engaged by our competitors and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us. If we are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

We may encounter difficulties in managing our growth and expanding our operations successfully.

As we seek to advance our product candidates, we will need to expand our development, regulatory, manufacturing and build up marketing and sales capabilities or contract with third parties to provide these capabilities for us. As our development and commercialization plans and strategies evolve, we need to recruit a significant number of additional managerial, operational, manufacturing, sales, marketing, financial and other personnel. As our operations expand, we expect that we will need to manage additional relationships with various strategic partners, suppliers and other third parties. Future growth will impose significant added responsibilities on members of management. Our recent growth and any future growth will impose significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, maintaining and motivating additional employees;
- managing our internal development efforts effectively, including the clinical and regulatory authority review process for our product candidates, while complying with our contractual obligations to contractors and other third parties; and
- improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to develop and commercialize our products and to compete effectively will depend, in part, on our ability to effectively manage our recent growth and any future growth, and our management may also have to divert a disproportionate amount of its attention away from day-to-day activities in order to devote a substantial amount of time to managing these growth activities.

We currently rely, and for the foreseeable future will continue to rely, in substantial part on independent organizations, advisors and consultants to provide services. There can be no assurance that the services of these independent organizations, advisors and consultants will continue to be available to us on a timely basis when needed, or that we can find qualified replacements. There can be no assurance that we will be able to manage our existing consultants or find other competent outside contractors and consultants on economically reasonable terms, if at all.

If we are not able to effectively manage our growth and further expand our organization by hiring new employees and expanding our groups of consultants and contractors as needed, we may not be able to successfully implement the tasks necessary to further develop and commercialize our products and, accordingly, may not achieve our research, development and commercialization goals.

To that end, we must be able to manage our development efforts and clinical trials effectively and hire, train and integrate additional management, administrative and sales and marketing personnel. We may not be able to accomplish these tasks, and our failure to accomplish any of them could prevent us from successfully growing our Company.

Failure to manage our inventories effectively would materially and adversely affect our financial condition and results of operations.

We recorded inventories of RMB21.7 million and RMB40.6 million as of December 31, 2024 and 2025, respectively. Our inventories mainly consist of raw materials and finished goods. We cannot assure you that our inventories will not be damaged or impaired, as our storage may encounter unforeseeable events, such as fire, floods, earthquakes, power outage, mechanical breakdowns or other calamities. From time to time, we may also have delicate materials and consumables, which are exposed to risks associated with damages from outside environment including temperature fluctuation, wear and tear, and accidental drop or squeeze.

In addition, given that we are still at an early stage of commercialization and only a limited number of units of our products were sold throughout the Track Record Period, our inventory management is inherently subject to heightened uncertainty in demand forecasting, production planning and inventory turnover. In 2024 and 2025, our inventory turnover days was 72 days and 136 days, respectively. In particular, our finished goods may become slow-moving or obsolete if we are unable to convert inventory into sales within expected timelines. This risk may be exacerbated where our production and stock-building decisions are made in anticipation of future sales that may not materialize as expected, whether due to changes in market demand, competitive dynamics, pricing pressure, hospital procurement cycles or other factors outside our control. Our inventories are subject to impairment if their net realizable value falls before we sell them. A high inventory level would subject us to significant risk of impairment if there is a significant decrease in the net realizable value of our inventories within a short period of time. Any unexpected change in circumstances, such as a shift in market demand or decline in selling price, delays in hospital procurement, or changes in purchasing preferences of physicians and hospitals could materially and adversely affect the net realizable value of our inventories.

The risk of inventory obsolescence is further heightened by potential cannibalization among different models of our Core Product. The various models of our Core Product are based on the same core technology platform, with differentiated configurations developed in response to the budgetary levels of different medical institutions and regional market demands. Market adoption may shift between models based on clinical preferences, product specifications, pricing, tender requirements, or availability of competing products. As a result, sales of certain models may be reduced or displaced by other models within our own product portfolio, which could lead to (i) prolonged holding periods for finished goods of particular models, (ii) increased discounting pressure to clear existing stock, and (iii) a higher likelihood that certain inventories become obsolete or require write-downs or write-offs. Any such cannibalization effect may be more pronounced given our current stage of commercialization and limited historical sales data, which may constrain our ability to accurately predict model-specific demand.

Moreover, any increase in our production volume may increase our exposure to excess and slow-moving inventories. If our production volume increases faster than our sales ramp-up, we may accumulate excess inventories of raw materials and finished goods. Excess inventory levels may increase our inventory holding costs and elevate the risk of inventory obsolescence, impairment or write-offs, particularly where certain components, consumables or accessories have shelf lives; or product specifications, configurations or market requirements change, rendering particular inventories less marketable.

Furthermore, as we will not be able to recoup our cash paid for raw materials and other consumables until we generate operating income, a high inventory level may subject us to significant working capital requirements and adversely affect our liquidity position. If we are required to recognize additional inventory provisions, write-downs or write-offs, our gross margin, results of operations and financial condition could be materially and adversely affected.

Accordingly, failure to manage our inventories effectively, including by maintaining appropriate production and procurement planning, monitoring inventory aging and turnover, and timely identifying and providing for slow-moving or obsolete inventories, may materially and adversely affect our financial condition and results of operations.

If we become subject to litigation, legal or contractual disputes, governmental investigations or administrative proceedings, our management's attention may be diverted and we may incur substantial costs and liabilities.

From time to time, we may be involved in claims, disputes and legal proceedings in our ordinary course of business. These may concern issues relating to, among others, product liability, environmental matters, breach of contract, employment or labor disputes and infringement of intellectual property rights. During the Track Record Period and as of the Latest Practicable Date, we were not involved in any litigation or legal proceedings that may materially affect our research and development of our products, business and results of operations. Ongoing or threatened litigation, legal or contractual disputes, investigations or administrative proceedings may divert our management's attention and consume their time and our other resources. In addition, any similar claims, disputes or legal proceedings involving us or our employees may result in damages or liabilities, as well as legal and other costs and may cause a distraction to our management. Furthermore, any litigation, legal or contractual disputes, investigations or administrative proceedings which are initially not of material importance may escalate and become important to us, due to a variety of factors, such as the facts and circumstances of the cases, the likelihood of loss, the monetary amount at stake and the parties involved. If any verdict or award is rendered against us or if we settle with any third parties, we could be required to pay significant monetary damages, assume other liabilities and even to suspend or terminate the related business projects. In addition, negative publicity arising from litigation, legal or contractual disputes, investigations or administrative proceedings may damage our reputation and adversely affect the image of our brands and products. Consequently, our business, financial condition and results of operations may be materially and adversely affected.

Our insurance coverage may not completely cover the risks relating to our business and operations.

We maintain insurance policies that are required under the applicable laws and regulations as well as based on our assessment of our operational needs and industry practice. For more details, please see "Business—Insurance." Our insurance coverage for adverse events in our clinical trials may prove to be inadequate or could cease to be available to us on acceptable terms, if at all. A claim brought against us that is uninsured or under-insured could harm our business, financial condition and results of operations. Our insurance coverage may also be insufficient to cover any claim for product liability, damage to our fixed assets or employee injuries. Any liability or damage to, or caused by, our facilities or our personnel beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources.

Our business and reputation may be adversely affected by negative publicity involving us, our Shareholders, Directors, officers, employees, suppliers or other parties we cooperate with, or by general negative publicity in the industry.

We believe that market awareness and recognition of our brand image, and the maintenance of a positive brand image, is crucial to the success of our business. We may not be successful in continuing to promote our brands to remain competitive. In addition, we may engage various third parties, such as contract sales organizations, to expand our commercialization network and increase market access for our products, which can make it increasingly difficult to effectively manage our brand reputation, as we have relatively limited control over these third parties.

Any negative publicity, including disputes concerning us, our business partners or our affiliates, even if untrue, could adversely affect our reputation and prospects. Moreover, if we are unable to maintain a good reputation, our ability to attract and retain key employees and business partners could be harmed which, in turn, may materially and adversely affect our business, financial condition and results of operations.

Our reputation is vulnerable to potential threats that can be difficult or impossible to control, and costly or impossible to remediate. Negative publicity about us, such as alleged misconduct or improper activities, or negative rumors relating to us, our management, employees, business partners or affiliates, can harm our business, financial condition and results of operations, even if they are unsubstantiated or are later satisfactorily addressed. Any regulatory inquiries or investigations or other actions against our management, any perceived unethical, fraudulent, or inappropriate business conduct by us or perceived wrongdoing by any key member of our management team or other employees, our business partners or our affiliates, could harm our reputation and materially and adversely affect our business. Regardless of the merits or final outcome of such regulatory inquiries, investigations or actions, our reputation may be substantially damaged, which may impede our ability to attract and retain talent and business partners and grow our business.

Our leased properties may be subject to non-compliances or changes that could potentially affect our future use of them.

We have leased certain properties in China as our offices and R&D facilities. Pursuant to the Measures for Administration of Lease of Commodity Properties (《商品房屋租賃管理辦法》), which was promulgated by the Ministry of Housing and Urban-Rural Development of the PRC (中華人民共和國住房和城鄉建設部) on December 1, 2010 and became effective on February 1, 2011, both lessors and lessees are required to file the lease agreements for registration and obtain property leasing filing certificates for their leases.

As of the Latest Practicable Date, 16 of our lease agreements had not been registered. We may be subject to fines if we fail to rectify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the relevant authority. As of the Latest Practicable Date, we were not subject to any penalties arising from the non-registration of lease agreements. However, we cannot assure you that we would not be subject to any penalties and/or requests from local authorities to fulfill the registration requirements, which may increase our costs in the future. If any of our leases is terminated or becomes unenforceable as a result of challenges from third parties, we would need to seek alternative properties and incur relocation costs. Any relocation could lead to disruptions to our operations and adversely affect our business, financial condition and results of operations.

We may be subject to natural disasters, health epidemics, acts of war or terrorism or other factors beyond our control.

Natural disasters, health epidemics, acts of war or terrorism or other factors beyond our control may adversely affect the economy, infrastructure and livelihood of the people in the regions where we conduct our business. Our operations may be under the threat of floods, earthquakes, sandstorms, snowstorms, fire or drought, the outbreak of widespread epidemics such as swine flu, avian influenza, severe acute respiratory syndrome, or SARS, Ebola,

COVID-19, force majeure events such as power, water or fuel shortages, failures, malfunction and breakdown of information management systems, unexpected maintenance or technical problems, or are susceptible to potential wars or terrorist attacks.

The occurrence of a disaster or a prolonged outbreak of an epidemic illness, including the COVID-19 pandemic, or other adverse public health developments in the regions where we operate our business could materially disrupt our business and operations. These uncertain and unpredictable factors include, but are not limited to, adverse effects on the economy, potential delays of our ongoing and future clinical trials, and disruptions to the operations of our business partners and CROs.

There also could occur serious natural disasters, which may result in loss of lives, injury, destruction of assets and disruption of our business and operations. Damage or extended periods of interruption to our, our business partners or our suppliers' corporate, development, research or manufacturing facilities due to fire, disaster, epidemics, power loss, communications failure, unauthorized entry or other events could cause us to cease or delay development or commercialization of some or all of our product candidates. As we rely on third parties on various services and supplies, the occurrence of any of the foregoing events could seriously harm our ability to obtain services or supplies if such third parties are affected by disasters, epidemics, business interruptions and other force majeure events. In addition, our insurance might not cover all losses under such circumstances and our business may be seriously harmed by such delays and interruption.

Acts of war or terrorism may also injure our employees, cause loss of lives, disrupt our business network and destroy our markets. Any of these factors and other factors beyond our control could have an adverse effect on the overall business sentiment and environment, cause uncertainties in the regions where we conduct business, cause our business to suffer in ways that we cannot predict and materially and adversely impact our business, financial condition and results of operations.

Any of the foregoing events and other events could have an adverse effect on the overall business sentiment and environment, cause uncertainties in the regions where we conduct business, cause our business to suffer in ways that we cannot predict and materially and adversely impact our business, financial condition and results of operations.

The foreign exchange regulations may limit our business and results of operations and our ability to remit dividends.

Conversion and remittance of foreign currencies are subject to the foreign exchange regulations. It cannot be guaranteed that under a certain exchange rate, we shall have sufficient foreign exchange to meet our foreign exchange needs. Under the Chinese current foreign exchange control system, foreign exchange transactions under the current account conducted, including the payment of dividends, do not require advance approval from the SAFE. However, there is a requirement for relevant documentary evidence of such transactions and to conduct such transactions at designated foreign exchange banks within the PRC that have the licenses to carry out foreign exchange business. Foreign exchange transactions under the capital account, however, normally need to be approved by or registered with the SAFE or its local branch unless otherwise permitted by law. Any insufficiency of foreign exchange may restrict our ability to obtain sufficient foreign exchange for dividend payments to shareholders or satisfy any other foreign exchange obligation. If we fail to obtain approvals from the SAFE to convert RMB into any foreign exchange for any of the above purposes, our potential offshore capital expenditure plans and even our business may be materially and adversely affected and could subject us to administrative penalties and fines.

Holders of H Shares may be subject to PRC income taxes.

Under the current PRC tax laws and regulations, non-PRC resident individuals and non-PRC resident enterprises are subject to different tax obligations with respect to the dividends paid to them by us and the gains realized upon the sale or other disposition of H Shares.

Non-PRC resident individuals are required to pay PRC individual income tax at a 20% rate for the income derived in China under the PRC Individual Income Tax Law (the "**IIT Law**") and its implementation guidelines. Accordingly, we are required to withhold such tax from dividend payments, unless applicable tax treaties between China and the jurisdiction in which the foreign individual resides reduce or provide an exemption for the relevant tax obligations. However, pursuant to the Circular on Certain Policy Questions Concerning Individual Income Tax (《財政部、國家税務總局關於個人所得税若干政策問題的通知》) (Cai Shui Zi [1994] No. 20) issued by the MOF and SAT on May 13, 1994, the income gained by individual foreigners from dividends and bonuses of enterprises with foreign investment are exempted from individual income tax for the time being. In addition, under the IIT Law and its implementation regulations, non-PRC resident individual holders of H Shares are subject to individual income tax at a rate of 20% on gains realized upon the sale or other disposition of H shares. However, pursuant to the Circular of Declaring that Individual Income Tax Continues to be Exempted over Income of Individuals from the Transfer of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得税的通知》) (Cai Shui Zi [1998] No. 61) issued by the MOF and the SAT on March 30, 1998, from January 1, 1997, the income of individuals from the transfer of the shares of listed enterprises continues to be exempted from individual income tax.

As of the Latest Practicable Date, no aforesaid provisions had expressly provided that individual income tax shall be levied on non-PRC resident individual holders on the transfer of shares in PRC resident enterprises listed on overseas stock exchanges, and to our knowledge, no such individual income tax was levied by PRC tax authorities in practice. However, there is no assurance that the PRC tax authorities will not change these practices which could result in levying income tax on non-PRC resident individual holders on gains from the sale of H shares.

For non-PRC resident enterprises that do not have establishments or premises in China, and for those that have establishments or premises in China but whose income is not related to such establishments or premises, under the PRC Enterprise Income Tax Law and its implementation regulations, dividends paid by us and gains realized by such foreign enterprises upon the sale or other disposition of H Shares are subject to PRC enterprise income tax at a 10% rate. In accordance with the Circular on Issues Relating to Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》) (Guo Shui Han [2008] No. 897) issued by SAT on November 6, 2008, the withholding tax rate for dividends payable to non-PRC resident enterprise holders of H Shares will be 10% and we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares (including HKSCC Nominees). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty or arrangement will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the PRC tax authorities' approval.

Despite the arrangements mentioned above, the interpretation and application of applicable PRC tax laws and regulations by the competent tax authorities shall be in accordance with the then effective laws and regulations, and new taxes may be imposed which may materially and adversely affect the value of your investment in our H Shares.

You may experience difficulty in effecting service of legal process, enforcing foreign judgments or bringing original actions in Chinese Mainland or Hong Kong based on foreign laws against us, our Directors and senior management.

Substantially all of our assets are situated in the PRC and most of our directors and officers reside in the PRC. Therefore, there remains the possibility that it may be difficult to effect service of process outside the PRC upon most of our directors and officers, including with respect to matters arising under applicable securities laws. The PRC does not have treaties with the U.S. and certain other countries providing for the reciprocal recognition and enforcement of civil case judgments of courts. Consequently, you may experience difficulties in enforcing against us or our directors or officers in the PRC any judgments obtained from courts outside of the PRC.

On July 14, 2006, Hong Kong and Chinese Mainland entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of Chinese Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements Between Parties Concerned (《關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》), or the Arrangement, pursuant to which a party with a final court judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to a choice of court agreement in writing may apply for recognition and enforcement of the judgment in Chinese Mainland. Similarly, a party with a final judgment rendered by a Chinese court requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. On January 18, 2019, the Supreme People's Court and the Hong Kong Government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of Chinese Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》), which has come into effect on January 29, 2024 and superseded the Arrangement, or the New Arrangement, which seeks to establish a mechanism with greater clarity and certainty for recognition and enforcement of judgments in a wider range of civil and commercial matters between Hong Kong and the Chinese Mainland. The New Arrangement discontinued the requirement for a choice of court agreement for bilateral recognition and enforcement. After the New Arrangement became effective, a judgment rendered by a Hong Kong court can generally be recognized and enforced in the PRC even if the parties in the dispute did not enter into a choice of court agreement in writing. However, we cannot guarantee that all judgments made by Hong Kong courts will be recognized and enforced in the PRC, as whether a specific judgment will be recognized and enforced is still subject to a case-by-case examination by the relevant court in accordance with the New Arrangement.

RISKS RELATING TO GOVERNMENT REGULATIONS

All aspects of the research, development and commercialization of our product candidates are heavily regulated in all material aspects. Any failure to comply with relevant laws and regulations may adversely affect our business, financial condition and results of operations.

We currently primarily focus our activities in China while pursuing global opportunities. All jurisdictions in which we conduct our research, development and commercialization activities regulate these activities in great depth and detail. These geopolitical areas all have comprehensive regulation on medical devices, and in doing so they employ broadly similar regulatory strategies, including regulation of product development, approval, sales and marketing and distribution of medical devices. However, there are differences in the regulatory regimes in different regions, which makes regulatory compliance more complex and costly for companies like us that plan to operate in each of these regions.

The process of obtaining regulatory approvals and compliance with appropriate laws and regulations require substantial time and financial resources. Any recently enacted and future legislation may increase the difficulty and cost for us to obtain regulatory approval of, and commercialize, our product candidates, and affect the prices we may obtain. Changes in government regulations or in practices relating to the surgical robot industry, such as a relaxation in regulatory requirements; the introduction of simplified approval procedures, which would lower the entry barrier for potential competitors; or an increase in regulatory requirements, which may increase the difficulty for us to satisfy such requirements, may have a material adverse impact on our business, financial condition, and results of operations.

Failure to comply with the applicable requirements at any time during the product development process, approval process, or after approval, may subject an applicant to administrative or judicial sanctions. These sanctions could include a regulator's refusal to approve pending applications, withdrawal of an approval, license revocation, a clinical hold, voluntary or mandatory product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement or civil or criminal penalties. The failure to comply with these regulations could have a material adverse effect on our business, financial condition and results of operations.

The regulatory approval processes of the NMPA, the FDA and other comparable regulatory authorities are time-consuming and may evolve over time. If we are unable to obtain without undue delay any regulatory approvals for our product candidates in our target markets, our business may be subject to actual or perceived harm.

The process required to obtain approval from the NMPA and other comparable regulatory authorities is a lengthy, expensive and uncertain process, and approval is never guaranteed. Generally, such approvals take years to be obtained following the commencement of preclinical studies and clinical trials. Approval policies, regulations or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. As of the Latest Practicable Date, we received marketing approval for 10 of our products (excluding disposables), and it is possible that none of our other product candidates or any product candidates we may design, in-license or acquire and seek to develop in the future will ever obtain such approval.

Our product candidates could fail to obtain regulatory approval for many reasons, including:

- failure to begin or complete clinical trials;
- failure to demonstrate that a product candidate is safe and effective;
- failure to conduct a clinical trial in accordance with regulatory requirements or our clinical trial protocols;
- failure of clinical trial results to meet the level of statistical significance required for approval;
- encountering data integrity issues related to our clinical trials;
- encountering regulatory authority's disagreement with our interpretation of data from preclinical studies or clinical trials;
- the finding of deficiencies related to the manufacturing processes or facilities from regulatory authorities;
- changes in approval policies or regulations that render our preclinical and clinical data insufficient for approval or require us to amend our clinical trial protocols; and
- regulatory requests for additional analysis, reports, data, nonclinical studies and clinical trials, or questions regarding interpretations of data and results and the emergence of new information regarding our product candidates or other products.

In addition, changes in regulatory requirements and guidance may also occur. We may need to amend clinical trial protocols submitted to applicable regulatory authorities to reflect these changes. Amendments may impact the costs, timing or successful completion of a clinical trial.

Even if our product candidates were to successfully obtain approval from the regulatory authorities, any approval might significantly limit the approved indications for use, or require that precautions, contraindications or warnings be provided to users, or require expensive and time-consuming post-approval clinical trials or surveillance as conditions of approval. Following an approval for commercial sale of our product candidates, certain changes, such as changes in design, may be required by the NMPA and/or comparable regulatory authorities. Regulatory approvals for any of our product candidates may also be withdrawn.

If we are unable to obtain regulatory approval for our product candidates in one or more jurisdictions, or any approval contains significant limitations, our target market will be reduced and our ability to realize the full market potential of our product candidates will be harmed. Furthermore, we may not be able to generate sufficient revenue and cash flows or obtain sufficient funding to continue the development of any other product candidates in the future.

Our product candidates may cause safety issues which could interrupt, delay or halt clinical trials, delay or prevent regulatory approval, limit the commercial profile of an approved product label, or result in significant negative consequences following any regulatory approval.

Serious adverse events arising from safety issues caused by our product candidates could cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the NMPA or other comparable regulatory authorities, or could result in limitations or withdrawal following approvals. For example, in the event that results of our trials reveal a high and unacceptable severity or prevalence of adverse events, our trials may be suspended or terminated by the NMPA and other comparable regulatory authorities could order us to cease further development of, or deny approval of, our product candidates.

Any occurrence of adverse events during clinical trials may harm our reputation, business, financial condition and results of operations.

Additionally, if our product candidates receive regulatory approval, and undesirable negative or inconclusive results caused by such product candidates are identified after such approval, a number of potentially significant negative consequences could follow, including, among others:

- we may be required to suspend marketing or remove relevant products from the marketplace;
- regulatory authorities may withdraw approvals of the product;
- we may be required to change the way our product candidates are distributed or administered, conduct additional clinical trials, change the labeling or add additional warnings on the labeling of such products;
- we may be required to develop risk evaluation and mitigation measures for the product or, if risk evaluation and mitigation measures are already in place, to incorporate additional requirements under the risk evaluation and mitigation measures;
- we may be subject to regulatory investigations and government enforcement action;
- a severe decrease in the demand for, and sales of, the relevant products;
- we could be sued and held liable for harm caused to subjects or patients; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the particular product candidate, and could significantly harm our business and results of operations.

Our approved product and product candidates, if and when approved, will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense. We may be subject to penalties and other negative consequences if we fail to comply with the applicable regulatory requirements or experience unanticipated problems with our products.

Our approved product and product candidates, to be approved by the regulators, are and will be subject to ongoing regulatory requirements with respect to labeling, packaging, storage, advertising, promotion, sampling, record-keeping, conducting post-market studies, submission of safety, efficacy, and other post-market information, and other requirements of regulatory authorities in China and other applicable jurisdictions where the products are approved. As such, we are and will be subject to continual review and inspections by the regulators in order to assess our compliance with applicable laws and requirements and adherence to commitments we made in any application materials with the NMPA or other comparable regulatory authorities.

The NMPA and other comparable regulatory authorities strictly regulate the marketing, labeling, advertising and promotion of products placed on the market. The regulatory approvals for our product candidates and any approvals that we receive for our product candidates are and may be subject to limitations on the indicated uses for which our product candidates may be marketed. Products may be promoted only for their approved application and for use in accordance with the provisions of the approved label. The approvals we obtain may also be subject to other conditions which may require potentially costly post-marketing testing and surveillance to monitor the safety and efficacy of our product candidates. Such limitations and conditions could adversely affect the commercial potential of our product candidates.

The NMPA or other comparable regulatory authorities may seek to impose a consent decree or withdraw marketing approval if compliance with these ongoing regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with our approved product or product candidates including adverse events of unanticipated severity or frequency, or with our manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling or requirements to add new safety information, imposition of post-market studies or clinical studies to assess new safety risks, or imposition of distribution restrictions or other restrictions under a risk evaluation and mitigation program. Other potential consequences include, among other things:

- restrictions on the marketing of our approved product and product candidates, withdrawal of the product from the market, or voluntary or mandatory product recalls;
- fines, untitled or warning letters, or holds on clinical trials;
- refusal by the NMPA or other comparable regulatory authorities to approve pending applications or supplements to approved applications filed by us or suspension or revocation of license approvals or withdrawal of approvals;
- product seizure or detention, or refusal to permit the import or export of our approved product and product candidates; and/or
- injunction or imposition of civil or criminal penalties.

We cannot predict the likelihood, nature or extent of governmental policies or regulations that may arise from future legislation or administrative actions in China or overseas, where the regulatory environment is constantly evolving. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are unable to maintain regulatory compliance, we may lose any regulatory approval that we have obtained and we may not achieve or sustain profitability. In addition, if we were able to obtain conditional approval of any of our product candidates, the NMPA and other equivalent regulatory authorities may require us to conduct a confirmatory study to verify the predicted clinical benefit and additional safety studies. The results from the confirmatory study may not support the clinical benefit, which would result in the approval being withdrawn. While operating under conditional approval, we will be subject to certain restrictions that we would not be subject to upon receiving regular approval.

If we or parties on whom we rely fail to maintain or renew the necessary permits, licenses and certificates required for the development and production of our approved product or product candidates, our ability to conduct our business could be materially impaired.

Companies manufacturing medical devices in China are required to obtain, maintain and renew various permits, licenses and certificates to develop, produce, promote and sell products, including but not limited to the Registration Certificate for Medical Device (醫療器械註冊證) and the Medical Device Production License (醫療器械生產許可證). Furthermore, third parties, such as research institutions, distributors and suppliers on whom we may rely to develop, produce, promote, sell and distribute our products, may be subject to similar requirements. We and third parties on whom we rely may be also subject to regular inspections, examinations, inquiries or audits by regulatory authorities, and an adverse outcome of such inspections, examinations, inquiries or audits may result in the loss or non-renewal of the relevant permits, licenses and certificates. Moreover, the criteria used in reviewing applications for, or renewals

of, permits, licenses and certificates may change from time to time, and there can be no assurance that we or the third parties on whom we rely will be able to meet new criteria that may be imposed to obtain or renew the necessary permits, licenses and certificates. Many of such permits, licenses and certificates are material to the operation of our business, and if we or parties on whom we rely fail to maintain or renew material permits, licenses and certificates, our ability to conduct our business could be materially impaired. Furthermore, if the interpretation or implementation of existing laws and regulations change, or new regulations come into effect, requiring us or parties on whom we rely to obtain any additional permits, licenses or certificates that were previously not required to operate our business, there can be no assurance that we or parties on whom we rely will successfully obtain such permits, licenses or certificates in a timely manner or at all.

Recently enacted and future legislation may increase the difficulty and cost for us to obtain regulatory approval of or successfully commercialize our products and therefore adversely affect our business.

In China and some other jurisdictions, a number of legislative and regulatory changes and proposed changes regarding healthcare could prevent or delay regulatory approval of our product candidates, restrict or regulate post-approval activities and affect our ability to profitably sell our products for which we obtain regulatory approval. In recent years, there have been and will likely continue to be efforts to enact administrative or legislative changes to healthcare laws and policies, including measures which may result in more rigorous coverage criteria and downward pressure on the price that we receive for any approved product. Any reduction in reimbursement from government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or successfully commercialize our products.

Legislative and regulatory proposals have been made to expand post-approval requirements for medical devices. We cannot be sure whether additional legislative changes will be enacted, or whether NMPA regulations, guidance or interpretations will be changed, or what the impact of such changes on the regulatory approvals of our products may be. For example, according to the Regulations on the Supervision and Administration of Medical Devices (2024 Revision) (《醫療器械監督管理條例(2024修訂)》) effective on January 20, 2025, medical device companies are required to establish a quality management system and monitor and evaluate post-approval risks and adverse events caused by the products. The impact of these more specific requirements and whether they will adversely affect the registration of our products with the NMPA is yet to be observed.

We may be restricted from transferring our scientific data abroad.

On March 17, 2018, the General Office of the State Council promulgated the Measures for the Management of Scientific Data (《科學數據管理辦法》) (the "**Scientific Data Measures**"), which provides a broad definition of scientific data and relevant rules for the management of scientific data. According to the Scientific Data Measures, enterprises in China must seek governmental approval before any scientific data involving a state secret may be transferred abroad or to foreign parties. Further, any researcher conducting research funded at least in part by the Chinese government is required to submit relevant scientific data for management by the entity to which such researcher is affiliated before such data may be published in any foreign academic journal. Given the term state secret is not clearly defined, if and to the extent our research and development of product candidates will be subject to the Scientific Data Measures and any subsequent laws as required by the relevant government authorities, we cannot assure you that we can always obtain relevant approvals for sending scientific data (such as the results of our preclinical studies or clinical trials conducted within China) abroad or to our foreign partners in China. If we are unable to obtain necessary approvals in a timely manner, or at all, our research and development of product candidates may be hindered, which may materially and adversely affect our business, financial condition and results of operations. If the relevant government authorities consider the transmission of our scientific data to be in violation of the requirements under the Scientific Data Measures, we may be subject to fines and other administrative penalties imposed by those government authorities.

Non-compliance with relevant laws and regulations on social insurance and housing provident fund payments of the PRC may have an adverse impact on our business, financial condition and results of operations.

Companies operating in China are required to participate in various employee benefit plans, including social insurance, housing provident funds and other welfare-oriented payment obligations. The amounts of contributions should be equal to the prescribed percentages of salaries, including bonuses and allowances, of the employees up to a maximum amount specified by the local governments from time to time, at the locations where the companies operate their businesses. The contributions shall be paid under the company's own accounts instead of making payments under third-party accounts. According to the relevant PRC laws and regulations, an employer who fails to pay social insurance contributions at a rate and based on an amount prescribed by the law, or at all, may be ordered by social insurance contributions collection institutions to rectify the non-compliance and pay the required contributions within a stipulated deadline and be subject to a late payment fee of up to 0.05% per day. If the employer still fails to rectify the failure to make social insurance contributions within the stipulated deadline, it may be subject to a fine ranging from one to three times of the amount overdue. In addition, an employer that has not made housing provident fund contributions at a rate and based on an amount prescribed by the law, or at all, may be ordered by the housing provident fund management center to rectify the non-compliance and pay the required contributions within a stipulated deadline. If the employer still fails to rectify the failure to make housing provident contributions within the stipulated deadline, it may be subject to the court's compulsory enforcement. Further, pursuant to Interpretation II, any agreement or undertaking between an employee and an employer under which social insurance contributions are not made is invalid. Even where an employee voluntarily agrees to waive social insurance participation or has previously received social insurance subsidies, the employer remains subject to the statutory obligation to make social insurance contributions. Where social insurance contributions are not made in accordance with law, the employee is entitled to terminate the employment contract at any time and claim statutory economic compensation, and the relevant regulatory authorities may order the employer to make supplemental contributions and impose administrative penalties.

During the Track Record Period, due to the personal need of employees to pay social insurance and housing provident fund in different locations, we engaged third-party human resource agencies to pay social insurance and housing provident funds for a small number of our employees. Since May 2026, we have discontinued the use of third-party agencies for contributions and made such contributions directly for our employees. We might be subject to additional contribution, late payment fee and/or penalties imposed by the relevant authorities if the third-party human resource agencies failed to pay the social insurance or housing provident funds for the relevant employees in full amount and/or in a timely manner, or if the validity of such arrangements are challenged by relevant authorities. If we are subject to investigations related to non-compliance with labor laws and are imposed severe penalties or incur significant legal fees in connection with labor law disputes or investigations, our business, financial condition and results of operations may be adversely affected.

We are subject to filing and other requirements from the CSRC or other PRC government authorities in connection with any future capital raising activities.

On February 17, 2023, the CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "**Trial Administrative Measures**") and relevant supporting guidelines, which came into effect on March 31, 2023. The Trial Administrative Measures have comprehensively improved and reformed the existing regulatory regime for overseas offering and listing of PRC domestic companies' securities and will regulate both direct and indirect overseas offering and listing of PRC domestic companies' securities. Any such domestic company that is deemed to conduct overseas offering and listing activities shall file with the CSRC in accordance with the Trial Administrative Measures.

We are subject to filing requirements for any of our future offerings after the Global Offering. We cannot assure you that we will be able to get clearance of our filing procedures under the Trial Administrative Measures on a timely basis, or at all. Any failure on our part to fully comply with such regulatory requirements may significantly limit or completely hinder

our ability to sell our securities to investors, cause significant disruption to our business operations, and severely damage our reputation, which could affect our financial condition and results of operations and cause our securities to decline in value or become worthless.

RISKS RELATING TO THE GLOBAL OFFERING

No public market currently exists for our H Shares. An active trading market for our H Shares may not develop and the market price and trading volume of our H Shares may be volatile.

No public market currently exists for our H Shares. The Offer Price for our H Shares to the public will be the result of negotiations between our Company and the Overall Coordinators, and the Offer Price may differ significantly from the market price of the H Shares following the Global Offering. We have applied to the Stock Exchange for the listing of, and permission to deal in, the H Shares. A listing on the Stock Exchange, however, does not guarantee that an active and liquid trading market for our H Shares will develop, or if it does develop, that it will be sustained following the Global Offering, or that the market price of the H Shares will not decline following the Global Offering.

The price and trading volume of our H Shares may be subject to significant volatility in response to various factors beyond our control, including the general market conditions of the securities in Hong Kong and elsewhere in the world. In particular, the business, results of operations and the market price of the shares of other companies engaging in similar business may affect the price and trading volume of our H Shares. In addition to market and industry factors, the price and trading volume of our H Shares may be highly volatile for reasons specific to our business, such as the results of clinical trials of our product candidates, the results of our applications for approval of our product candidates, regulatory developments and healthcare policies directly affecting us, the commercialization results of our approved products, fluctuations in our cash flows, investments and expenditures, relationships with our suppliers, movements or activities of key personnel or actions taken by competitors, among others. Moreover, shares of other surgical robot companies listed on the Stock Exchange have experienced price volatility in the past, and it is possible that our H Shares may be subject to changes in price not directly related to our performance.

Future sales or perceived sales or conversion of significant amounts of our H Shares in the public market following the Global Offering could materially and adversely affect the price of our H Shares.

The market price of our H Shares could decline as a result of future sales of a substantial number of our H Shares or other securities relating to our H Shares in the public market, or the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Future sales, or anticipated sales, of substantial amounts of our securities, including any future offerings, could also materially and adversely affect our ability to raise capital at a specific time and on terms favorable to us. In addition, our Shareholders may experience dilution in their holdings if we issue more securities in the future. New shares or shares-linked securities issued by us may also confer rights and privileges that take priority over those conferred by the H Shares.

In addition, while investors subscribing shares in the Global Offering are not subject to any restrictions on the disposal of the H Shares they subscribed (except otherwise disclosed in this prospectus), they may have existing arrangements or agreement to dispose part or all of the H Shares they hold immediately or within certain period upon completion of the Global Offering for legal and regulatory, business and market, or other reasons. Such disposal may occur within a short period or any time or period after the Listing Date.

Any sale of the H Shares subscribed by such investors pursuant to such arrangement or agreement could adversely affect the market price of our H Shares and any sizeable sale could have a material and adverse effect on the market price of our H Shares and could cause substantial volatility in the trading volume of our H Shares.

You will incur immediate and significant dilution and may experience further dilution if we issue additional Shares or equity securities in the future.

The Offer Price of the H Shares is higher than the net tangible asset value per H Share immediately prior to the Global Offering. Therefore, purchasers of the H Shares in the Global Offering will experience an immediate dilution. In order to expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the H Shares may experience dilution if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time. Furthermore, we may issue Shares through the employee incentive platforms, which would further dilute Shareholders' interests in our Company.

Certain facts, forecasts and statistics in this prospectus are derived from various official government sources and have not been independently verified by us.

Certain statistics, information and data contained in this prospectus relating to China and elsewhere in the world, and the industry in which we operate have been derived from various official government publications. Information and statistics from official government sources have not been independently verified by us or any other parties involved in the Global Offering and no representation is given as to their accuracy. Due to possibly flawed or ineffective collection methods and analysis or discrepancies between published information and market practice, statistics, information and data from official government sources in this prospectus may be inaccurate or may not be comparable to statistics, information and data produced with respect to other economies. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as the case may be in other jurisdictions. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on such information, statistics and data from official government sources.

Payment of dividends is subject to restrictions under the PRC law and there is no assurance whether and when we will pay dividends.

No dividend has been paid or declared by the Company during the Track Record Period. Under the applicable PRC laws, the payment of dividends may be subject to certain limitations. The calculation of our profit under applicable accounting standards differs in certain respects from the calculation under IFRS. As a result, we may not be able to pay a dividend in a given year even if we were profitable as determined under IFRS. Our Board may declare dividends in the future after taking into account our results of operations, financial condition, cash requirements and availability and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the PRC laws and regulations and requires approval at our Shareholders' meeting. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution.

You should read the entire prospectus carefully, and we strongly caution you not to place any reliance on any information contained in press articles or other media regarding us or the Global Offering.

Prior to the publication of this prospectus, there has been coverage in the media regarding us and the Global Offering, which contained among other things, certain financial information, projections, valuations and other forward-looking information about us and the Global Offering. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for the accuracy or completeness of such media coverage or forward-looking statements. We make no representation as to the appropriateness, accuracy, completeness or reliability of any information disseminated in the media. We disclaim any information in the media to the extent that such information is inconsistent or conflicts with the information contained in this prospectus. Accordingly, prospective investors are cautioned to make their investment decisions on the basis of the information contained in this prospectus only and should not rely on any other information.

In preparation for the Global Offering, we have applied for the following waivers from strict compliance with the relevant provisions of the Listing Rules and the following exemption from compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, we must have sufficient management presence in Hong Kong, which normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. As of the Latest Practicable Date, none of our executive Directors resided in Hong Kong.

Pursuant to Rule 19A.15 of the Listing Rules, the requirement in Rule 8.12 may be waived by having regard to, among other considerations, the applicant's arrangements for maintaining regular communication with the Stock Exchange.

Since our Group's principal business operations are primarily conducted in the PRC, and all our executive Directors ordinarily reside outside Hong Kong, our Company considers that it would be practically difficult and commercially unreasonable and undesirable for our Company to arrange for two executive Directors to be ordinarily resident in Hong Kong, either by means of relocation of existing executive Directors or appointment of additional executive Directors. Therefore, we do not and, in the foreseeable future, will not have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 of the Listing Rules.

Accordingly, pursuant to Rule 19A.15 of the Listing Rules, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules, subject to the following conditions. We will ensure that there is an effective channel of communication between us and the Stock Exchange by way of the following arrangements:

1. we have appointed Ms. Chen Miaoping (陳妙娉) ("**Ms. Chen**") and Ms. Lam Wai Yee Sophie (林慧怡) ("**Ms. Lam**") as our authorized representatives (the "**Authorized Representatives**") pursuant to Rule 3.05 of the Listing Rules. The Authorized Representatives will act as our principal channel of communication with the Stock Exchange. Each of the Authorized Representatives will be readily contactable by phone, facsimile and email to promptly deal with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon request of the Stock Exchange;

2. when the Stock Exchange wishes to contact our Directors on any matter, each of the Authorized Representatives will have all necessary means to contact all of our Directors (including our independent non-executive Directors) and senior management team promptly at all times. Our Company will also inform the Stock Exchange promptly in respect of any changes in the Authorized Representatives. We have provided the Stock Exchange with the contact details (i.e., mobile phone number, office phone number, fax number and email address) of each of our Authorized Representatives and our Directors to facilitate communication with the Stock Exchange;

3. all Directors who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period of time upon request;

4. in compliance with Rule 3A.19 of the Listing Rules, we have appointed Maxa Capital Limited as our compliance advisor (the "**Compliance Advisor**"), which has access at all times to our Authorized Representatives, Directors and other officers of our Company, and will act as an additional channel of communication with the Stock Exchange. Our Company will keep the Stock Exchange up to date in respect of any change to such details. Our Authorized Representatives, Directors and other officers of our Company will provide promptly such information and assistance as the

Compliance Advisor may reasonably require in connection with the performance of the Compliance Advisor's duties as set forth in Chapter 3A of the Listing Rules. There will be adequate and efficient means of communication between our Company, the Authorized Representatives, our Directors and other officers and the Compliance Advisor, and to the extent reasonably practicable and legally permissible, our Company will keep the Compliance Advisor informed of all communications and dealings between our Company and the Stock Exchange; and

5. we shall ensure that there are adequate and efficient means of communication among our Company, our Authorized Representatives, our Directors, other officers and the Compliance Advisor, and will keep the Compliance Advisor fully informed of all communications and dealings between us and the Stock Exchange.

WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

Note 1 to Rule 3.28 of the Listing Rules further provides that the Stock Exchange considers that the following academic or professional qualifications to be acceptable:

(a) a member of The Hong Kong Chartered Governance Institute;

(b) a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong)); and

(c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Note 2 to Rule 3.28 of the Listing Rules provides that the Stock Exchange will consider the following factors in assessing an individual's "relevant experience":

(i) length of employment with the issuer and other issuers and the roles he/she played;

(ii) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

(iii) relevant training taken and/or to be taken in addition to the minimum requirement of taking not less than fifteen hours of relevant professional training in each financial year under Rule 3.29 of the Listing Rules; and

(iv) professional qualifications in other jurisdictions.

We have appointed Ms. Chen, our executive Director, as one of our joint company secretaries. In view of her experience within our Group and her thorough understanding of the internal administration and business operations of our Group, our Directors consider that Ms. Chen is a suitable person to act as a company secretary of our Company. In addition, as the core business and operations of our Group are substantially based and conducted in the PRC, our Directors believe that it is necessary to appoint Ms. Chen as a company secretary whose presence in the headquarters of our Group enables her to attend to the day-to-day corporate secretarial matters concerning our Group.

Given Ms. Chen does not possess the qualification and sufficient relevant experience stipulated in Rule 3.28 of the Listing Rules, she is not able to solely fulfill the requirements as a company secretary of a listed issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules. To provide assistance to Ms. Chen and enable her to acquire all qualifications and experience as the company secretary of our Company required under Rule 3.28 of the Listing Rules, we have also appointed Ms. Lam, a Chartered Secretary, a Chartered Governance

Professional and a Fellow of The Chartered Governance Institute in the United Kingdom and The Hong Kong Chartered Governance Institute, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary and to provide assistance to Ms. Chen for an initial period of three years from the Listing.

Since Ms. Chen does not possess the formal qualifications required of a company secretary under Rule 3.28 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Ms. Chen may act as a joint company secretary of our Company. Pursuant to paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants published by the Stock Exchange, the waiver will be for a fixed period of time (the "**Waiver Period**") and on the following conditions:

(i) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and

(ii) the waiver can be revoked if there are material breaches of the Listing Rules by the issuer.

The waiver is valid for an initial period of three years from the Listing, and is granted on the condition that Ms. Lam, as a joint company secretary of our Company, will work closely with, and provide assistance to, Ms. Chen in the discharge of her duties as a joint company secretary and in gaining the relevant company secretary experience as required under Rule 3.28 of the Listing Rules and to become familiar with the requirements of the Listing Rules and other applicable Hong Kong laws and regulations, for an initial period of three years commencing on the Listing.

Given Ms. Lam's professional qualifications and experience, she will be able to explain to both Ms. Chen and our Company the relevant requirements under the Listing Rules. Ms. Lam will also assist Ms. Chen in organizing Board meetings and Shareholders' meetings of our Company as well as other matters of our Company which are incidental to the duties of a company secretary. She is expected to work closely with Ms. Chen, and will maintain regular contact with our Directors and the senior management of our Company. The waiver will be revoked immediately if Ms. Lam ceases to provide assistance to Ms. Chen as a joint company secretary for the three-year period after the Listing or where there are material breaches of the Listing Rules by our Company.

In addition, Ms. Chen will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance her knowledge of the Listing Rules during the three-year period from the Listing. Ms. Chen will also be assisted by (a) the Compliance Advisor, particularly in relation to compliance with the Listing Rules; and (b) the Hong Kong legal advisors of our Company, on matters concerning our Company's ongoing compliance with the Listing Rules and the applicable laws and regulations.

Prior to the expiration of the initial three-year period, we will evaluate the qualifications and experience of Ms. Chen to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied and whether the need for ongoing assistance of Ms. Lam will continue. We will demonstrate and seek the Stock Exchange's confirmation that Ms. Chen, having benefited from the assistance of Ms. Lam for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

For the biographical information of Ms. Chen and Ms. Lam, please see "Directors and Senior Management" in this prospectus.

EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1)(B) OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE IN RELATION TO PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Pursuant to section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the prospectus must state the matters specified in Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (the "**Third Schedule**") and set out the reports specified in Part II of the Third Schedule.

Pursuant to paragraph 27 of Part I of the Third Schedule, the prospectus must specify a statement as to the gross trading income or sales turnover (as may be appropriate) of the company during each of the three financial years immediately preceding the issue of the prospectus including an explanation of the method used for the computation of such income or turnover and a reasonable breakdown between the more important trading activities.

Pursuant to paragraph 31 of Part II of the Third Schedule, the prospectus must set out a report by the auditors of the company with respect to (i) profits and losses of the company for each of three financial years immediately preceding the issue of the prospectus and (ii) assets and liabilities of the company at the last date of each of the three financial years immediately preceding the issue of the prospectus.

Pursuant to section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interest of the investing public and compliance with any or all of those requirements would be irrelevant or unduly burdensome, or would otherwise be unnecessary or inappropriate.

Pursuant to Rule 4.04(1) of the Listing Rules, the consolidated results of the issuer and its subsidiaries in respect of each of the three financial years immediately preceding the issue of the listing document or such shorter period as may be acceptable to the Stock Exchange must be included in the accountants' report to its prospectus.

Rule 18A.03(3) of the Listing Rules requires that a biotech company must have been in operation in its current line of business for at least two financial years prior to listing under substantially the same management. Pursuant to Rule 18A.06 of the Listing Rules, a biotech company must comply with Rule 4.04 of the Listing Rules modified so that references to "three financial years" or "three years" in Rule 4.04 shall instead reference to "two financial years" or "two years", as the case may be. Further, pursuant to Rule 8.06 of the Listing Rules, the latest financial period reported on by the reporting accountants for a new applicant must not have ended more than six months from the date of the listing document.

In compliance with the above mentioned requirements under the Listing Rules, the Accountants' Report of our Company set out in Appendix I to this prospectus is currently prepared to cover the two financial years ended December 31, 2024 and 2025.

Accordingly, the Joint Sponsors have applied, on behalf of our Company, to the SFC for an exemption from strict compliance with the requirements under section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule on the following grounds:

(a) our Company is primarily engaged in developing and commercializing percutaneous puncture and ablation surgical robots in China, and falls within the scope of biotech company as defined under Chapter 18A of the Listing Rules. Our Company will fulfill the additional conditions for listing required under Chapter 18A of the Listing Rules;

(b) the Accountants' Report for the two years ended December 31, 2024 and 2025 has been disclosed in this prospectus and set out in Appendix I to this prospectus in accordance with Rule 18A.06 of the Listing Rules;

(c) notwithstanding that the financial results set out in this prospectus are only for the two financial years ended December 31, 2024 and 2025 in accordance with Chapter 18A of the Listing Rules, other information required to be disclosed under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance has been adequately disclosed in this prospectus pursuant to the relevant requirements;

(d) given that Chapter 18A of the Listing Rules provides that the minimum track record period for biotech companies in terms of financial disclosure is two years, strict compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance and paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance would be unnecessary and/or irrelevant in the circumstance of our Company;

(e) our Directors confirm that, up to the date of this prospectus, there has been no material adverse change to the financial and trading positions or prospects of our Company since December 31, 2025 (immediately following the date of the latest audited statement of financial position in the Accountants' Report set out in Appendix I to this prospectus) and there has been no event which would materially affect the information shown in the Accountants' Report as set out in Appendix I and the section headed "Financial Information" in this prospectus and other parts of the prospectus. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the attention of the Joint Sponsors that would reasonably cast doubt on our Directors' view above; and

(f) our Directors are of the view that the Accountants' Report covering the two years ended December 31, 2024 and 2025 included in this prospectus, together with other disclosures in this prospectus, have already provided potential investors with adequate and reasonably up-to-date information in the circumstances to form a view on our Company's track record and financing trend. In addition, our Directors confirm that all information which is necessary for the investing public to make an informed assessment of the activities, assets and liabilities, financial position, trading position, management and prospects of our Group has been included in this prospectus. Therefore, the exemption would not prejudice the interests of the investing public.

The SFC has granted us a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule on the conditions that:

(a) the particulars of the exemption are disclosed in this prospectus; and

(b) this prospectus will be issued on or before June 22, 2026.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus, for which our Directors (including any proposed Director who is named as such in this prospectus) collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information to the public with regard to our Group. Our Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make this prospectus or any statement in this prospectus misleading.

CSRC FILING

We have submitted a filing to the CSRC for application of listing of our H Shares on the Stock Exchange on December 10, 2025. The CSRC issued a notification on May 19, 2026 confirming our completion of filing procedures for the Listing and the Global Offering. No other approvals from the CSRC are required to be obtained for the Listing. The CSRC accepts no responsibility for the financial soundness of us or for the accuracy of any of the statements made or opinions expressed in this prospectus.

INFORMATION ON THE GLOBAL OFFERING, STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING AND PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES

The Hong Kong Offer Shares are offered solely on the basis of the information contained, representations made, and on and subject to the terms and conditions set out, in this prospectus. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this prospectus, and any information or representation not contained in this prospectus must not be relied upon as having been authorized by our Company, the Joint Sponsors, the Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their respective directors, officers, agents, employees, representatives or advisors or any other person or party involved in the Global Offering.

Neither the delivery of this prospectus nor any offering, sale or delivery made in connection with the Offer Shares should, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in our affairs since the date of this prospectus or imply that the information contained in this prospectus is correct as of any date subsequent to the date of this prospectus.

Details of the structure of the Global Offering, including its conditions and the arrangements relating to the Over-allotment Option and stabilization, are set out in "Structure of the Global Offering" and the procedures for applying for the Hong Kong Offer Shares are set out in "How to Apply for Hong Kong Offer Shares".

OVER-ALLOTMENT OPTION AND STABILIZATION

Details of the arrangements relating to the Over-allotment Option and stabilization are set out in the section headed "Structure of the Global Offering". Assuming that the Over-allotment Option is exercised in full, our Company may be required to issue up to an aggregate of 534,700 additional H Shares.

UNDERWRITING

This prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. For applicants under the Hong Kong Public Offering, this prospectus sets out the terms and conditions of the Hong Kong Public Offering.

The Listing is sponsored by the Joint Sponsors and the Global Offering is managed by the Overall Coordinators. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is subject to us and the Overall Coordinators (for themselves and on behalf of the other Underwriters) agreeing on the Offer Price. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement, which is expected to be entered into on or around the Price Determination Date.

If, for any reason, our Company and the Overall Coordinators (for themselves and on behalf of the other Underwriters) are unable to reach an agreement on the Offer Price by 12:00 noon on Friday, June 26, 2026, the Global Offering will not proceed and will lapse. For full information about the Underwriters and the underwriting arrangements, see "Underwriting" in this prospectus.

RESTRICTIONS ON OFFER AND SALE OF THE SHARES

Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to, or be deemed by his/her acquisition of the Offer Shares to, confirm that he/she is aware of the restrictions on offers of the Offer Shares described in this prospectus.

No action has been taken to permit a public offering of the Offer Shares in any jurisdiction other than in Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and the Global Offering of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Offer Shares have not been offered and sold, and will not be offered and sold, directly or indirectly, in the PRC or the United States.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the granting of the listing of, and permission to deal in, our H Shares in issue and to be issued pursuant to the Global Offering (including the additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option).

Save as disclosed in this prospectus, no part of our Company's H Shares or debt securities is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought as of the Latest Practicable Date. All the H Shares will be registered on the H Share register of members of our Company in order to enable them to be traded on the Stock Exchange.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotment made in respect of any applications will be invalid if the listing of, and permission to deal in, the H Shares on the Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to our Company by the Stock Exchange.

COMMENCEMENT OF DEALINGS IN THE H SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. on Tuesday, June 30, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, June 30, 2026. The H Shares will be traded in board lots of 20 H Shares each. The stock code of the H Shares will be 2697.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, our H Shares on the Stock Exchange and our compliance with the stock admission requirements of HKSCC, our H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date HKSCC chooses. Settlement of transactions between Exchange Participants (as defined in the Listing Rules) is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Investors should seek the advice of their stockbroker or other professional advisors for details of the settlement arrangements as such arrangements may affect their rights and interests.

All necessary arrangements have been made to enable the H Shares to be admitted into CCASS.

H SHARE REGISTER OF MEMBERS AND STAMP DUTY

All H Shares issued pursuant to applications made in the Hong Kong Public Offering and the International Offering will be registered on our Company's H Share register of members to be maintained by our H Share Registrar, Tricor Investor Services Limited, in Hong Kong. We will maintain the Company's principal register of members at our current registered office in the PRC.

Dealings in the H Shares registered on our H Share register of members will be subject to Hong Kong stamp duty. For further details of Hong Kong stamp duty, please seek professional tax advice.

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisors if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposal of, or dealing in, our H Shares (or exercising rights attached to them). None of us, the Joint Sponsors, the Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of their respective directors, agents, employees or advisors or any other person or party involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchase, holding or disposal of, dealing in, or the exercise of any rights in relation to, our H Shares.

EXCHANGE RATE CONVERSION

Solely for your convenience, this prospectus contains translations among certain amounts denominated in Renminbi, Hong Kong dollars and U.S. dollars.

Unless otherwise specified, amounts denominated in Hong Kong dollars and Renminbi have been translated, for the purpose of illustration only, into U.S. dollars in this prospectus at the following exchange rates:

HK$1.00 to RMB0.87 (being the prevailing exchange rate on June 14, 2026 set by the PBOC)

US$1.00 to RMB6.81 (being the prevailing exchange rate on June 14, 2026 set by the PBOC)

No representation is made that any amounts in Renminbi, Hong Kong dollars or U.S. dollars can be or could have been at the relevant dates converted at the above rates or any other rates or at all.

LANGUAGE

If there is any inconsistency between the English version of this prospectus and its Chinese translation, the English version shall prevail.

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in this prospectus in both the Chinese and English languages. In the event of inconsistency, the Chinese versions shall prevail. English translations of company names and other terms from the Chinese language are provided for identification purposes only.

ROUNDING

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments, or have been rounded to a set number of decimal places. Any discrepancies in any table or chart between totals and sums of amounts listed therein are due to rounding.

DIRECTORS

Names	Residential address	Nationality
Executive Directors		
Ms. Cheong Hou Iam (張昊任)	Building 95, Xisanqi Huayuan 2 Li, Haidian District Beijing PRC	Chinese (Macau)
Ms. Chen Miaoping (陳妙娉)	Room 301, Unit 2, Building 8 Country Garden Canglong Mansion No. 317 Fushi Road Dashi Street Panyu District Guangzhou PRC	Chinese
Ms. Guo Jian (郭健)	House 58 Qinghe Maofang Road Haidian District Beijing PRC	Chinese
Non-executive Director		
Ms. Mo Jinling (莫金玲)	Room 2612, No. 30-6 Yingfeng Road Haizhu District Guangzhou PRC	Chinese
Independent non-executive Directors		
Dr. Liu Lianggang (劉良鋼)	Room 3102, Unit 2 Building 19, Phase III Gree Plaza, Shihua West Road Jida Subdistrict, Zhuhai PRC	Chinese (Macau)
Mr. Ng Kun Seng Chris (吳冠誠)	Flat A, 3/F, Tower 1 Chatham Gate 388 Chatham Road North Kowloon Hong Kong	Chinese (Hong Kong)
Mr. Ma Jianming (馬劍鳴)	Room 2103, No. 9 Lane 1333, Lanzhou Road Yangpu District, Shanghai PRC	Chinese

Please refer to the section headed "Directors and Senior Management" in this prospectus for further information on our Directors.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **DBS Asia Capital Limited** 73/F, The Center 99 Queen's Road Central Central Hong Kong
Sponsor-Overall Coordinator	**DBS Asia Capital Limited** 73/F, The Center 99 Queen's Road Central Central Hong Kong
Overall Coordinators	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **DBS Asia Capital Limited** 73/F, The Center 99 Queen's Road Central Central Hong Kong
Joint Global Coordinators	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **DBS Asia Capital Limited** 73/F, The Center 99 Queen's Road Central Central Hong Kong **ABCI Capital Limited** 11/F, 50 Connaught Road Central Hong Kong
Joint Bookrunners	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong

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ABCI Capital Limited
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Funde Securities Limited
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Admiralty
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Livermore Holdings Limited
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The Gateway
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SPDB International Capital Limited
33/F, SPD Bank Tower
One Hennessy
1 Hennessy Road
Hong Kong

Joint Lead Managers

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Capital Market Intermediaries

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South China Securities Limited
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SPDB International Capital Limited
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One Hennessy
1 Hennessy Road
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	Room 1111, 11/F New World Tower I 16–18 Queen's Road Central Central Hong Kong *As to the PRC laws* **Beijing DeHeng Law Offices** 12/F, Tower B Focus Place No. 19 Finance Street Beijing PRC
Legal Advisors to the Joint Sponsors and the Underwriters	*As to Hong Kong laws* **DLA Piper Hong Kong** 25/F, Three Exchange Square 8 Connaught Place Central Hong Kong *As to the PRC laws* **Jingtian & Gongcheng** 34/F, Tower 3 China Central Place 77 Jianguo Road Chaoyang District Beijing PRC
Auditor and reporting accountant	**Ernst & Young** *Certified Public Accountants and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance* 27/F, One Taikoo Place 979 King's Road Quarry Bay Hong Kong
Industry Consultant	**China Insights Industry Consultancy Limited** 10/F, Building B Jing'an International Centre 88 Puji Road Jing'an District Shanghai PRC
Main Receiving Bank	**CMB Wing Lung Bank Limited** 45 Des Voeux Road Central Hong Kong
Sub-receiving Bank	**DBS Bank (Hong Kong) Limited** 16/F, The Centre 99 Queen's Road Central Hong Kong

Registered Office, Headquarters and Principal Place of Business in the PRC	Room 101, 1/F, Building 9, 1889 Huandao East Road, Hengqin New District, Zhuhai, Guangdong Province PRC
Principal Place of Business in Hong Kong	40/F, Dah Sing Financial Centre 248 Queen's Road East, Wanchai, Hong Kong
Company's Website	**www.truehealth.cn** *(Note: the information on this website does not form part of this prospectus)*
Joint Company Secretaries and Authorized Representatives	**Ms. Chen Miaoping** (陳妙娉) Room 301, Unit 2, Building 8, Country Garden Canglong Mansion, No. 317 Fushi Road, Dashi Street Panyu District, Guangzhou, PRC **Ms. Lam Wai Yee Sophie** (林慧怡) *(FCG, HKFCG)* 40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong
Audit Committee	Mr. Ng Kun Seng Chris (吳冠誠) *(Chairperson)* Dr. Liu Lianggang (劉良鋼) Mr. Ma Jianming (馬劍鳴)
Remuneration and Appraisal Committee	Mr. Ma Jianming (馬劍鳴) *(Chairperson)* Dr. Liu Lianggang (劉良鋼) Ms. Guo Jian (郭健)
Nomination Committee	Ms. Cheong Hou Iam (張昊任) *(Chairperson)* Dr. Liu Lianggang (劉良鋼) Mr. Ma Jianming (馬劍鳴)
H Share Registrar	**Tricor Investor Services Limited** 17/F, Far East Finance Centre, 16 Harcourt Road Hong Kong
Compliance Advisor	**Maxa Capital Limited** Unit 2602, 26/F, Golden Centre, 188 Des Voeux Road Central, Sheung Wan, Hong Kong
Principal Bank	**China Merchants Bank Limited** Hengqin Guangdong-Macao Deep Cooperation Zone Sub-branch Units 101, 102, and 106A, CCCC Hengqin Plaza, No. 338, Cross Gate Avenue, Hengqin, Xiangzhou District, Zhuhai, PRC

The information and statistics set forth in this section and elsewhere in this prospectus have been derived from various official and government publications, publicly available market research sources and from the market research report prepared by China Insights Consultancy, which was commissioned by us, unless otherwise indicated. The information from official government publications has not been independently verified by our Company, the Joint Sponsors, the Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any other party involved in the Global Offering or any of our or their respective directors, officers, representatives, affiliates or advisers and no representation is given as to its correctness, accuracy and completeness.

OVERVIEW OF MEDICAL ROBOT

Introduction of Medical Robot

Medical robots are intelligent robotic systems used in healthcare settings to support healthcare professionals and enhance patient care. Compared with conventional medical equipment, medical robots are capable of sustained and stable performance in high-intensity, high-precision and long-duration tasks, and can provide precise, standardized, and repeatable technical support across multiple scenarios, including minimally invasive surgery, organ transfer, rehabilitation training, patient-assistive care and intra-hospital logistics. Medical robots typically integrate mechanical actuation, sensing or imaging, and control modules to make clinical procedures more visualized, precise, and digitized.

Classification of medical robots

Category	Definition
Surgical Robots	• Integrated systems comprising actuators, imaging and navigation modules, and control and planning system, used under physician supervision or fully automated **for minimally invasive procedures**, with the aim of improving instrument stability, spatial localization accuracy, and intra-operative visualization.
Organ Preservation Robots	• Maintain transplant organs **through ex vivo perfusion and environmental control** that continuously monitor and adjust temperature, oxygenation, nutrient delivery, and preservation parameters during transport between medical facilities.
Rehabilitation Robots	• Robots built around wearable exoskeletons or upper/lower limb training platforms that deliver standardized, repeatable, and personalized gait and limb-function rehabilitation.
Medical Assistant Robots	• Designed for direct patient interaction and clinical support, and automated testing, medical assistant robots are intelligent robotic systems that comprehensively enhance care quality, operating under the supervision of healthcare professionals.
Hospital Service Robots	• Manage healthcare facility operations and logistics through automated medication delivery and supply distribution, environmental services including UV disinfection and room sanitization, and administrative support for pharmacy automation, inventory management, and workflow optimization.
Other Specialized Medical Robots	• Emergency response robots, and other specialized systems for various medical demands, in enhancing safety, throughput, efficiency, and quality in hospitals.

Source: CIC

Medical Robot Market Size

Progress in sensing and imaging, real-time navigation, AI-assisted control, and interoperable hospital IT has expanded use cases from operating rooms to hospital logistics and bedside assistance, while providers adopt automation to improve efficiency, safety and traceability.

China is expected to be a major contributor to the global medical robot market, with market size growing from RMB25.1 billion in 2025 to RMB115.1 billion by 2031, implying a CAGR of 29.9% from 2026 to 2031, underpinned by policy support, accelerating hospital automation, local manufacturing capacity, and cost advantages.

OVERVIEW OF SURGICAL ROBOT

Introduction of Surgical Robot

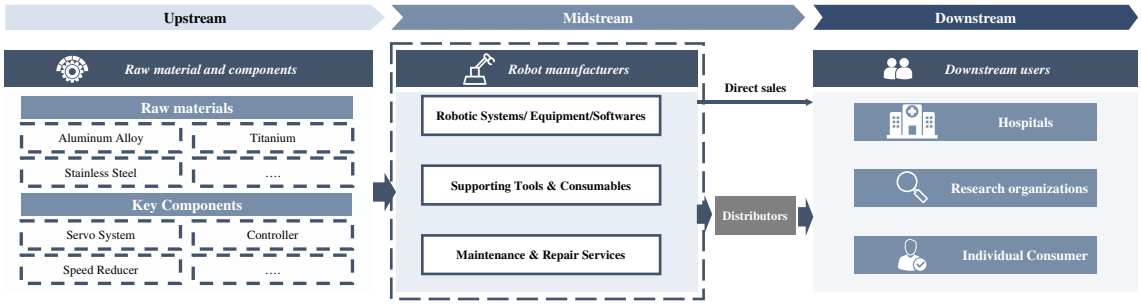
A surgical robot is a multidisciplinary medical device that integrates mechanical engineering, biomechanics and computer science, and are used under physician supervision to perform or assist minimally invasive surgical procedures. Their typical configuration comprises a surgeon console, a procedure platform equipped with actuators, and imaging/visualization systems. By employing high-degree-of-freedom, end-effectors and stabilized control, these systems filter hand tremor and enable more stable and refined maneuvers within narrow and complex anatomical spaces. Compared with open surgery and conventional non-robotic minimally invasive techniques, surgical robots offer combined advantages in hand-eye coordination, operational dexterity, 3D visualization and procedural consistency.

Surgical robots include percutaneous puncture robots, percutaneous ablation robots, laparoscopic robots, orthopedic robots and other surgical robots, covering urology, general surgery, gynecology, thoracic surgery and orthopedic/spine surgery, among others. Among these, laparoscopic robots and orthopedic robots represent the most mature commercial segments, while percutaneous puncture surgical robots feature the broadest coverage across clinical specialties. In particular, percutaneous puncture surgical robots can be applied in respiratory, oncology, interventional radiology, general surgery and gastroenterology, among other departments.

Industry Chain of Surgical Robot Market

The value chain of surgical robots spans upstream, midstream and downstream segments. Upstream, suppliers provide raw materials such as aluminum alloys, titanium and stainless steel, as well as core components including servo systems, controllers and speed reducers, which underpin product reliability and precision. The midstream segment undertakes overall system design, integration, assembly and the development of key functional modules such as imaging, navigation and control systems, transforming technological innovation into clinically compliant products. Downstream, hospitals and other medical institutions purchase and deploy surgical robots in minimally invasive procedures, integrating them into clinical workflows to deliver high-quality surgical services to patients.

Industrial chain of surgical robots

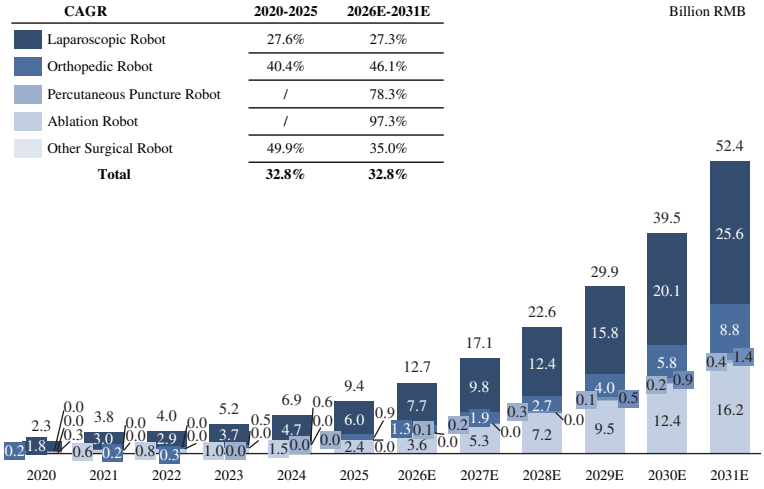


Source: CIC

China's Surgical Robot Market Size

Driven by the rising penetration of minimally invasive procedures, continued advances in technologies, and growing hospital adoption, the surgical robot market has expanded rapidly. The China market increased from RMB2.3 billion in 2020 to RMB9.4 billion in 2025, reflecting a CAGR of 32.8%. Looking ahead, China surgical robot markets is expected to reach RMB52.4 billion by 2031, respectively, implying CAGRs of 32.8% from 2026 to 2031. The chart below illustrates the historical and forecast sizes of the global and China surgical robot markets for the periods indicated.

Surgical robot market size in China, 2020-2031E



Source: CRSA, OECD, FDA, NMPA, Expert Interview, Annual Report, CIC

Growth Drivers and Future Trends of Surgical Robot Market

The growth of the surgical robot market is expected to be driven and shaped by the following factors:

- ***Rising clinical demand***: Demand for surgical robots continues to grow as patients and clinicians increasingly favor minimally invasive procedures that offer less trauma, lower complication risk and faster recovery. Aging populations, rising cancer and chronic disease burden, and expanding surgical volumes are putting pressure on hospitals to improve operating room efficiency and standardize surgical quality across different surgeons and institutions. Together, these factors are driving steady growth in case volumes and supporting the broader clinical adoption of surgical robots.

- ***Improving affordability***: As pilot reimbursement programmes and other enabling policies reduce system costs and establish clearer, acceptable payment models for robotic-assisted procedures, the economic burden on hospitals and patients is gradually easing. For example, since 2021, Shanghai and Beijing have gradually included surgical robots within the scope of public medical insurance reimbursement. On January 20 2026, the NHSA issued the Guidelines for the Establishment of Items for Surgical and Therapeutic Auxiliary Procedures (Trial)(《手術和治療輔助操作類醫療服務價格項目立項指南(試行)》), providing an official policy basis for robot-assisted surgical fees. Hunan and Guangdong, as pilot provinces, published specific pricing in April, representing a significant positive development for the industry. These measures encourage more hospitals to introduce and routinely use surgical robots, thereby expanding patient access to advanced minimally invasive care.

- ***Policy and regulatory support***: In China, surgical robots have been encouraged at the national level as part of high-end medical equipment and intelligent manufacturing initiatives, including the "Robotics+" application program (《"機器人+"應用行動實施方案》) and the NMPA announcement on Measures to Optimize Full-Lifecycle Supervision to Support the Innovative Development of High-End Medical Devices (國家藥監局《關於發佈優化全生命週期監管支持高端醫療器械創新發展有關舉措的公告》), which expressly support adoption of high-precision, minimally invasive robotic systems by medical institutions. Local governments, including Shanghai and Beijing, have also introduced dedicated programs. Shanghai released the Action Plan for Promoting the Medical Robot Industry (2023-2025) (《上海市促進醫療機器人產業發展行動方案(2023-2025年)》), which targets breakthroughs on setting out application demonstration platforms and replicable clinical scenarios, alongside professional public service platforms to accelerate

translation into clinical settings. Beijing has launched a Robot Plus Healthcare application promotion program (《北京市經濟和信息化局關於開展"機器人+醫療"應用推廣活動的通知》) that focuses on product innovation and scenario promotion and requires applicants to complete deployment in designated settings, strengthening the visibility of hospital side adoption pathways. Besides, Shanghai's Notice on Matters Concerning Inclusion of Certain Newly Added Medical Service Items in the City's Basic Medical Insurance Payment Scope (《關於部分新增醫療服務項目納入本市基本醫療保險支付範圍有關事項的通知》) references robot assisted surgical services within their local pricing and reimbursement frameworks.

- ***Technology advancement and AI integration***: Surgical robots are evolving from mechanical assist devices into intelligent surgical platforms. Enhanced arm dexterity and imaging broaden their use in complex, confined and delicate anatomical areas. At the same time, AI is being applied to preoperative image analysis, path planning and intraoperative navigation prompts, improving standardization and reproducibility and laying the groundwork for remote collaboration and assistance models.

Entry Barriers of Surgical Robot Market

For the overall surgical robot market, the entry barriers are broader and more platform-based. Market participants are required to develop multidisciplinary capabilities across robotic control, surgical instruments, software systems, imaging integration, human-machine interaction and system safety, while ensuring that the robotic platform can operate reliably and accurately in complex surgical environments. The development and commercialization of surgical robots also require substantial capital investment and long development cycles, covering product design, engineering validation, clinical evaluation, regulatory approval, manufacturing scale-up and post-market support. In addition, companies need to establish comprehensive surgeon training systems to support clinical adoption, as physicians generally require structured training and hands-on experience before routinely using robotic systems in surgical procedures. After commercialization, companies must also build after-sales service networks capable of providing installation, maintenance, technical support, consumables supply and timely troubleshooting to hospitals. As surgical robots typically involve significant hospital procurement expenditure and are closely associated with surgical safety and clinical outcomes, brand recognition, physician trust and hospital relationships are also important factors affecting market entry and long-term competitiveness.

OVERVIEW OF PERCUTANEOUS PUNCTURE SURGICAL ROBOT

Introduction of Percutaneous Puncture Surgical Robot

Percutaneous puncture surgical robots are designed for percutaneous procedures and are primarily intended to assist in obtaining tissue samples for diagnostic purposes. As high-precision medical devices for minimally invasive biopsy and therapeutic scenarios, these systems rely on MRI, CT and ultrasound imaging to localize target anatomy and to plan access trajectories. Under surgeon console commands, the robotic arm guides the needle to the pre-set position, forming a closed loop of identification, planning, guidance and placement to enhance needle-path accuracy and support percutaneous operations. The system typically comprises a visual perception system, an algorithm and decision-making system and a robotic arm execution system.

Indications of Percutaneous Puncture Surgical Robot

Percutaneous puncture surgical robots are primarily used to assist image-guided biopsy and lesion localization, with key indications in pulmonary nodules, abdominal tumors, prostate disease and retroperitoneal lesions.

Indications of percutaneous puncture surgical robots

Indication	Description	Pain Point	Advantage
Pulmonary nodules	A puncture needle is inserted through the skin and chest wall into the pulmonary lesion	• Movement due to respiratory motion • Multiple CT scans • Frequent needle adjustments • Complications such as pneumothorax and hemoptysis	• Plans the optimal puncture path • Improves puncture success rate • Reduces the risk of complications • Minimizes radiation exposure for both doctors and patients
Abdominal tumor: Liver tumors / Kidney lesions / Pancreatic cysts / Other masses	A puncture needle is inserted through the upper abdominal cortex into the lesion for biopsy and localization	• Technically challenging and carries a high risk due to the dense distribution of adjacent organs and blood vessels • Steep learning curves • Frequent needle adjustments • Increased radiation exposure	• Accurately locates lesions • Protects important structures such as blood vessels and nerves • Shortens operation time • Reduces bleeding and unnecessary damage
Prostate cancer	A puncture needle is inserted through the rectal wall or perineum into the prostate to target the lesion	• Requires the cooperation of two or more physicians • Uneven puncture • Higher rate complications • Certain rate of missed diagnoses	• Reduces puncture complexity • Enhances doctors' puncture accuracy • Increases the positive detection rate in patients • Lowers missed and incorrect diagnoses • Alleviate patient suffering
Retroperitoneal lesions	A percutaneous needle is advanced via a posterior paraspinal or flank retroperitoneal approach to target deep lesions	• Deep target, narrow window • Close to major vessels, ureter, nerves • Motion causes target shift and re-aiming	• 3D preplanning of safe corridor and entry • Motion compensation and stable guidance • Higher success and diagnostic yield • Fewer complications, less time and radiation

Source: Literature review, CIC

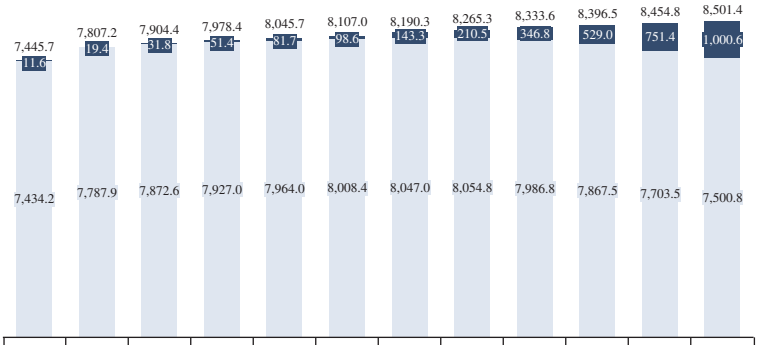
The epidemiological burden of indications addressed by percutaneous puncture surgical robots remains high globally and in China. In 2025, the global prevalent population with pulmonary nodules was approximately 1.6 billion, including about 308.9 million in China, and is expected to increase to approximately 334.1 million in China by 2031, implying a CAGR of 1.2% from 2026E to 2031E. Over the same period, the incidence of lung cancer in China is projected to rise from approximately 1.2 million new cases in 2025 to about 1.4 million in 2031, implying a CAGR of 2.9% from 2026E to 2031E. Globally, combined new cases of liver, kidney and pancreatic cancers totaled about 1.8 million in 2025 and are projected to rise to about 2.2 million by 2031, with China accounting for roughly 0.6 million cases, representing more than one quarter of global incidence. Prostate cancer, one of the more common malignancies among men in China, was estimated at 171.3 thousand cases in 2025 and is expected to reach 253.6 thousand by 2031, implying a CAGR of 6.6% from 2026E to 2031E. In addition, retroperitoneal diseases, a category encompassing neoplastic and non-neoplastic conditions arising in the retroperitoneal space and its structures, were estimated to have an incidence of about 24.5 thousand people in 2025, increasing to 25.4 thousand by 2031. This sizeable prevalent base and ongoing incidence collectively underpin a durable and predictable clinical need for image-guided percutaneous biopsy and lesion localization.

Globally, the overall percutaneous procedure volume is expected to increase from approximately 7.4 million cases in 2020 to about 8.5 million cases by 2031. Robot-assisted percutaneous puncture procedures were approximately 98.6 thousand cases in 2025, and are projected to expand to 1,000.6 thousand cases by 2031.

Number of percutaneous puncture procedures performed globally, 2020-2031E

CAGR	2020-2025	2026E-2031E
R-PP	53.5%	47.5%
M-PP	1.5%	-1.4%
Total	**1.7%**	**0.7%**

Thousand ppl



	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E
Penetration rate	0.2%	0.2%	0.4%	0.6%	1.0%	1.2%	1.7%	2.5%	4.2%	6.3%	8.9%	11.8%

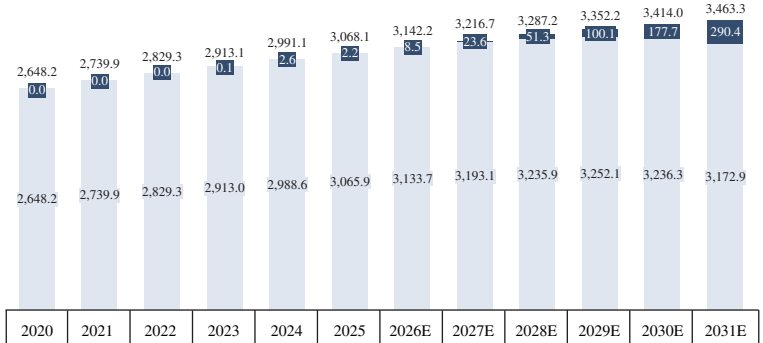
Source: China Insights Consultancy

Overall percutaneous procedure volume in China is expected to increase steadily from approximately 2.6 million cases in 2020 to about 3.5 million cases by 2031, reflecting modest growth driven primarily by underlying clinical demand. Manual percutaneous puncture remains the dominant modality throughout the period, although its growth rate is expected to gradually moderate. In contrast, robot-assisted percutaneous puncture procedures, starting from a low base of 2.2 thousand cases in 2025, are projected to expand rapidly to 290.4 thousand cases by 2031, implying a CAGR of 102.6% over 2026 to 2031 and reflecting accelerating adoption of robotic assistance.

Number of percutaneous puncture procedures performed in China, 2020-2031E

CAGR	2020-2025	2026E-2031E
R-PP	/	102.6%
M-PP	3.0%	0.2%
Total	**3.0%**	**2.2%**

Thousand ppl



	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E
Penetration rate	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.3%	0.7%	1.6%	3.0%	5.2%	8.4%

Source: China Insights Consultancy

Comparison Between Percutaneous Puncture Surgical Robots and Conventional Percutaneous Puncture Procedures

Compared with conventional percutaneous puncture procedures, percutaneous puncture surgical robots deliver higher precision and trajectory stability, streamline intraoperative workflow, and offer stronger reproducibility across surgeons and centers. By integrating preoperative planning with intraoperative navigation and motion tracking, they maintain the planned path and reduce operator-dependent variability. Percutaneous puncture surgical robots may involve relatively high upfront procurement and ongoing maintenance costs, which are typically amortized over a multi-year service life as utilization increases. Although structured training is required during the early adoption stage, guided needle insertion reduces the need for trial-and-error adjustments and repeat imaging, thereby shortening the learning curve and lowering reliance on a small number of highly experienced operators. Fewer needle passes and more accurate targeting also help lower complication risk, support faster recovery, and enable more standardized clinical practice. Meanwhile, as more competitors enter and technology continues to iterate, suppliers may face heightened competition and the need for continuous upgrades, but these dynamics can also accelerate performance improvements and support broader adoption over time.

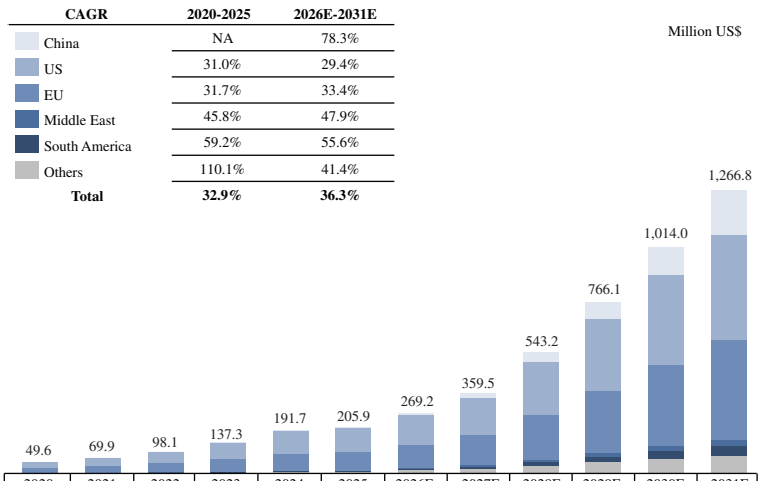
	Accuracy & Stability	Surgical Duration	Learning Curve	Postoperative Complications	Cost	Operating room integration and workflow adaptation
Percutaneous Puncture Surgical Robot	• Mean accuracy 3–5 mm, delivering consistent results across operators	• **Predefined needle paths** • Shortening procedure time **(10-25 mins)**	• Automated needle positioning reduce the technical threshold and reliance on individual operator experience, although **structured training is required** during the early adoption stage	• High first-pass success, resulting in fewer complications and faster recovery at a severe complication rate **<5%**	• Relatively high **upfront and maintenance costs**, **amortized** over a multi-year service life with increasing utilization	• Limited by **inadequate system integration and workflow adaptation**, as well as **compatibility issues** with existing tools
Traditional Puncture Surgery	• Relies heavily on **physician experience** • Accuracy **~7 mm**	• Repeated angle adjustments and rescanning • Prolonging surgery to around **25-40 mins**	• **High entry barrier**, relying on highly experienced physicians	• Multiple needle attempts increase the risk of bleeding, infection and pneumothorax, and are associated with a complication rate of **~10%**	• Primarily relies on **existing** equipment and **standard** consumables	• The workflow is **well established**, with stable and standardized team coordination models

Source: Literature review, CIC

Global Percutaneous Puncture Surgical Robot Market Size

The global market increased from approximately US$49.6 million in 2020 to US$205.9 million in 2025, representing a CAGR of 32.9% from 2020 to 2025. It is further projected to grow from US$269.2 million in 2026 to US$1,266.8 million in 2031, representing a CAGR of 36.3%. The U.S. market grew from US $27.6 million in 2020 to US$106.8 million in 2025 and is projected to reach US$473.9 million by 2031. The Middle East market rose from US$0.4 million in 2020 to US$2.9 million in 2025 and is forecast to reach US$29.8 million by 2031, while the South America market increased from US$0.3 million in 2020 to US$3.0 million in 2025 and is expected to reach US$44.3 million by 2031. The EU market also expanded from US$21.1 million in 2020 to US$83.4 million in 2025, and is projected to further increase to US$443.8 million by 2031.

Global percutaneous puncture surgical robot market size, 2020-2031E



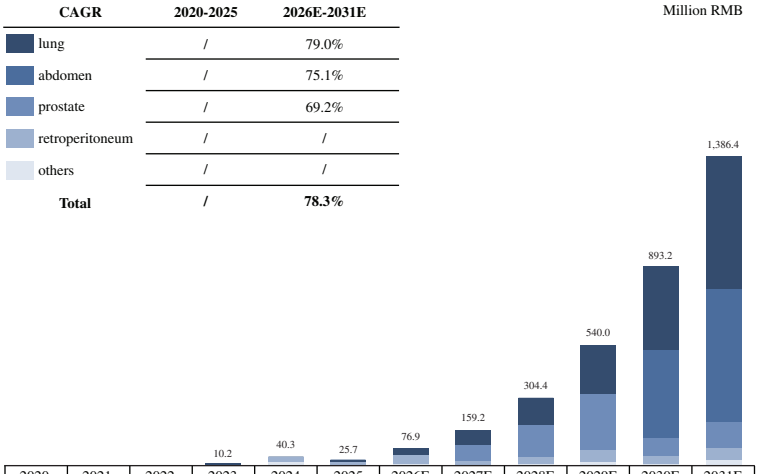
CAGR	2020-2025	2026E-2031E
China	NA	78.3%
US	31.0%	29.4%
EU	31.7%	33.4%
Middle East	45.8%	47.9%
South America	59.2%	55.6%
Others	110.1%	41.4%
Total	**32.9%**	**36.3%**

	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E
China	0.0	0.0	0.0	1.5	5.8	3.7	11.0	22.7	43.5	77.1	127.6	198.1
US	27.6	38.8	53.7	73.0	98.8	106.8	130.7	165.8	239.5	321.5	402.9	473.9
EU	21.1	29.3	41.0	56.2	76.9	83.4	104.9	135.9	201.4	278.7	362.0	443.8
Middle East	0.4	0.7	1.1	1.6	2.5	2.9	4.2	6.2	10.2	15.8	22.8	29.8
South America	0.3	0.5	0.9	1.4	2.4	3.0	4.9	7.6	13.6	22.9	33.5	44.3
Others	0.1	0.6	1.5	3.6	5.3	6.1	13.6	21.3	34.9	50.1	65.3	77.0

Driven by rising volumes of image-guided localization and biopsy procedures, expanding use across pulmonary, abdominal, prostate and other indications, and accelerating hospital adoption of standardized, navigation-assisted workflows, China's percutaneous puncture surgical robot market has grown rapidly. The market increased from RMB0.0 million in 2020 to RMB25.7 million in 2025. Looking ahead, the market is expected to reach RMB1,386.4 million by 2031, implying a CAGR of 78.3% from 2026 to 2031. The consumables segment is expected to reach a market size of RMB13.6 million in 2026. By 2031E, the consumables market is projected to expand to RMB464.6 million, representing a 33.5% market share, implying a CAGR of 102.6% over the period.

By indication, in 2026, the abdomen indication segment is expected to reach a market size of approximately RMB36.4 million, representing the largest contribution at that stage of market development. Looking ahead, by 2031, the lung indication is projected to become one of the dominant segments, with market size expanding to approximately RMB595.0 million, driven by rapid clinical adoption and the large underlying population of pulmonary nodule patients. The chart below illustrates the historical and forecast sizes of China's percutaneous puncture surgical robot market for the periods indicated:

Percutaneous puncture surgical robot market size in China by indication, 2020-2031E



	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E
Lung	/	/	/	2.1	3.3	11.2	32.3	65.6	124.6	222.6	374.3	595.0
Abdomen	/	/	/	4.7	20.7	11.9	36.4	75.3	141.9	246.7	397.7	598.5
Prostate	/	/	/	3.4	16.2	2.6	8.1	17.0	31.8	53.4	81.4	113.0
Retroperitoneum	/	/	/	/	/	/	/	1.2	6.1	17.3	32.2	55.4
Others	/	/	/	/	/	/	/	/	/	/	7.6	24.4

Source: NMPA, Expert Interview, Annual Report, CIC

Although percutaneous puncture surgical robots address key challenges in traditional percutaneous procedures, sales have been slow due to four structural factors. First, these systems target soft tissue organs in the lung and abdomen that move with respiration, making them more technically and clinically demanding than earlier orthopedic robots and requiring time for physician training and adoption. Second, because they are intended to replace freehand puncture, early commercialization depends on academic leadership, multicenter clinical use with good outcomes, and peer reviewed evidence to build hospital consensus, which can take years. Third, initial adopters are mainly top tier public hospitals with lengthy multistage procurement processes that often take about three years, especially in a weak medical device market. Fourth, China has not yet formed a unified nationwide medical service price item for robot assisted procedures, so provincial level pricing leads to fragmented charging standards and uncertainty over hospitals' ability to bill and recover device and consumable costs.

Global Competitive Landscape of Percutaneous Puncture Surgical Robot Market

Globally, the market is likewise transitioning into a new phase defined by tighter convergence of imaging navigation, AI-driven planning and robotic execution. As of the Latest Practicable Date, 7 companies hold FDA 510(k) clearances covering 16 systems. As of the Latest Practicable Date, according to publicly available information from the ICTRP, ClinicalTrials.gov and ChiCTR databases, 5 products from 5 companies were under clinical trials or in the process of obtaining relevant medical device registration certificates in relation to percutaneous puncture surgical robots. Within this cohort, Quantum Surgical's Epione® was the first to expand indications beyond percutaneous biopsy to tumor-treatment procedures and is compatible with physicians' preferred ablation modalities, but is not itself an integrated ablation system.

In China, the market for percutaneous puncture surgical robots has already entered a competitive scaling phase, with leading domestic manufacturers, which have obtained approval in China, advancing toward more precise lesion localization, broader interventional indications and deeper integration of imaging navigation and AI-based decision support.

China's Competitive Landscape of Percutaneous Puncture Surgical Robot Market

China's percutaneous puncture surgical robot market is still at an early stage, with a limited pool of approved products and new entrants emerging. As of the Latest Practicable Date, a total of 21 percutaneous puncture surgical robots had obtained NMPA approval in

China, comprising 19 domestic products and 2 imported products. Domestic products are generally priced at approximately RMB 2.5 – 6.0 million, reflecting a wider range of product configurations and positioning, while imported products are typically priced higher, at around RMB 7.0 – 10.0 million. In 2025, our company's systems have recorded the highest number of actual shipments nationwide, while our company also ranked first nationwide in overall market share by revenue.

Top 5 Providers of Percutaneous Puncture Surgical Robot, China, 2025

Rank	Name	Actual shipments in 2025	Market share by shipments in 2025	Market share by revenue in 2025
		(unit)	*(%)*	*(%)*
1	**Our Company**	4	36.4%	28.0%
2	MicroPort MedBot	2	18.2%	27.2%
3	WeiDe Precisely	2	18.2%	14.8%
4	United Imaging Surgical	1	9.1%	7.0%
5	Simple Touch	1	9.1%	5.5%

Source: Expert interview, CIC

NMPA Approval List of Percutaneous Puncture Surgical Robots, China

Since the first product was approved in 2022, percutaneous puncture surgical robots have successively obtained registration certificates, reflecting steady progress in regulatory recognition and industrialisation. As of the Latest Practicable Date, our company had obtained 5 NMPA approvals, representing both the earliest and the largest number of NMPA-approved products in this segment. Our TH-S1 has been recognized as the first percutaneous puncture surgical robot in China.

Registration Certificate Number	Company	Type	Product name	Approval date	Indication	Number of Approval
國械註准20223010624			**TH-S1**	**05/13/2022**		
國械註准20233010810			**TH-S**	**06/15/2023**		
國械註准20243012455	**TrueHealth**	**Domestic**	**TH-P Elite/TH-P/TH-P Plus**	**12/05/2024**	**Lung and abdomen**	**5**
國械註准20243012643			**TH-S Pro**	**12/30/2024**		
國械註准20253012595			**TH-SA**	**12/15/2025**		
國械註准20233010199	Biobot Surgical Pte Ltd	Imported	iSR'obot Mona Lisa	05/12/2023	Prostate	1
國械註准20233010365	Quantum Surgical	Imported	30-0001	08/16/2023	Abdomen	1
國械註准20233011291	Tuodao Medical	Domestic	NP100	09/06/2023	Lung and abdomen	2
國械註准20253011264			PB100	06/27/2025	Prostate	
國械註准20243010229	Ariemedi	Domestic	ARMD-PN-201	01/31/2024	Lung and abdomen	1
國械註准20243010387	Simple Touch	Domestic	RC 120	02/21/2024	Lung	1
國械註准20243010922	Curaway Medical	Domestic	CR-NAV100	05/16/2024	Lung and abdomen	1
國械註准20243011118	WeiDe Precisely	Domestic	WD-Lung-Navi I	06/18/2024	Lung and abdomen	2
國械註准20263011087			WD-Lung-Navi I b	05/26/2026	Lung and abdomen	
國械註准20243011560	EDDA	Domestic	IQQA-Guide SI-ROBOT	08/23/2024	Lung and abdomen	1
國械註准20253010073	Amit	Domestic	FARE-OC-P	01/10/2025	Abdomen	1
國械註准20253010487	Zoye Medical	Domestic	ZY-TU-6	03/06/2025	Lung and abdomen	1
國械註准20253010707	United Imaging	Domestic	UInterv C550-A/C550-B/C550-C	04/01/2025	Lung and abdomen	1
國械註准20253012369	Hanglok-Tech	Domestic	HLT-SGNIO-A	11/25/2025	Liver	1
國械註准20263010655	Panier Medical	Domestic	ZZ-DJ-S1	03/27/2026	Lung and abdomen	1
國械註准20263010665	Precision MedTech	Domestic	M1P1	03/27/2026	Lung and abdomen	1

Note: As of the Latest Practicable Date

Source: NMPA, CIC

Raw Material Price Fluctuations and Impact

Historically, from 2020 to 2025, the average procurement price of the UR robotic arm ranged from approximately RMB130,000 to RMB153,000 per unit. The average procurement price of the optical vision system host ranged from approximately RMB120,000 to RMB148,000 per unit from 2020 to 2025. Its procurement cost may be affected by procurement volume, changes in suppliers and model upgrades or replacements. As procurement volume increased thereafter, the average procurement price gradually decreased. Nevertheless, such

cost movements are generally considered manageable, and no significant fluctuations are expected. Their impact may also be alleviated through effective supplier management, procurement planning and the evaluation of alternative solutions.

In terms of labor costs, the average labor cost attributable to the manufacturing of the surgical robot was approximately RMB11,000 to RMB33,000 from 2020 to 2025. The significant decrease in average labor cost in 2024 was primarily due to a substantial increase in production volume, which improved the allocation of labor costs on a per-unit basis. Going forward, labor costs are expected to increase moderately over time in line with general wage inflation and the growing need for skilled technical personnel. However, such increases are not expected to result in any material adverse fluctuations in the overall cost structure, given the gradual pace of increase and the relatively limited proportion of labor costs as compared with the total system cost.

Growth Drivers and Future Trends of Percutaneous Puncture Surgical Robot Market

The growth of the percutaneous puncture surgical robot market is expected to be driven and shaped by the following factors:

- ***Aging population and rising chronic disease burden***: According to National Bureau of Statistics, as of 2024, people aged 65 and above accounted for about 15.6% of China's total population, and the aging trend is expected to continue over the coming decades. Older patients generally face higher surgical risk, driving demand for safer and more efficient percutaneous puncture solutions. In parallel, the prevalence of major solid tumours, such as prostate, lung and liver cancers, is expected to increase, which is anticipated to translate into further growth in robot-assisted percutaneous procedures.

- ***Penetration increase***: In recent years, robot-assisted surgery in China has developed steadily on the back of technological progress and accumulating clinical evidence. The first percutaneous puncture surgical robot received NMPA approval in 2022, marking the start of commercialization. Although adoption remains at an early stage, percutaneous robots streamline procedural workflows by automating complex localization steps and lowering the technical threshold, which is expected to drive accelerated growth in installed base and procedure volumes.

- ***Primary-level market demand***: As China deepens healthcare reform and rolls out a tiered diagnosis and treatment system, policy emphasises primary-care first contact, two-way referral and differentiated management of acute and chronic conditions. This requires primary institutions to strengthen capabilities in managing common diseases and postoperative rehabilitation. With their precision, minimal invasiveness and relatively tractable learning curves, percutaneous surgical robots are well placed to serve as enabling tools for primary hospitals, while ongoing trends toward system miniaturization are expected to further enhance their suitability for space- and resource-constrained primary settings, supporting standardized workflows and helping to promote a more balanced regional allocation of medical resources.

- ***Indication expansion***: China has a large and growing population eligible for percutaneous interventions, including an estimated 560.0 thousand new cases of liver, kidney and pancreatic cancers and about 1,144.9 thousand incident cases of lung cancer in 2024, as well as an increasing number of detected pulmonary nodules, thyroid and breast nodules through normalized screening and imaging-based early diagnosis. As utilization deepens in other high-incidence organs, penetration is expected to progressively extend to more technically challenging sites and multi-disciplinary settings.

- ***Technology and education diffusion***: As percutaneous surgical robot technologies continue to mature, structured physician training and standardized operating protocols are expected to drive faster penetration. Looking ahead, AI is set to be the primary catalyst of the next adoption wave, with AI-assisted image segmentation and registration, automated trajectory planning and collision avoidance, adaptive control during needle insertion and outcome-prediction decision support expected to

reduce learning curves and variability. In parallel, AI-powered simulators for credentialing, digital-twin rehearsal and fleet-level predictive maintenance are anticipated to accelerate clinical uptake and scaled deployment of percutaneous surgical robots.

- ***Favorable policy support***: Policy support is expected to drive the development and adoption of percutaneous puncture surgical robots in China by improving the innovation, regulatory and clinical application environment for robot-assisted procedures. For example, in January 2026, the NHSA issued the Guidelines for the Establishment of Items for Surgical and Therapeutic Auxiliary Procedures (Trial) (《手術和治療輔助操作類醫療服務價格項目立項指南(試行)》), which established a unified national framework for robot-assisted procedure pricing and standardized categories based on the robot's level of participation. This helps address the historical lack of medical service fee items for surgical robot-assisted percutaneous puncture procedures. Such policy developments are expected to facilitate commercialization, improve hospital adoption conditions and accelerate the broader penetration of percutaneous puncture surgical robots in China. Globally, favorable policies and regulatory developments are also supporting surgical robotics. In the US, the FDA has recognized consensus standards relevant to robotically assisted surgical devices, including IEC 80601. In Saudi Arabia, the SFDA's Recognized Standards also include IEC 80601-2-77, which specifies the particular requirements for the basic safety and essential performance of robotically assisted surgical equipment. The EU supports the development of medical robotics and AI-enabled medical devices through research funding programmes such as Horizon Europe. In South America, Brazil's decision to incorporate robot-assisted radical prostatectomy into the Brazilian Unified Health System (SUS), signals growing public reimbursement support for selected robot-assisted procedures.

Entry Barriers of Percutaneous Puncture Surgical Robot Market

The percutaneous puncture surgical robot market is a relatively nascent and highly specialized segment of the surgical robotics industry and is subject to relatively high entry barriers. Products in this segment typically involve high-precision navigation, imaging coordination and clinical intervention during puncture procedures, and are therefore subject to stringent regulatory approval requirements, including product registration, technical review, clinical evaluation and, where applicable, clinical trials. As this is an emerging market with relatively low market awareness, market participants also need to accumulate sufficient clinical data and obtain recognition from physicians and hospitals, with the safety, effectiveness and compatibility of their products with clinical workflows subject to validation. Furthermore, new entrants face hospital procurement and commercialization barriers, as procurement decisions are typically influenced by factors such as regulatory status, clinical evidence, physician acceptance, pricing, after-sales service, training support and hospital budget cycles. Current policy initiatives in China support the broader surgical robot market, but do not appear to provide direct national-level subsidies specifically for percutaneous puncture surgical robots. As such, these policies are not expected to materially reduce entry barriers for new entrants in this market. Accordingly, companies that have obtained product approvals, accumulated clinical experience, established physician networks and secured hospital access are generally better positioned than new entrants in this market.

OVERVIEW OF TUMOR ABLATION

Introduction of Tumor Ablation

Tumor ablation is a class of minimally invasive local therapies in which a chemical agent or physical energy is applied directly to the target lesion to destroy tumor cells in situ and thereby treat the local tumor focus. In clinical practice, tumor ablation is generally divided into chemical ablation and physical ablation. Chemical ablation involves injecting ablative agents such as absolute ethanol directly into the tumor to induce coagulative necrosis through chemical injury. Physical ablation uses energy modalities to generate thermal effects, cryogenic effects, high-energy electric-field effects or other physical effects within the target lesion, leading to disruption of cell membranes, protein denaturation, and cellular necrosis or apoptosis.

Tumor ablation techniques have been adopted for the treatment of multiple solid tumors and are commonly used to treat early-stage malignant tumors and biopsy-positive nodules in the lung and abdominal organs, as well as for palliative management of bone tumors in advanced stages. They are often considered when the location or extent of the lesion makes conventional surgical resection difficult or would require highly invasive surgery; in addition to their potential benefits of reduced procedural trauma and shorter recovery, ablation may also be chosen when patients prefer to avoid open surgery or major resection despite the availability of other options, or when they are deemed unsuitable for extensive surgery because of age, comorbidities or overall clinical condition.

Comparison between Different Tumor Ablation Methodologies

Clinically used tumor ablation modalities mainly include radiofrequency ablation, microwave ablation, high-intensity focused ultrasound, cryoablation, irreversible electroporation, laser ablation and chemical ablation. These modalities differ in invasiveness, controllability of energy delivery, predictability of ablation zone formation, procedural complexity, safety margins required near critical structures and anesthesia needs. In practice, selection is based on tumor location, volume and morphology, the surrounding anatomy, patient tolerance, and the availability of equipment and technologies at the treating hospital. Radiofrequency ablation and microwave ablation remain among the most widely adopted techniques in current clinical practice because the operative pathways are relatively mature, the consumable ecosystems are well established and the learning curve for physicians is comparatively manageable.

China's Tumor Ablation Market Size

China's tumor ablation market, measured by treatment costs, expanded from RMB752.1 million in 2020 to RMB1,749.7 million in 2025, representing a CAGR of 18.4%. It is expected to reach RMB3,808.4 million by 2031, implying a CAGR of 13.6% from 2026 to 2031. Growth is supported by a widening eligible patient pool, normalization of screening for nodule-related diseases, broader clinical adoption of image-guided minimally invasive pathways across lung, abdomen and other indications, and improved interventional capacity at tertiary and qualified regional hospitals. Increasing procedure volumes and a shift toward standardized care are also driving higher utilization of associated consumables and services, which in turn provide greater visibility for recurring revenues. The outlook assumes continued policy support and ongoing technology advances that enhance procedural safety and effectiveness, while adoption remains centered on higher-level institutions.

OVERVIEW OF PERCUTANEOUS ABLATION SURGICAL ROBOT

Introduction of Percutaneous Ablation Surgical Robot

A percutaneous ablation surgical robot is an intelligent, minimally invasive interventional platform that integrates an ablation energy module with preoperative planning software, imaging-based navigation systems, and a robotic execution system. Under imaging guidance, these systems assist clinicians in percutaneous ablation by processing CT, MRI, or ultrasound data to generate optimized puncture paths and needle-entry plans. During the procedure they provide real-time spatial localization of the target lesion and the instruments, deliver the ablation needle or probe to the planned target through automated path guidance and stable mechanical execution, and then apply energy such as thermal ablation, cryoablation, or other modalities to achieve local destruction of tissue. In clinical practice they can be used for focal lesions of solid organs including the liver, kidney, lung, breast, thyroid, prostate, bone and other organs.

Percutaneous ablation surgical robots are typically classified by the energy source integrated into the system and primarily include radiofrequency ablation surgical robots, microwave ablation surgical robots, cryoablation surgical robots, irreversible electroporation ablation surgical robots, and laser ablation surgical robots.

Introduction to Percutaneous Microwave Ablation Surgical Robot

A percutaneous microwave ablation surgical robot is a minimally invasive system that integrates navigation, percutaneous needle placement and microwave ablation energy delivery on a single platform. Compared with percutaneous puncture surgical robots, this all-in-one system first performs image-guided navigation and precise percutaneous puncture, and then delivers electromagnetic energy to the target region via a microwave generator, inducing rapid dielectric polarization and rotation of water molecules in local tissues to generate heat, raise tumor cells to cytotoxic temperatures and achieve local ablation. Currently, microwave ablation procedures are used for indications such as liver cancer, breast cancer, thyroid nodules and lung nodules. Over time, these systems are expected to expand their indications to a broader range of organs and tumor types.

China's Potential Target Patients for Percutaneous Microwave Ablation Surgical Robot

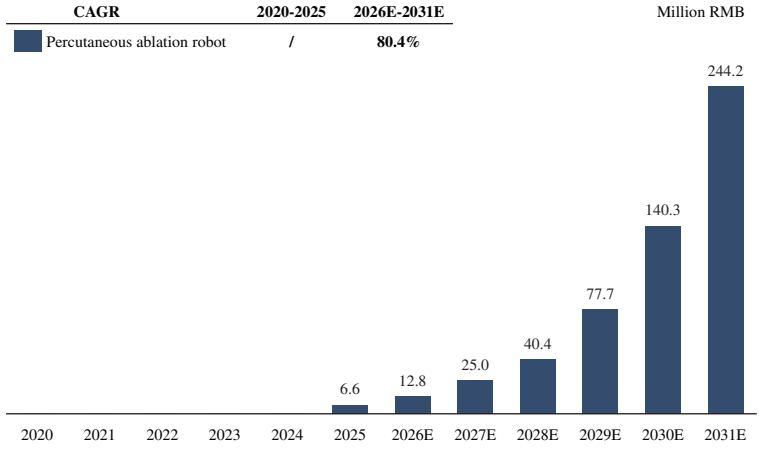
China's target patients for percutaneous microwave ablation surgical robots are defined as individuals who, after completing diagnostic evaluation in accordance with clinical practice guidelines, are deemed clinically eligible for percutaneous microwave ablation. Examples include patients who, after imaging assessment and percutaneous biopsy, are confirmed to have positive liver nodules presenting as a single tumor with a diameter ≤5 cm, or 2–3 tumors with a maximum diameter ≤3 cm, or who are found intra-operatively to be unsuitable for surgical resection, as well as patients with malignant pulmonary nodules whose cardiopulmonary function cannot tolerate surgical resection. According to this definition, the potential target patients for percutaneous microwave ablation surgical robot in China increased from 2.9 million in 2020 to 4.4 million in 2025, representing a CAGR of 8.6%. It is projected to rise further to 5.8 million by 2031, implying a CAGR of 4.3% from 2026 to 2031. Ongoing normalization of screening for liver, pulmonary and breast nodules and improved imaging availability contribute to earlier detection and a higher proportion of patients suitable for minimally invasive local therapy.

Clinical practice is increasingly adopting standardized ablation pathways across liver, lung and kidney indications, which broadens awareness among clinicians and patients and improves referral efficiency. The sustained growth in patient numbers provides clearer visibility on procedure demand and underpins the long-term expansion of standardized, minimally invasive ablation pathways.

China's Percutaneous Microwave Ablation Surgical Robot Market Size

China's percutaneous microwave ablation surgical-robot market is at an early commercialization stage, with meaningful revenue expected to commence after 2024. Market size is projected to rise from approximately RMB6.6 million in 2025 to RMB244.2 million by 2031, reflecting rapid scale-up as approvals translate into hospital tenders, initial installations, and expanding clinical indications. Growth is underpinned by the widening pool of ablation candidates, improvements in image-guided navigation and robotic execution, and supportive hospital procurement and policy environments that enable conversion from pilot use to scaled clinical deployment.

China's percutaneous microwave ablation surgical robot market size, 2020-2031E



Source: Expert Interview, CIC

The growth of the percutaneous microwave ablation surgical robot market in Chinese Mainland is driven by several factors. First, the expanding tumor ablation market provides a solid foundation for robotic adoption, supported by a growing patient pool, wider clinical use of image-guided minimally invasive treatments, and improved intervention capabilities at hospitals. For example, lung nodule patients in China are projected to rise from 308.9 million in 2025 to 334.1 million by 2031. Additionally, increasing procedure volumes and standardization of treatment protocols are boosting the use of related consumables and services, reinforcing the economic case for surgical robots.

Second, robot penetration in tumor ablation remains low. These robots enhance procedural value by improving accuracy and consistency in puncture and ablation, unifying imaging, needle positioning, and ablation control in one device, reducing operator dependence, and supporting standardized workflows. The penetration rate of percutaneous microwave ablation robot-assisted procedures in tumor ablation patients is expected to increase from zero in 2025 to around 8.1% by 2031 as medical institutions complete trial evaluations, training, and workflow standardization, supported by policy developments.

Competitive Landscape of Percutaneous Microwave Ablation Surgical Robot Market

At present, several cleared percutaneous puncture robots can be used in microwave ablation workflows when paired with compatible microwave generators and probes. Representative examples include XACT ACE and Quantum Surgical Epione®. These products operate as navigation and robotic insertion platforms and are used together with third-party microwave energy devices rather than providing an integrated ablation module. In contrast, our company's Navigational Positioning Microwave Ablation System in China is described as an integrated solution that combines puncture navigation and microwave energy delivery, and has been designated by the NMPA as "the first system of its kind worldwide". Aside from our company's products, no approved percutaneous microwave ablation surgical robot has been identified that natively integrates both puncture navigation and microwave ablation within a single platform.

China's percutaneous ablation surgical robot market remained at an early stage, and had not yet entered routine, large-scale procurement and deployment. In September 2024, our company's percutaneous microwave ablation surgical robot received NMPA approval, becoming the first approved product in this sub-segment, and in November 2025, we obtained a second NMPA approval for another percutaneous microwave ablation surgical robot. Two substantive shipments were recorded in 2025. Other relevant companies had not obtained NMPA approval for this category of robotic products and had not commenced commercial delivery.

Growth Drivers and Future Trends of Percutaneous Microwave Ablation Surgical Robot Market

The growth of the percutaneous microwave ablation surgical robot market is expected to be driven and shaped by the following factors:

- ***Broader access and indications***: China's uneven distribution of medical resources is driving demand for standardized, minimally invasive tumor treatments that can be supported remotely, with percutaneous ablation surgical robots expected to help extend specialist care to less-developed regions. At the same time, clinical use is anticipated to expand beyond historically concentrated liver and thyroid indications to additional anatomical sites and into broader multidisciplinary care settings. As new indications are validated and incorporated into routine practice, the addressable patient population and procedure volumes are expected to increase, supporting a larger installed base of percutaneous ablation surgical robots.

- ***Technology iteration-driven integrated ablation upgrade***: With continued technology iteration, percutaneous ablation surgical robots are shifting from stand-alone navigation platforms paired with separate energy devices to integrated systems that combine puncture planning, robotic execution and microwave energy delivery within a unified architecture. Integrated robots can better align the actual ablation zone with the planned target volume, and reduce reliance on manual coordination between different devices.

OVERVIEW OF ORGAN PRESERVATION ROBOT

Introduction of Organ Preservation Robot

Organ preservation robots generally refer to intelligent perfusion platforms designed for ex vivo preservation, in-transit maintenance and functional assessment of donor organs. These systems can operate at near-normothermic or sub-physiological temperatures, continuously monitoring key physiological indicators of the explanted organ, such as perfusion flow, oxygen delivery and metabolic status, and dynamically adjusting perfusate composition, temperature and pressure through algorithmic control to provide a microenvironment that approximates physiological conditions. In future configurations, the platform may be combined with perfusion modules, including robotic manipulators for localized interventions or supportive treatment, to deliver stable support and targeted repair during transport and bridging periods.

Clinically, organ preservation robots are intended for the ex vivo preservation and functional maintenance of solid organs such as the liver and kidney and are used in critical steps from procurement at the donor hospital to implantation at the recipient center, including storage, transport and viability assessment. The objective is to maintain, and in certain cases improve, the transplantability of marginal donor organs prior to surgery, while also laying a technical foundation for in-transit support of other vital organs.

China's Number of Organ Transplant Cases

China's organ transplant volume increased from 17.9 thousand in 2020 to 28.7 thousand in 2025, representing a CAGR of 9.9%. It is projected to reach 41.4 thousand by 2031, implying a CAGR of 6.0% from 2026 to 2031. The steady trajectory indicates sustained expansion of transplant activity, supported by improvements in donor management and allocation, growth in qualified transplant centers, and more standardized care pathways. The rising procedure volume enlarges the addressable need for ex vivo preservation, in-transit maintenance, and functional assessment solutions.

Needs of Organ Preservation

- ***Reducing ischemic injury and maintaining organ viability***: Cold static storage and low oxygen supply leading to function decline. Under conventional cold static storage, organs experience low oxygen supply, and their function progressively declines due to cold ischemia.

- ***Stabilizing the physical environment and lowering the risk of mechanical damage during transfer***: With standard boxes, repeated handovers and long-distance transport can expose organs to vibration, compression and impact. There is a clinical need for carrier systems that provide stable support and dampen external shocks across ground transport, flights and handovers, helping to keep organ conditions consistent and reduce quality loss from physical damage.

- ***Improving the controllability of preservation duration***: In real-world transport, traffic delays, flight waiting times and mismatches between transport and surgical schedules can cause organs to exceed the intended cold-storage window. Clinicians therefore need preservation systems that can maintain near-physiological or sub-physiological temperatures for longer periods and continuously monitor perfusion and oxygenation, rather than relying solely on cold immersion and passive insulation, so as to slow irreversible functional decline and extend the transplantable window.

- ***Enabling real-time preoperative assessment to improve transplant success***: Under current practice, organs often lack continuous, quantitative functional evaluation before arrival, and transplant teams must quickly decide whether an organ remains usable. Clinical demand is therefore shifting from simple preservation to full-process monitoring and dynamic assessment, with continuous recording of perfusion, viability and functional indicators during transport to determine in advance whether the organ is still suitable for transplantation.

Competitive Landscape of Organ Preservation Robot Market

The global organ preservation product landscape is steadily shifting toward more advanced platforms, with 3 major companies worldwide emerging as the primary providers. Transnovo focuses on the liver with CE and FDA PMA approvals and is extending to kidney devices and multi-organ perfusion. Transmedics's Organ Care System covers heart, lung and liver with CE and FDA approvals and is advancing kidney perfusion, longer heart preservation windows and air-logistics optimization. Transmedics is a listed company with a market capitalization of around US$4 billion as of the Latest Practicable Date. OrganOx metra® provides normothermic machine perfusion platforms that simulate near-physiological conditions with oxygenated blood at approximately 37°C to maintain organ activity. On August 25, 2025, Japan's medical technology company Terumo announced a deal to acquire OrganOx for approximately US$1.5 billion, with the aim of expanding its presence in the organ-transplantation field. The transaction underscores the strong growth potential of organ preservation and perfusion technologies amid persistent organ shortages and significant unmet clinical needs.

Growth Drivers and Future Trends of Organ Preservation Robot Market

The growth of the organ preservation robot market is expected to be driven and shaped by the following factors:

- ***Clinical demand driven by severe donor-organ shortages***: There is a persistent global shortage of suitable donor organs, and the number of patients with organ failure far exceeds the transplants that can be performed. According to the China Organ Transplant Response System (COTRS) in China, over 140,000 patients were registered on the national transplant waiting list in 2023. Organ preservation robots are viewed as an important way to ease this imbalance by providing continuous perfusion, oxygenation and maintenance from procurement to implantation, improving the condition of damaged or marginal-quality organs and converting some that are not immediately transplantable into viable grafts, thereby expanding the donor pool without relying on additional sources of donation.

- ***Policy orientation and funding support***: Governments and regulators are giving higher policy priority to organ preservation, transport and repair across the donation transplant pathway and increasing investment in this field. In China, the *Opinions on Promoting the Healthy Development of Human Organ Donation* (《關於促進人體器官捐獻工作健康發展的意見》) and the *Proposal on Promoting the Development of High-Tech Fields Related to Mechanical Perfusion Preservation and Repair of Organs* (《推動我國器官機械灌注保存與修復高新技術領域發展的提

案》) call for standardized management, improved donor-organ quality and utilization, and focused support for mechanical perfusion, continuous preservation and in-transit repair, encouraging clinical adoption of related devices. In the European Union, *Horizon Europe* provides funding for medical device innovation and transplantation-related technologies, including organ preservation and repair and next-generation organ maintenance platforms.

SOURCE OF INFORMATION

We engaged CIC, an independent market research and consulting company that provides industry consulting services, commercial due diligence, and strategic consulting, to conduct detailed research on and analysis of the medical robot market in China and globally. We have agreed to pay a fee of RMB0.8 million to CIC in connection with the preparation of the CIC Report. We have incorporated certain information from the CIC Report into this section, as well as into "Summary," "Business," and elsewhere in this document to provide potential investors with a comprehensive presentation of the industries where we operate.

During the preparation of the CIC Report, CIC conducted both primary and secondary research, and gathered knowledge, statistics, information, and insights on industry trends within the target research markets. The primary research involved interviews with key industry experts and leading industry participants. The secondary research consisted of analyzing data from various publicly available sources, such as the National Bureau of Statistics.

The CIC Report was compiled based on the following assumptions: (i) the overall social, economic, and political environment in China and globally is expected to remain stable during the forecast period; (ii) the economic and industrial development in China and globally is likely to maintain a steady growth trajectory during the forecast period; (iii) key industry drivers are likely to propel the medical robot market in China and globally forward during the forecast period; and (iv) the market will not be dramatically or fundamentally affected by any extreme force majeure events or unforeseen industry regulations.

CHINA REGULATORY OVERVIEW

China's medical device industry is governed by numerous laws and regulations and is subject to extensive government supervision. These laws and regulations cover areas including the manufacturing and sales of medical devices, labor, and intellectual property. The primary regulatory authority for this industry is the NMPA and other local regulatory bodies. In March 2018, the State Council Institutional Reform Plan adopted at the First Session of the 13th NPC decided to dissolve the China Food and Drug Administration. On its foundation, the State Administration for Market Regulation was established, under which the National Medical Products Administration was set up to assume the responsibilities for the regulation of drugs, medical devices, and cosmetics previously undertaken by the former China Food and Drug Administration.

LAWS AND REGULATIONS RELATING TO MEDICAL DEVICES

Regulations Relating to and Classification of Medical Devices

According to the Regulations on the Supervision and Administration of Medical Devices (《醫療器械監督管理條例》) ("Regulations on Medical Devices") promulgated by the State Council, which became effective on April 1, 2000, and were most recently revised on December 6, 2024, effective January 20, 2025, medical devices are classified into Category I (low risk), Category II (medium risk), and Category III (high risk) based on their risk levels. A Category I medical device refers to a device with a low risk level, for which routine management is sufficient to ensure its safety and effectiveness. A Category II medical device refers to a device with a medium risk level, which requires strict regulatory control to ensure its safety and effectiveness. A Category III medical device refers to a device with a high risk level, which requires special measures for strict regulatory control to ensure its safety and effectiveness. Consequently, the NMPA has issued the Medical Device Classification Catalog (《醫療器械分類目錄》) ("Catalog"), which was most recently updated in August 2023.

Registration and Filing of Medical Device Products

According to the Regulations on Medical Devices and the Measures for the Administration of Medical Device Registration and Filing (《醫療器械註冊與備案管理辦法》) promulgated by the SAMR on August 26, 2021, and effective October 1, 2021, Category I domestic medical devices are subject to a filing requirement, where the filing applicant submits the filing materials to the food and medical products administration of the municipality (with districts) where the filing applicant is located. If the matters specified in the filing materials change, the applicant shall update the filing with the original filing authority. Category II and Category III medical devices are subject to administration of product registration. Applications for registration of Category II domestic medical devices are reviewed by the medical products administration of the province, autonomous region, or municipality directly under the Central Government where the applicant is located; upon approval, a medical device registration certificate is issued. Applications for registration of Category III domestic medical devices are reviewed by the NMPA; upon approval, a medical device registration certificate is issued. For any registered Category II or Category III medical device, if substantial changes occur in its design, raw materials, production process, intended use, or usage method that may affect the safety and effectiveness of the medical device, the registration holder shall apply to the original registration authority for registration change procedures.

To standardize the administration of medical device registration, the NMPA formulated and issued standardized formats for medical device registration application materials and approval documents on September 29, 2021, based on the Regulations on Medical Devices and the Measures for Administration of Registration and Recordation of Medical Devices. These formats have been applicable since January 1, 2022.

Registration Testing

According to the Measures for Administration of Registration and Recordation of Medical Devices, when applying for registration or recordation, the product must be tested according to its technical requirements, and the test report must be submitted. Only products that pass the

testing can proceed to clinical trial or apply for registration and recordation. The test report for the medical device product submitted for registration or recordation can be a self-test report from the applicant and submitter, or a test report issued by a qualified medical device testing institution.

Clinical Evaluation

According to the Regulations on Medical Devices and the Measures for Administration of Registration and Recordation of Medical Devices, clinical evaluation is required for the registration or recordation of a medical device product; however, clinical evaluation may be exempted under the circumstances as set out in the relevant regulations. The NMPA formulates, adjusts, and announces the Catalog of Medical Devices Exempt from Clinical Evaluation. Consequently, the NMPA has announced the Catalog of Medical Devices Exempt from Clinical Evaluation (《免於臨床評價醫療器械目錄》) ("Exemption Catalog"), which became effective on October 1, 2021. If a medical device meets the criteria in (i) or (ii) above, it may be included in the Exemption Catalog. On May 13, 2025, the NMPA revised the Catalog of Medical Devices Exempt from Clinical Evaluation (2023) (《免於進行臨床評價醫療器械目錄(2023年)) (NMPA Announcement [2023] No. 33), forming the Catalog of Medical Devices Exempt from Clinical Evaluation (2025) (《免於進行臨床評價醫療器械目錄(2025年)).

Clinical Trials

On March 1, 2016, the CFDA and the National Health and Family Planning Commission of the People's Republic of China jointly promulgated the Good Clinical Trial Practice for Medical Devices (《醫療器械臨床試驗質量管理規範》), which became effective on June 1, 2016. On March 24, 2022, the NMPA and the National Health Commission organized a revision of the Good Clinical Trial Practice for Medical Devices, which became effective on May 1, 2022. These provisions cover the entire process of medical device clinical trials, including trial protocol design, implementation, monitoring, auditing, inspection, as well as data collection, recording, analysis, summarization, and reporting. The sponsor of a medical device clinical trial shall establish a quality management system that covers the entire clinical trial process for medical devices to ensure compliance with relevant laws and regulations and to protect the rights, interests, and safety of subjects. When implementing a medical device clinical trial, the sponsor shall, based on the trial objectives and comprehensively considering the risks, technical characteristics, intended use, and scope of application of the investigational device, organize the development of a scientific and reasonable clinical trial protocol.

According to the Regulations on the Supervision and Administration of Medical Devices and the Measures for the Administration of Medical Device Registration and Filing, clinical evaluation is required for the registration or filing of medical device products. A medical device may be exempt from clinical evaluation only where its working mechanism is well understood, its design is finalized, its manufacturing process is mature, comparable products of the same type have been used clinically for many years without records of serious adverse events, and its intended use remains unchanged, or its safety and effectiveness can be demonstrated through non-clinical evaluation. Clinical evaluation may be conducted through clinical trials or through analysis of clinical literature and clinical data of comparable medical devices, and that clinical trials are required where existing data are insufficient to demonstrate safety and effectiveness. Where existing clinical literature or clinical data are insufficient to confirm the safety and effectiveness of a medical device, clinical trials must be conducted.

The appendix to the Announcement of the National Medical Products Administration on the Issuance of Five Technical Guidelines, Including the Technical Guideline on the Decision Whether to Conduct Medical Device Clinical Trials (Announcement No. 73 of 2021) (《國家藥監局關於發佈醫療器械臨床評價技術指導原則等5項技術指導原則的通告(2021年第73號)》), titled Technical Guideline on the Decision Whether to Conduct Medical Device Clinical Trials (《決策是否開展醫療器械臨床試驗技術指導原則》), further provides that the necessity of conducting a clinical trial should be comprehensively assessed by taking into account factors such as the intended use, technical characteristics, biological characteristics, risk level, and differences from existing medical devices or existing diagnostic and treatment methods. Where the results of non-clinical studies and/or existing clinical data are insufficient to demonstrate

compliance with the basic principles of medical device safety and performance, a clinical trial may be required. As a general principle, Class III medical devices with relatively high clinical risk and novel medical devices are required to undergo clinical trials, unless they meet specific exemption criteria.

In addition, the appendix to the Announcement of the National Medical Products Administration on Issuing the Catalog of Medical Devices Exempt from Clinical Evaluation sets out the Catalog of Medical Devices Exempt from Clinical Evaluation (2025) (《國家藥監局關於發佈免於進行臨床評價醫療器械目錄的通告》(2025年)), which specifies medical device products that are exempt from clinical evaluation.

Production Permit for Medical Devices

According to the Regulations on Medical Devices and the Measures for the Supervision and Administration of Medical Device Production revised by the SAMR on March 10, 2022, and effective on the same date, engaging in the production of medical devices requires meeting the relevant conditions:

(1) having a production site, environmental conditions, production equipment, and professional technical personnel commensurate with the medical devices to be produced;

(2) having an institution or full-time inspection personnel and inspection equipment for quality inspection of the medical devices produced;

(3) having a management system that ensures the quality of the medical devices produced.

Entities engaged in the production of Category I medical devices shall file with the local medical products administration of municipality (with districts), submitting proof materials demonstrating that they meet the conditions for engaging in relevant medical device production activities as stipulated in the Regulations on Medical Devices. Entities engaged in the production of Category II and/or Category III medical devices shall apply for a production permit from the medical products administration of the province, autonomous region, or municipality directly under the Central Government where they are located and submit proof materials demonstrating that they meet the conditions stipulated in the Regulations on Medical Devices, along with the product registration certificate for the medical devices to be produced.

Production of and Quality Management for Medical Devices

According to the Measures for the Supervision and Administration of Medical Device Production (《醫療器械生產監督管理辦法》) revised by the SAMR on March 10, 2022, and the Good Manufacturing Practice for Medical Devices promulgated by the CFDA on December 29, 2014, effective March 1, 2015, medical device manufacturers shall establish and maintain an effective quality management system in accordance with the requirements of the Good Manufacturing Practice for Medical Devices (《醫療器械生產質量管理規範》) and ensure the effective operation of such medical devices. Medical device manufacturers shall regularly conduct comprehensive self-inspections of their quality management system operations according to the Good Manufacturing Practice for Medical Devices requirements and submit self-inspection reports to the food and medical products administration of the province, autonomous region, municipality directly under the Central Government, or municipality with districts where they are located before the end of each year.

Business Permit for Medical Devices

Pursuant to the Measures for Supervision and Administration of Medical Device Business (《醫療器械經營監督管理辦法》) promulgated by the CFDA on July 30, 2014, effective October 1, 2014, and most recently revised by the SAMR on March 10, 2022, effective May 1, 2022, enterprises distributing Category I medical devices do not require approval from the NMPA or its local branches. Enterprises distributing Category II medical devices shall complete a filing with the municipal-level (with districts) medical products administration where they are located; enterprises distributing Category III medical devices shall apply for a business permit from the municipal-level (with districts) medical products administration

where they are located. A business permit for medical devices is valid for five years. The permit holder shall apply for an extension between 30 and 90 working days prior to the expiry date. Medical device registration holders or filing applicants selling their own medical devices at their registered address or production site are exempt from obtaining a separate business permit or recordation, provided they meet the stipulated operating conditions.

Medical device distribution in China is also regulated by the Good Sales Practice of Medical Devices, promulgated by the NMPA on December 12, 2014, and revised by the NMPA on December 4, 2023, effective July 1, 2024. Accordingly, enterprises distributing medical devices shall implement risk management based on the risk category of the medical devices they distribute, adopt corresponding quality management measures, and maintain relevant records or files. Unless otherwise stipulated, medical device distributors shall also have business premises and warehouses suitable for their distribution scope and scale, with the area of such premises and warehouses meeting operational requirements.

Special Review Procedure for Innovative Medical Devices

On October 8, 2017, the General Office of the CPC Central Committee and the General Office of the State Council issued the Opinions on Deepening the Reform of the Evaluation and Approval System and Encouraging Innovations in Drugs and Medical Devices (《關於深化審評審批制度改革鼓勵藥品醫療器械創新的意見》) ("Opinions"), aiming to encourage innovation in medical devices. According to the Opinions, priority review and approval shall be granted to innovative medical devices supported by the National Science and Technology Major Projects and the National Key Research and Development Programs, as well as those for which clinical trials are conducted by National Clinical Medical Research Centers and recognized by the administrative department of the National Clinical Medical Research Centers.

Pursuant to the Special Review Procedure for Innovative Medical Devices (《創新醫療器械特別審查程序》) promulgated by the NMPA on November 2, 2018, and effective December 1, 2018, the special review procedure applies to medical devices meeting the specific circumstances. The Center for Medical Device Evaluation of the National Medical Products Administration shall prioritize the technical review of registered innovative medical devices that have been accepted; after the technical review concludes, the NMPA shall prioritize the administrative approval.

Two-Invoice System

On December 26, 2016, eight government departments, including the CFDA, jointly issued the Notice on Implementing the 'Two-Invoice System' in Drug Procurement by Public Medical Institutions (For Trial Implementation) (《關於在公立醫療機構藥品採購中推行「兩票制」的實施意見(試行)的通知》) ("Notice"). According to the Notice, the "Two-Invoice System" means one invoice issued from the drug manufacturer to the distribution enterprise, and one invoice issued from the distribution enterprise to the medical institution. The Notice explicitly states that the "Two-Invoice System" shall be gradually implemented in drug procurement by public medical institutions, and other medical institutions are encouraged to implement the "Two-Invoice System", aiming for nationwide comprehensive implementation by 2018.

Pursuant to the relevant requirements of the "Two-Invoice System," such system primarily applies to the distribution of pharmaceutical products. Only certain provinces, namely Fujian, Shaanxi, Shanxi and Anhui, have expressly required the implementation of the "Two-Invoice System" in the field of high-value medical consumables. High-value medical consumables mainly include centrally procured medical consumables used in areas such as vascular intervention, orthopedic implants, neurosurgery, structural heart disease, non-vascular intervention, pacemakers, electrophysiology, staplers, extracorporeal circulation and blood purification, artificial organs and tissues, hernia repair, dentistry and ophthalmology. The percutaneous puncture surgical robots currently manufactured and sold by us are reusable medical devices and do not constitute pharmaceuticals or medical consumables; therefore, they are not subject to the "Two-Invoice System." Certain disposables used in conjunction with the robots currently manufactured and sold by us constitute medical consumables; however, they do not fall within the category of high-value medical consumables that are expressly required by the relevant regulatory authorities to be subject to the "Two-Invoice System." In addition,

neither we nor our distributors have sold such disposables in Fujian, Shaanxi, Shanxi or Anhui province. Accordingly, our PRC Legal Advisors are of the view that the "Two-Invoice System" does not apply to our current sales of disposables.

Our PRC Legal Advisors are of the view that our current production and sales of surgical robots and related disposable products are not subject to the national medical insurance system. However, the diagnostic and treatment services provided to patients by hospitals through the use of our Core Product involve, and are subject to, the relevant laws and regulations governing reimbursement under the national medical insurance system.

Our PRC Legal Advisors are of the view that our current production and sales of surgical robots and related disposable products are subject to the relevant laws and regulations governing the procurement and centralized procurement management of medical devices.

Overseas Clinical Trial Data for Medical Devices

On January 10, 2018, the CFDA issued the Technical Guiding Principles for the Acceptance of Overseas Clinical Trial Data for Medical Devices (《接受醫療器械境外臨床試驗數據技術指導原則》) ("Technical Guiding Principles"). According to the Technical Guiding Principles, overseas clinical trial data refers to the research data generated during the process of confirming the safety and effectiveness of a medical device intended for registration in China, under normal conditions of use in all or the same period in clinical trial institutions that meet the requirements of the country (region) where clinical trials are conducted overseas.

According to the Technical Guiding Principles, the overseas clinical trial materials submitted by the applicant shall include at a minimum: the clinical trial protocol, ethical opinion, and the clinical trial report. The clinical trial report shall contain analysis and conclusions based on the complete clinical trial data. Overseas clinical trial data that complies with Chinese registration requirements and is scientific, complete, and sufficient shall be accepted. If the overseas clinical trial data meets the basic requirements of the Technical Guiding Principles but requires supplementary data according to Chinese registration technical requirements, supplementary clinical trials may be conducted within or outside China. The data from these supplementary trials, combined with the original overseas clinical trial data and comprehensively evaluated, will be accepted if they subsequently meet Chinese registration technical requirements.

Adverse Event Monitoring and Reevaluation of Medical Devices

In accordance with the Regulations on Medical Devices, medical device registration holders and filing holders are obligated to conduct adverse event monitoring and reevaluation. Registration holders and filing holders must establish a medical device adverse event monitoring system, equip it with appropriate monitoring institutions and personnel based on their products, and actively monitor adverse events for their products. They must report investigations, analyses, evaluations, and product risk control measures to the technical institution for medical device adverse event monitoring as stipulated by the NMPA. Under specific circumstances, medical device registration holders and filing holders shall proactively initiate a reevaluation of their registered/filed medical devices.

On August 13, 2018, the SAMR and the NHC jointly promulgated the Measures for Administration of Monitoring and Reevaluation of Adverse Events Associated with Medical Devices (《醫療器械不良事件監測和再評價管理辦法》), effective January 1, 2019. These measures specify the adverse event monitoring and reevaluation obligations of medical device marketing authorization holders (i.e., the registration holders and filing holders of medical devices, collectively "holders").

Export Registration

Pursuant to the Regulations on the Administration of Export Sales Certificates of Medical Devices (《醫療器械產品出口銷售證明管理規定》) (No. 18 of Notice of China Food and Drug Administration in 2015) promulgated by China Food and Drug Administration on June 1, 2015 and came into effect on September 1, 2015, if a manufacturing enterprise has obtained a registration certificate and a production permit of medical devices in China or has completed

the filing procedures for the registration and production of medical devices, the provincial drug supervision and administration authority at the place where the enterprise is located may issue a Medical Device Product Export Sales Certificate (《醫療器械產品出口銷售證明》) to the enterprise.

National Medical Insurance System

Article 28 of the Social Insurance Law of the People's Republic of China (Revised in 2018) (《中華人民共和國社會保險法(2018修正)》) provides that medical expenses incurred for items that fall within the scope of the Basic Medical Insurance Drug Catalog, diagnostic and treatment items, medical service facilities standards, as well as emergency and rescue services, shall be paid from the basic medical insurance fund in accordance with national regulations.

The Notice on Printing and Issuing Opinions on the Management of Urban Employee Basic Medical Insurance Diagnosis and Treatment Items, the Scope of Medical Service Facilities, and Payment Standards (Lao She Bu Fa [1999] No. 22) (《關於印發城鎮職工基本醫療保險診療項目管理、醫療服務設施範圍和支付標準意見的通知》(勞社部發[1999]22號)) stipulates the scope of diagnostic instruments, therapeutic devices, and diagnostic tests concerning the reimbursement of medical devices and diagnostic testing, for which partial costs are reimbursed through the basic medical insurance schemes. The Notice also includes a negative list excluding certain devices and medical services from government reimbursement. The specific reimbursement scope and ratio for medical devices and medical services (including diagnostic tests and reagents) are governed by local policies in each province.

The Interim Measures for the Administration of Designated Medical Institutions for Medical Insurance (Order No. 2 of the National Healthcare Security Administration) (《醫療機構醫療保障定點管理暫行辦法》(國家醫療保障局令第2號)), promulgated by the National Healthcare Security Administration ("NHSA") on December 30, 2020 and effective from February 1, 2021, provide that medical expenses incurred by designated medical institutions in the provision of medical services that fall within the scope of medical insurance reimbursement shall be settled between the coordinating regional agency and the relevant medical institution in accordance with applicable rules.

On January 20, 2026, the NHSA issued the Guidelines for the Establishment of Medical Service Pricing Items for Surgical and Therapeutic Auxiliary Procedures (Trial) (《手術和治療輔助操作類醫療服務價格項目立項指南(試行)》), which incorporate items such as surgical navigation-assisted procedure fees, robotic arm-assisted surgical procedure fees, and remote surgical assistance fees into a set of nationally unified medical service pricing item standards. These guidelines provide a policy basis for the inclusion of relevant diagnostic and treatment services into the medical insurance payment framework.

Accordingly, diagnostic and treatment items, medical services and medical consumables that meet the requirements of the basic medical insurance system may be included in the scope of medical insurance payment management in accordance with national and local regulations, and the relevant medical expenses may be reimbursed from the basic medical insurance fund at applicable reimbursement ratios. Our Core Product provides diagnostic and therapeutic services to patients, has demonstrated safety and effectiveness through clinical trials, has obtained Class III medical device registration certificates issued by the NMPA, and offers significant clinical value, including enhanced precision, minimally invasive characteristics and reduced complication rates. Furthermore, the NHSA has standardized the relevant medical service pricing item framework through its medical service pricing guidelines. On this basis, our products are compliant with applicable laws and regulations, meet clinical needs, are safe and effective, and are reasonably priced, and therefore are eligible to be considered for inclusion in the scope of medical insurance payment management in accordance with national and local regulations. Provincial-level healthcare security authorities may, on a regular or ad hoc basis, initiate reviews of medical service pricing items and make corresponding adjustments or additions to the scope of medical insurance reimbursement within their respective jurisdictions.

Procurement of Medical Devices

Pursuant to the Notice of the Ministry of Health on Further Strengthening the Administration of Centralized Procurement of Medical Devices (《衛生部關於進一步加強醫療器械集中採購管理的通知》) issued on June 21, 2007, all non-profit medical institutions operated by governments at all levels, industries, and state-owned enterprises must participate in the centralized procurement of medical devices. No medical institution may circumvent centralized procurement.

According to the Notice on Issuing the Opinions on Reforming the Drug and Medical Service Price Formation Mechanism (《關於印發改革藥品和醫療服務價格形成機制的意見的通知》) promulgated by the NDRC, the Ministry of Health of the People's Republic of China (responsibilities of the former Ministry of Health were successively assumed by the National Health and Family Planning Commission, which was established as a part of the 2013 institutional reform, and by the National Health Commission, which was established as a part of the 2018 institutional reform), and the Ministry of Human Resources and Social Security of the People's Republic of China on November 9, 2009, the administration of medical device prices shall be strengthened. For high-value medical devices, especially implantable (interventional) devices, measures such as limiting the differential rate in the distribution chain and publishing market price information may be used to guide the rational formation of prices.

Pursuant to the Notice of the General Office of the Ministry of Health on Issuing the Work Specifications (Trial) for Centralized Procurement of Category A Large Scale Medical Equipment (Wei Ban Gui Cai Fa [2012] No. 96) (《衛生部辦公廳關於印發甲類大型醫用設備集中採購工作規範(試行)的通知》(衛辦規財發[2012]96號)), the centralized procurement of Category A large scale medical equipment is organized and implemented uniformly by the Ministry of Health. All nonprofit medical institutions established by governments at various levels or by state owned enterprises (including state controlled enterprises) that procure Category A large scale medical equipment are required to participate in such centralized procurement. Local authorities are required to formulate, based on local conditions, corresponding work specifications for the centralized procurement of Category B large scale medical equipment, and to actively promote the implementation of such procurement mechanisms.

According to the Measures for Administration of the Allocation and Use of Large Medical Equipment (for Trial Implementation) (《大型醫用設備配置與使用管理辦法(試行)》) issued by the NHC and the NMPA on May 22, 2018, and effective on the same date, large medical equipment refers to large medical devices that involve complex technology, require significant capital investment and high operating costs, have a substantial impact on medical expenses, and are subject to Catalog-based administration. The Catalog of Large Medical Equipment was proposed by the NHC in conjunction with relevant departments of the State Council and announced for implementation after approval by the State Council. The Catalog for Administration of the Allocation of Large Medical Equipment includes Category A and Category B. Applications for the allocating Category A large medical equipment shall be submitted to the NHC; applications for allocating Category B large medical equipment shall be submitted to the provincial-level health administration department where the applicant is located. Our products do not fall under Category A or Category B and are not subject to Catalog-based administration.

Pursuant to the Notice of the General Office of the State Council on Issuing the Reform Plan for the Governance of High-Value Medical Consumables (Guo Ban Fa [2019] No. 37) (《國務院辦公廳關於印發<治理高值醫用耗材改革方案>的通知》(國辦發[2019]37號)), a price monitoring and centralized procurement management platform for high-value medical consumables has been established. Under principles such as volume-based procurement, linkage between quantity and price, and promotion of market competition, regulators are to explore classified centralized procurement of high-value medical consumables. All public medical institutions are required to conduct procurement of high-value medical consumables through the centralized procurement platform in an open and transparent manner.

Pursuant to the Administrative Measures (Trial) for the Use of Medical Consumables by Medical Institutions (Guo Wei Yi Fa [2019] No. 43) (《醫療機構醫用耗材管理辦法(試行)》(國衛醫發[2019]43號)), medical institutions are required to select consumables for their internal supply catalogues from items that have already been included in national or provincial centralized procurement catalogues. Where procurement outside such catalogues is necessary, the relevant procedures must be conducted in accordance with applicable regulations.

Pursuant to the Guiding Opinions on Carrying Out Nationally Organized Volume-Based Centralized Procurement and Use of High-Value Medical Consumables (Yi Bao Fa [2021] No. 31) (《關於開展國家組織高值醫用耗材集中帶量採購和使用的指導意見》(醫保發[2021]31號)) and other relevant regulations, priority is given to incorporating into centralized procurement those high-value medical consumables that (i) have large clinical usage volume, (ii) involve relatively high procurement amounts, (iii) are clinically mature in application, (iv) are subject to relatively sufficient market competition, and (v) exhibit a high level of product substitutability. Selection criteria are determined with reference to factors including market sales conditions, clinical demand and advances in medical technology.

Accordingly, based on the foregoing laws, regulations and normative documents, as well as the centralized procurement rules for medical equipment and medical consumables promulgated by various provinces and municipalities, certain of our products, including single-use puncture guidance devices, ablation needles, biopsy needles, positioning consumables, and dedicated single-use consumables used in conjunction with surgical robots, may fall within the scope of local centralized procurement of high-value medical consumables in certain provinces and regions. In addition, our percutaneous puncture surgical robots may be included in the scope of centralized procurement of medical equipment in certain provinces or regions.

LAWS AND REGULATIONS RELATING TO CYBERSECURITY, DATA SECURITY, AND PERSONAL INFORMATION PROTECTION

The Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》) ("Cybersecurity Law") was promulgated by the Standing Committee of the NPC on November 7, 2016, and took effect on June 1, 2017. The Cybersecurity Law stipulates that network operators must comply with laws and regulations and fulfill cybersecurity protection obligations when conducting business operations and providing services. The Cybersecurity Law further provides that network operators shall take necessary technical measures and other steps in accordance with applicable laws, regulations, and mandatory national requirements to ensure network security and stable operation, effectively respond to cybersecurity incidents, prevent illegal and criminal activities online, and maintain the integrity, confidentiality, and availability of network data.

The Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》) was promulgated by the Standing Committee of the NPC on June 10, 2021, and became effective on September 1, 2021.

Article 24 of the Data Security Law of the PRC provides that the State establishes a data security review system to conduct national security reviews of data processing activities that affect or may affect national security. Decisions made pursuant to such security reviews are final decisions.

Article 31 of the same law further provides that, with respect to the security management of outbound transfers of important data collected and generated by operators of critical information infrastructure during their operations within the territory of the People's Republic of China, the relevant provisions of the Cybersecurity Law of the People's Republic of China shall apply. The measures governing the outbound transfer security management of important data collected and generated within the territory of the People's Republic of China by other data processors shall be formulated by the national cyberspace administration authority in conjunction with relevant departments under the State Council.

The Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》) ("Personal Information Protection Law") was promulgated by the Standing Committee of the NPC on August 20, 2021, and became effective on November 1, 2021. This legislation establishes a comprehensive regulatory framework for the processing of personal information, encompassing the following provisions: — The processing of personal information must serve clear and legitimate purposes; — The processing of sensitive information shall be subject to additional safeguards; — The provision of personal information to external parties and the outsourcing of processing activities require the execution of specific agreements to ensure security; — The storage, deletion, public disclosure, and automated decision-making involving personal information must comply with specialised regulations; — Personal information processors shall implement appropriate organisational, institutional, and technical measures to guarantee security.

The State Council promulgated the Regulations on Network Data Security Management (《網絡數據安全管理條例》) on September 24, 2024, which became effective on January 1, 2025. The Regulations on Network Data Security Management stipulate that where the network data processing activities of a network data processor affect or may affect national security, it shall undergo a national security review in accordance with relevant state regulations.

REGULATIONS RELATING TO CYBERSECURITY REVIEW

On December 28, 2021, the Cyberspace Administration of China ("CAC"), the NDRC, the Ministry of Industry and Information Technology ("MIIT") of China, and 10 other Chinese regulatory authorities jointly promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》), which became effective on February 15, 2022. Article 2 provides that where operators of critical information infrastructure procure network products or services, or network platform operators conduct data processing activities, and such activities affect or may affect national security, a cybersecurity review shall be conducted in accordance with these Measures. Article 5 further provides that where operators of critical information infrastructure procure network products or services, they are required to assess in advance the potential national security risks that may arise after such products or services are put into use. Where such procurement affects or may affect national security, the operator is required to apply to the Cybersecurity Review Office for a cybersecurity review. Article 7 provides that a network platform operator that holds personal information of more than one million users and seeks to list overseas is required to apply to the Cybersecurity Review Office for a cybersecurity review.

REGULATIONS RELATING TO CROSS-BORDER DATA TRANSMISSION

The CAC promulgated the Measures for the Security Assessment of Outbound Data Transfer (《數據出境安全評估辦法》) on July 7, 2022, which became effective on September 1, 2022, which provides that where a data processor provides data outside the PRC under any of the following circumstances, it shall apply for a data export security assessment through the provincial-level cyberspace administration authority at its place of operation and submit such application to the national cyberspace administration authority: (i) the data processor provides important data outside the PRC; (ii) an operator of critical information infrastructure, or a data processor that processes personal information of more than one million individuals, provides personal information outside the PRC; (iii) since January 1 of the preceding year, the data processor has cumulatively provided outside the PRC personal information of 100,000 individuals or sensitive personal information of 10,000 individuals, and continues to provide personal information outside the PRC; or (iv) other circumstances requiring a data export security assessment as prescribed by the national cyberspace administration authority.

According to the Measures for the Standard Contract for Outbound Transfer of Personal Information (《個人信息出境標準合同辦法》) promulgated by the CAC on February 22, 2023, and effective June 1, 2023. This legislation redefines the entities and circumstances requiring data export security assessments, the conclusion of standard contractual clauses, and the adoption of protection certifications. It also stipulates conditions for exempting certain data export activities from security assessments, standard contractual clauses, and protection certifications, establishes data export 'special zones', and implements a negative list system within free trade pilot zones to facilitate the lawful, orderly, and free flow of data.

LAWS AND REGULATIONS RELATING TO COMPANY ESTABLISHMENT AND FOREIGN INVESTMENT

The establishment, operation, and governance of Chinese business entities are governed by the Company Law of the People's Republic of China (《中華人民共和國公司法》) ("Company Law of PRC"), which was promulgated by the Standing Committee of the NPC on December 29, 1993, and was last revised on December 29, 2023, effective July 1, 2024. Limited liability companies and companies limited by shares established in China are subject to the Company Law of PRC. Unless otherwise provided by the Foreign Investment Law, foreign-funded companies are also governed by the Company Law of PRC.

The Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》) ("Foreign Investment Law") was promulgated by the NPC on March 15, 2019, and took effect on January 1, 2020. According to the Foreign Investment Law, the state implements a management system for foreign investment that grants pre-establishment national treatment supplemented by a negative list. The negative list is issued or approved for issuance by the State Council.

The NDRC and the MOFCOM issued the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024) (《外商投資准入特別管理措施(負面清單)(2024年版)》) on September 6, 2024, effective November 1, 2024. This Negative List uniformly specifies special administrative measures for foreign investment access, such as equity requirements and senior management requirements. Sectors not listed in the Negative List for the Access of Foreign Investment shall be managed in accordance with the principle of equal treatment for domestic and foreign investment. Both domestic and foreign investors are uniformly subject to the relevant provisions of the Negative List for Market Access.

REGULATIONS RELATING TO SECURITIES AND OVERSEAS LISTINGS

The Securities Law of the People's Republic of China (《中華人民共和國證券法》), last revised on December 28, 2019, and effective March 1, 2020, governs securities issuance and trading, securities listings, and the acquisition of listed companies, among other matters. The Securities Law of the People's Republic of China stipulates that domestic enterprises directly or indirectly issuing securities overseas or having their securities listed and traded overseas shall comply with the relevant provisions of the State Council.

On February 17, 2023, the CSRC promulgated the Trial Measures for Administration of Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》) (the "Trial Measures for Overseas Listings"), which took effect on March 31, 2023. The Trial Measures for Overseas Listings comprehensively reformed the regulatory system for the directly or indirectly overseas issuance and listing of securities by domestic Chinese companies, adopting a filing-based regulatory regime. According to the Trial Measures for Overseas Listings, domestic Chinese companies offering securities and listing overseas, whether directly or indirectly, must complete the filing procedure with the CSRC.

On February 24, 2023, the CSRC, in conjunction with the MOF, the National Administration of State Secrets Protection, and the National Archives Administration, promulgated the Provisions on Strengthening the Confidentiality and Archives Management Work Related to Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "Archive Rules"), effective March 31, 2023. According to the Archive Rules, domestic enterprises seeking overseas securities offering and listing shall strictly comply with relevant Chinese laws and regulations, enhance their legal awareness regarding the protection of state secrets and the strengthening of archives management, establish and improve confidentiality and archives management systems, and take necessary measures to implement confidentiality and archives management responsibilities. "Domestic enterprise" may refer to one of the following entities: a domestic company limited by shares directly offering and listing overseas, or the domestic operating entity of a corporate entity indirectly offering and listing overseas.

Regulations Relating to H-Share Full Circulation

"Full circulation" refers to the listing and circulation on the Hong Kong Stock Exchange of the domestic unlisted shares of H-share companies (including domestic unlisted shares held by domestic shareholders prior to the overseas listing, domestic unlisted shares issued domestically after the overseas listing, and non-listed shares held by foreign shareholders).

On November 14, 2019, the CSRC published the Guidelines on Application for "Full Circulation" of Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請「全流通」業務指引》) (the "Full Circulation Guidelines"), which were revised on August 10, 2023. According to the Full Circulation Guidelines, provided that relevant laws and regulations, as well as policies relating to state-owned asset management, foreign investment, and industry regulation are complied with, holders of domestic unlisted shares may independently negotiate and determine the quantity and proportion of shares for which they apply for circulation, and authorize the H-share company to file for the "full circulation" with the CSRC. Domestic joint stock limited companies that are not yet listed may file for "full

circulation" with the CSRC concurrently when applying for their initial overseas public offering and listing. Once domestic non-listed shares are listed and circulated on the Stock Exchange, they cannot be transferred back for domestic listing. According to the Trial Measures for Overseas Listings effective March 31, 2023, for a domestic enterprise directly offering and listing overseas, shareholders holding their domestic non-listed shares who apply to convert the domestic non-listed shares held by them into overseas listed shares and have them listed and circulated on an overseas exchange shall comply with the relevant provisions of the CSRC and authorize the domestic enterprise to file with the CSRC.

On December 31, 2019, China Securities Depository and Clearing Corporation Limited and the Shenzhen Stock Exchange jointly published the Implementation Rules for H-Share "Full Circulation" Business (《H股「全流通」業務實施細則》) (the "Business Implementation Rules"). The Business Implementation Rules apply to relevant businesses involved in H-share full circulation, including cross-border transfer registration, depository and maintenance of holding details, trading entrustment and order transmission, settlement, management of settlement participants, and services for nominee holders. Matters not stipulated in the Business Implementation Rules shall be handled by reference to other business rules of China Securities Depository and Clearing Corporation Limited, China Securities Depository and Clearing (Hong Kong) Company Limited, and the Shenzhen Stock Exchange.

LAWS AND REGULATIONS RELATING TO TAXATION

Enterprise Income Tax

The Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) ("Enterprise Income Tax Law") promulgated by the Standing Committee of the NPC on March 16, 2007, and last revised on December 29, 2018, effective on the same date, establishes the basic framework for enterprise income tax. The Regulations on the Implementation of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) ("Implementation Regulations") issued by the State Council on December 6, 2007, most recently revised on December 6, 2024, and effective January 20, 2025, further clarify this legal framework. These regulations classify enterprises into two distinct categories: resident enterprises and non-resident enterprises. Resident enterprises are subject to enterprise income tax on their global income (including income derived from both within and outside China) at the standard rate of 25%. For non-resident enterprises, the tax treatment varies depending on their operations in China.

According to the Measures for Administration of Accreditation of New and Hi-tech Enterprises jointly issued by the Ministry of Science and Technology (《高新技術企業認定管理辦法》), the MOF, and the SAT, effective January 1, 2016, enterprises recognized as high and new technology enterprises are eligible for a preferential enterprise income tax rate of 15%. This preferential rate applies throughout the three-year validity period of the High and New Technology Enterprise Certificate (calculated from the date of issuance). To maintain this preferential tax qualification, an enterprise may apply for re-determination as a high and new technology enterprise around the expiry of its existing certificate. This policy framework enables qualified enterprises to continuously enjoy the preferential tax rate through successive re-determinations, provided they continue to meet all the eligibility criteria set forth in the Measures.

Pursuant to the Notice on the Preferential Enterprise Income Tax Policies for Enterprises in the Hengqin Guangdong-Macau In-Depth Cooperation Zone (《關於橫琴粵澳深度合作區企業所得稅優惠政策的通知》) (Cai Shui [2022] No. 19) jointly issued by the Ministry of Finance and the State Taxation Administration on May 25, 2022, eligible industrial enterprises established in the Hengqin Guangdong-Macau In-Depth Cooperation Zone (which the Company satisfies) are subject to enterprise income tax at a reduced rate of 15%.

VAT

The Interim Regulations of the People's Republic of China on Value-added Tax (《中華人民共和國增值稅暫行條例》) promulgated by the State Council on December 13, 1993, effective January 1, 1994, and revised on November 19, 2017, together with the Rules for the Implementation of the Interim Regulations of the People's Republic of China on Value-added Tax (《中華人民共和國增值稅暫行條例實施細則》) promulgated by the MOF on December 25, 1993, and subsequently revised on December 15, 2008, and October 28, 2011, constitute the primary legal framework governing value-added tax ("VAT") in China. These regulations

stipulate that all entities and individuals engaged in specific taxable activities within China (including the sale of goods, provision of processing, repair and replacement services, sale of services, intangible assets, immovable property, and the importation of goods) are VAT taxpayers and are liable to pay VAT.

WITHHOLDING TAX ON DIVIDEND DISTRIBUTION

Under the Company Law, dividends distributed by a Chinese company may only be paid from its distributable profits. The Enterprise Income Tax Law and the Regulations on the Implementation of the Enterprise Income Tax Law of the People's Republic of China stipulate that a standard withholding tax rate of 10% applies when a foreign-invested enterprise distributes dividends to its non-Chinese enterprise investors. This framework is supplemented by the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), issued on August 21, 2006, effective in Hong Kong on April 1, 2007, and in Chinese Mainland on January 1, 2007, which provides for a withholding tax rate of 5% on dividends received by a Hong Kong company from its Chinese subsidiary (if the shareholding percentage is not less than 25%) or 10% (if the shareholding percentage is less than 25%).

The Notice of the State Taxation Administration on Issues Concerning the Implementation of the Dividend Article in Tax Agreements (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》), issued on February 20, 2009, introduced a "beneficial owner" requirement for preferential tax treatment, stipulating that the dividend recipient must have continuously and directly held the equity interest in the qualified Chinese enterprise throughout the 12-month period preceding the dividend distribution. The Announcement of the State Taxation Administration on Issues Concerning the "Beneficial Owner" in Tax Agreements (《國家稅務總局關於稅收協定中「受益所有人」有關問題的公告》), effective April 1, 2018, further refined this concept, defining a "beneficial owner" as a person who has ownership and control over the income or the rights or property generating the income, and listing several factors that negatively impact the determination of a "beneficial owner". The Announcement of State Taxation Administration on Promulgation of the Administrative Measures on Non-resident Taxpayers Enjoying Treaty Benefits (《國家稅務總局關於發佈<非居民納稅人享受協定待遇管理辦法>》) became effective November 1, 2015, was subsequently revised in 2018 and 2019, and last revised on January 1, 2020. It requires the implementation of a self-assessment system, under which non-resident taxpayers must assess their eligibility for treaty benefits when filing tax returns in China and submit the supporting documents specified in Article 7 of the Measures.

REGULATIONS RELATING TO EMPLOYMENT AND SOCIAL WELFARE

The Labor Law of the People's Republic of China and the Labor Contract Law of the People's Republic of China

The Labor Law of the People's Republic of China (《中華人民共和國勞動法》) promulgated by the Standing Committee of the NPC on July 5, 1994, and effective January 1, 1995 (revised on August 27, 2009, and December 29, 2018), is the fundamental law governing labor relationships formed between employing entities and workers. The Labor Contract Law of the People's Republic of China was promulgated by the Standing Committee of the NPC on June 29, 2007, and became effective on January 1, 2008 (revised on December 28, 2012). It aims to regulate the rights and obligations of employing entities and workers in concluding, performing, amending, rescinding, or terminating labor contracts.

Social Insurance and Housing Provident Fund

The Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》), promulgated on October 28, 2010, effective July 1, 2011, and last revised on December 29, 2018, together with the Interim Regulations on the Collection of Social Insurance Premiums issued by the State Council on January 22, 1999, and last revised on March 24, 2019, stipulates the mandatory participation of Chinese employees in social insurance.

The Regulations on Administration of Housing Provident Fund (《住房公積金管理條例》) promulgated on April 3, 1999, and subsequently revised on March 24, 2002, and March 24, 2019, stipulate the mandatory contribution requirements for the housing provident fund in China.

On July 31, 2025, the Supreme People's Court of the People's Republic of China promulgated the Interpretation (II) of the Supreme People's Court on Several Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (Fa Shi [2025] No. 12) (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》(法釋[2025]12號)) (the "Interpretation II"), which became effective on September 1, 2025. Include, among others, any agreement or undertaking under which an employee agrees, or promises, not to participate in social insurance contributions is invalid. Where an employer fails to make social insurance contributions in accordance with law, the employee is entitled to unilaterally terminate the employment contract and claim statutory economic compensation. After the employer completes the required supplemental social insurance contributions, the employer may request the employee to return any compensation paid in lieu of social insurance contributions.

During the Track Record Period and up to the Latest Practicable Date, except as otherwise specifically disclosed, we had made social insurance and housing provident fund contributions for our employees in accordance with applicable laws and regulations, and there were no material non-compliance circumstances under Interpretation II applicable to us. We maintain standardized employment-related documentation and procedures, including labor contracts, non-competition arrangements, compensation systems and employee exit management processes. During the Track Record Period, we did not incur any material labor disputes, administrative penalties or material compensation liabilities arising from failures to make social insurance contributions, unlawful termination of employment contracts or breaches of non-competition obligations. Based on the foregoing, our PRC Legal Advisors are of the view that our existing employment compliance framework and social insurance practices are adequate to meet the regulatory and judicial requirements following the implementation of Interpretation II, and the implementation of Interpretation II is not expected to have a material adverse effect on our business operations, financial condition or results of operations.

REGULATIONS RELATING TO LEASING

According to the Civil Code of the People's Republic of China (《中華人民共和國民法典》) effective January 1, 2021, a lessee may sublease the leased property to a third party, provided that the lessor consents. If the lessee subleases, the lease contract between the lessee and the lessor remains effective. If the lessee subleases without the lessor's consent, the lessor may rescind the contract.

Pursuant to the Measures for Administration of the Leasing of Commodity Houses (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010, and effective February 1, 2011, the parties to a house lease contract shall, within 30 days of concluding the contract, complete the lease record-filing with the construction (real estate) authority of the people's government of the municipality directly under the Central Government, city, or county where the house is located.

According to the Regulations on the Leasing of Houses (《住房租賃條例》) issued by the State Council on July 16, 2025, and formally effective September 15, 2025, the Regulations clarify that the lessor shall file the housing lease contract with the real estate administration department of the location of the leased housing through the housing rental regulatory and service platform or other methods as stipulated. If the lessor fails to file the housing lease contract, the lessee may proceed with the filing.

OVERVIEW

Our history can be traced back to March 2018 when our Company was established in Beijing as a limited liability company under the laws of the PRC with the name of True Health (Beijing) Medical Technology Co., Ltd. (真健康(北京)醫療科技有限公司). In August 2023, in light of the development blueprint of the Guangdong-Macao In-Depth Cooperation Zone (橫琴粵澳深度合作區) which centered on the "Four New industries" (四新產業) (i.e., (i) scientific and technological R&D and high-end manufacturing industries, (ii) traditional Chinese medicine and other Macau-branded industries, (iii) cultural tourism, convention and exhibition, and commerce industries, and (iv) modern finance industry), and with the support of the Hengqin government and the Hong Kong and Macao Affairs Office of the State Council (中共中央港澳工作辦公室), our Company was relocated to the Guangdong-Macao In-Depth Cooperation Zone in Hengqin and was renamed to True Health (Guangdong Hengqin) Medical Technology Co., Ltd. (真健康(廣東橫琴)醫療科技有限公司). On October 29, 2025, our Company was converted from a limited liability company into a joint stock limited company and was renamed as Guangdong True Health Medical Technology Development Co., Ltd. (廣東真健康醫療科技開發股份有限公司).

We engage in developing and commercializing percutaneous puncture and ablation surgical robots in China. We offer a portfolio that includes both domestic and global firsts in percutaneous puncture and ablation, and we have built an intelligent robotic product matrix centered on "percutaneous localization and precise therapy." We have been managed by Ms. Cheong, our founder, our executive Director, the chairperson of our Board, the general manager of our Company and one of our Controlling Shareholders, since our establishment. For biographical details of Ms. Cheong, see "Directors and Senior Management—Directors".

OUR KEY MILESTONES

The following table sets out the key milestones in our business development:

Year	Milestones
2018	• Our Company was established in Beijing
2021	• We initiated registrational clinical trial and completed patient enrollment of TH-S1
	• We established Postdoctoral Research Workstation Sub-station* (博士後科研工作站分站)
2022	• We completed registrational clinical trial of TH-S1
	• We obtained Class III medical device registration certificate for our TH-S1 from the NMPA for lung and abdominal puncture which was the first NMPA Class III registration certificate in the field of percutaneous puncture surgical robots in China
2023	• We obtained Class III medical device registration certificate for our TH-S from the NMPA, which has been recognized as the first percutaneous puncture surgical robot in China
	• Our headquarters was relocated to Hengqin, China
2024	• Our TH-S1 and TH-S were recognized as the "Innovative Products" of Zhuhai (珠海市創新產品) by Zhuhai Science and Technology Innovation Bureau (珠海市科技創新局)
	• Our TH-S1 was selected and cited in the Catalog of the First (Set of) Key Technological Equipment of Guangdong Province* (廣東省首台(套)重大技術裝備推廣應用指導目錄)

Year	Milestones
	• We obtained Class III medical device registration certificate for our TH-X MW from the NMPA; our TH-X MW has been recognized as the first image-guided percutaneous navigation and microwave ablation robot globally by the NMPA
	• We obtained Class III medical device registration certificate for our TH-P series (TH-P Elite, TH-P, TH-P PLUS) from the NMPA
	• We obtained Class III medical device registration certificate for our TH-S Pro from the NMPA
2025	• We established Guangdong Province Doctoral Workstation (廣東省博士工作站), which was recognized by Guangdong Provincial Department of Human Resources and Social Security (廣東省人力資源和社會保障廳)
	• Our TH-S and TH-X MW were included in the first-batch catalog of innovative drugs and medical devices of Guangdong province (廣東省已獲批創新藥械產品目錄(第一批)) by the Guangdong Provincial Department of Industry and Information Technology (廣東省工業和信息化廳), Guangdong Provincial Health Commission (廣東省衛生健康委員會), Guangdong Provincial Medical Security Bureau (廣東省醫療保障局) and Guangdong Provincial Drug Administration (廣東省藥品監督管理局)
	• Our TH-S1, TH-S, TH-P and TH-S Pro were selected for the 11th batch of "Excellent Domestic Medical Equipment Products" (優秀國產醫療設備產品) by the China Association of Medical Equipment (中國醫學裝備協會)
	• We obtained Class III medical device registration certificate for our TH-X HMW from the NMPA
	• Our TH-X MW was included in the list of the "2025 High-end Medical Equipment Promotion and Application Projects" (2025年高端醫療裝備推廣應用項目) by the MIIT, the NHC and the NMPA
	• We obtained Class III medical device registration certificate for our TH-SA from the NMPA

CORPORATE DEVELOPMENT

The following sets forth the corporate development and major shareholding changes of our Company and our principal subsidiaries.

Our Company

Our Incorporation

On March 16, 2018, our Company was established as a limited liability company under the laws of the PRC with the name of True Health (Beijing) Medical Technology Co., Ltd. (真健康(北京)醫療科技有限公司), with an initial registered capital of RMB10,000,000 by the then shareholders. The following table sets out the shareholding structure of our Company immediately upon our establishment:

Subscribers	Registered capital subscribed	Percentage of equity interest in our Company
	(RMB)	*(%)*
Mr. Chen Xiaogang[(1)]	8,000,000	80.00
Mr. Wang Yu	1,500,000	15.00

Subscribers	Registered capital subscribed	Percentage of equity interest in our Company
	(RMB)	*(%)*
Mr. Fan Shengwen	500,000	5.00
Total	**10,000,000**	**100**

Note:

(1) In order to facilitate the business registration procedures in connection with the establishment of our Company and taking into account that Ms. Cheong is a Macau citizen, Mr. Chen Xiaogang held 80% equity interest in our Company as nominee for and on behalf of Ms. Cheong. The entrustment arrangement was subsequently terminated in January 2022 upon (i) Mr. Chen transferred all the equity interest in our Company held as nominee for and on behalf of Ms. Cheong upon her instruction to the limited partnerships controlled by her at the material time, namely Jiarun Tongchuang, Renyang Biotechnology, Chengzhen Health and Zhuhai Taike Maidi Technology Development Center (Limited Partnership)* (珠海泰科麥迪科技發展中心(有限合夥)) (formerly known as Taike Maidi (Tianjin) Artificial Intelligence Medical Technology Center (Limited Partnership)* (泰科麥迪(天津)人工智能醫療科技中心(有限合夥))) ("**Taike Maidi**") (see "—Equity Transfer in November 2020" below for details); and (ii) Mr. Chen ceased to be the general partner of Renyang Biotechnology, Chengzhen Health and Taike Maidi. To the best knowledge of our Company, Mr. Chen Xiaogang was the then executive Director and general manager of our Company at the material time.

Equity transfer and capital increase in March 2020

On March 26, 2020, Mr. Fan Shengwen entered into an equity transfer agreement with Jiarun Tongchuang, pursuant to which Mr. Fan Shengwen transferred 5% equity interest in our Company to Jiarun Tongchuang at nil consideration given such registered capital had not been paid up at the time of the transfer.

On March 30, 2020, pursuant to the shareholders' resolution of our Company dated March 1, 2020, the registered capital of our Company was increased from RMB10,000,000 to RMB12,000,000. The newly increased registered capital was subscribed by the then Shareholders in proportion to their respective equity interest in our Company.

Equity transfers in November 2020

On October 20, 2020, Mr. Wang Yu entered into an equity transfer agreement with Jiarun Tongchuang, pursuant to which Mr. Wang Yu transferred 15% equity interest in our Company to Jiarun Tongchuang at the consideration of RMB1,500,000 which was determined based on the then paid-up registered capital of our Company and was fully settled on August 27, 2021.

On the even date, upon the instruction of Ms. Cheong, Mr. Chen Xiaogang entered into an equity transfer agreement with each of Jiarun Tongchuang, Chengzhen Health, and Renyang Biotechnology, pursuant to which Mr. Chen Xiaogang transferred 22%, 30%, and 28% equity interest in our Company to Jiarun Tongchuang, Chengzhen Health, and Renyang Biotechnology at the considerations of RMB2,640,000, RMB3,600,000, and RMB3,360,000, respectively. The considerations were determined with reference to the then paid-up registered capital of our Company and were fully settled on August 26, 2021, September 11, 2021, and October 28, 2021, respectively.

Capital increases and equity transfers in January 2021

Pursuant to the shareholders' resolution of our Company dated January 11, 2021, the registered capital of our Company increased from RMB12,000,000 to RMB12,998,700, and Beijing Shuimu Dongfang Medical Robotic Technology Innovation Center Co., Ltd.* (北京水木東方醫用機器人技術創新中心有限公司) ("**Shuimu Dongfang**") and Beijing Huitai Dongfang Management Consulting Partnership (Limited Partnership)* (北京匯泰東方管理諮詢合夥企業(有限合夥)) ("**Huitai Dongfang**") subscribed for the increased registered capital of our Company of RMB798,700 and RMB200,000, respectively, at the considerations of RMB800,000 and RMB200,000, respectively, which were fully settled on January 19, 2021 (the "**January 2021 Capital Increase**"). The January 2021 Capital Increase was completed on January 12, 2021 upon completion of registration with the SAMR. Each of Shuimu Dongfang and Huitai Dongfang is our Pre-IPO Investor.

On January 11, 2021, for the purpose of internal restructuring of the respective transferor and transferee, (i) Jiarun Tongchuang entered into an equity transfer agreement with Jiarun Xinchuang, pursuant to which Jiarun Tongchuang transferred 13.85% equity interest in our Company to Jiarun Xinchuang at a consideration of RMB1,800,000, which was fully settled on September 27, 2021; and (ii) each of Chengzhen Health and Jiarun Tongchuang entered into equity transfer agreements with Taike Maidi, pursuant to which Chengzhen Health and Jiarun Tongchuang transferred 4.62% and 6.46% equity interest in our Company to Taike Maidi at the considerations of RMB600,000 and RMB840,000, respectively, which were fully settled on September 24, 2021. At the time of such equity transfer, Taike Maidi was owned as to 80% and 20% by Mr. Chen Xiaogang as its general partner and Mr. Pan Yong as its limited partner, respectively. Mr. Chen Xiaogang held the relevant equity interests as nominee for and on behalf of Ms. Cheong. In January 2022, Mr. Chen Xiaogang ceased to be the general partner of Taike Maidi, and Renxiang Biotechnology became the general partner until January 2023. Since January 2023 and as of the Latest Practicable Date, Taike Maidi was owned as to (i) 0.10% by Zhuhai Yusheng Biotechnology Co., Ltd.* (珠海昱盛生物科技有限公司) ("**Yusheng Biotechnology**") as its general partner; and (ii) 99.90% by Mr. Jiang Lin (江林) as its limited partner. Yusheng Biotechnology was owned as to 99.99% by Mr. Jiang Lin and 0.01% by Mr. Wan Jifeng (萬繼峰). To the best knowledge of our Company, each of Yusheng Biotechnology, Mr. Jiang Lin and Mr. Wan Jifeng is an Independent Third Party.

Pursuant to the shareholders' resolution of our Company dated January 13, 2021, the registered capital of our Company increased from RMB12,998,700 to RMB15,292,600, and Jiarun Hechuang subscribed for the increased registered capital of our Company of RMB2,293,900 at a consideration of RMB2,293,900, which was fully settled on April 9, 2025. The aforesaid capital increase was completed on January 14, 2021 upon completion of registration with the SAMR.

Series Pre-A financing in January 2021

Pursuant to the shareholders' resolution of our Company dated January 22, 2021, the registered capital of our Company increased from RMB15,292,600 to RMB16,622,390, and each of Shuimu Dongfang, Huitai Dongfang, Beijing Jinke Junlian Technology Development Center (Limited Partnership)* (北京金科君聯科技發展中心(有限合夥)) ("**Jinke Junlian**"), Yarui Heyi Capital Management (Beijing) Co., Ltd.* (雅瑞和宜資本管理(北京)有限責任公司) ("**Yarui Heyi**"), Beijing Jingantai Technology Development Co., Ltd.* (北京京安泰科技發展有限公司) ("**Beijing Jingantai**") and Beijing Lide Gongchuang Intelligent Robotic Technology Co., Ltd.* (北京立德共創智能機器人科技有限公司) ("**Lide Gongchuang**") subscribed for the increased registered capital of our Company of RMB239,360, RMB59,840, RMB249,340, RMB332,450, RMB365,690, and RMB83,110, respectively, at the considerations of RMB1,440,000, RMB360,000, RMB1,500,000, RMB2,000,000, RMB2,200,000 and RMB500,000, respectively, which were fully settled on January 20, 2021 (the "**Series Pre-A Financing**"). The Series Pre-A Financing was completed on January 29, 2021 upon completion of registration with the SAMR. Each of Jinke Junlian, Yarui Heyi, Beijing Jingantai, and Lide Gongchuang is our Pre-IPO Investor.

Series A financing in April 2021

Pursuant to the shareholders' resolution of our Company dated March 9, 2021, the registered capital of our Company increased from RMB16,622,390 to RMB19,115,760, and each of Huzhou Junhe Hongrui Venture Capital Partnership (Limited Partnership)* (湖州君和鴻瑞創業投資合夥企業(有限合夥)) ("**Junhe Hongrui**"), X Technology Fund, L.P. ("**X Technology**"), Novel Robotics Limited (諾威機器人有限公司) ("**Novel Robotics**"), Beijing Gaorong Phase IV Kangteng Equity Investment Partnership (Limited Partnership)* (北京高榕四期康騰股權投資合夥企業(有限合夥)) ("**Gaorong Phase IV**"), Chengdu Tianfu New Area Gaorong Phase IV Kangyong Investment Partnership (Limited Partnership)* (成都市天府新區高榕四期康永投資合夥企業(有限合夥)) ("**Kangyong Investment**"), Yarui Heyi, Beijing Shuimu Linghang Entrepreneurship Investment Center (Limited Partnership)* (北京水木領航創業投資中心(有限合夥)) ("**Shuimu Linghang**") and Beijing Jingantai subscribed for the increased registered capital of our Company of RMB831,120, RMB207,780, RMB207,780, RMB353,230, RMB62,330, RMB332,450, RMB249,340, and RMB249,340, respectively, at the considerations of RMB10,000,000, RMB2,500,000, RMB2,500,000, RMB4,250,000, RMB750,000, RMB4,000,000, RMB3,000,000, and RMB3,000,000, respectively, which were fully settled on May 31, 2021 (the "**Series A Financing**"). The Series A Financing was

completed on April 2, 2021 upon completion of registration with the SAMR. Each of Junhe Hongrui, X Technology, Novel Robotics, Gaorong Phase IV, Kangyong Investment and Shuimu Linghang is our Pre-IPO Investor.

Series A+ financing in July 2021

Pursuant to the shareholders' resolution of our Company dated June 8, 2021, the registered capital of our Company increased from RMB19,115,760 to RMB20,865,794, and each of JingDe (Guangzhou) Equity Investment Partnership (LP)* (景得(廣州)股權投資合夥企業(有限合夥)) ("**JingDe (Guangzhou)**"), KIP (ZhangJiaGang) Venture Capital LLP* (韓投(張家港)股權投資合夥企業(有限合夥)) ("**KIP (ZhangJiaGang)**"), Gaorong Phase IV and Kangyong Investment subscribed for the increased registered capital of our Company of RMB673,090, RMB673,090, RMB343,280, and RMB60,574, respectively, at the considerations of RMB20,000,000, RMB20,000,000, RMB10,200,120, and RMB1,799,880, respectively, which were fully settled on June 28, 2021 (the "**Series A+ Financing**"). The Series A+ Financing was completed on July 14, 2021 upon completion of registration with the SAMR. Each of JingDe (Guangzhou) and KIP (ZhangJiaGang) is our Pre-IPO Investor.

Equity transfers in September 2021

On August 17, 2021, for the purpose of internal restructuring of the respective transferor and transferee, (i) Yarui Heyi entered into an equity transfer agreement with Beijing Zhongguancun Zhiyou Investment Partnership (L.P.) (北京中關村智友投資合夥企業(有限合夥)) ("**Zhongguancun Zhiyou**"), pursuant to which Yarui Heyi transferred 3.19% equity interest in our Company to Zhongguancun Zhiyou at a consideration of RMB6,000,000, which was fully settled on September 1, 2021 (the "**First September 2021 Equity Transfer**"); (ii) Jinke Junlian entered into an equity transfer agreement with Beijing Jinke Huiyu Venture Capital Partnership (Limited Partnership)* (北京金科匯鈺創業投資合夥企業(有限合夥)) ("**Jinke Huiyu**"), pursuant to which Jinke Junlian transferred 1.20% equity interest in our Company to Jinke Huiyu at a consideration of RMB1,500,000, which was fully settled on August 27, 2021 (the "**Second September 2021 Equity Transfer**"); and (iii) Junhe Hongrui entered into an equity transfer agreement with Jinke Huiyu, pursuant to which Junhe Hongrui transferred 3.98% equity interest in our Company to Jinke Huiyu at a consideration of RMB10,000,000, which was fully settled on August 27, 2021 (the "**Third September 2021 Equity Transfer**"). Each of Zhongguancun Zhiyou and Jinke Huiyu is our Pre-IPO Investor.

Series Post A+ financing in September 2021

Pursuant to the shareholders' resolution of our Company dated August 20, 2021, the registered capital of our Company increased from RMB20,865,794 to RMB21,875,434, and each of Jinke Huiyu, Zhuhai Hengqin Golden Investment Venture Capital Fund Partnership (L.P.)* (珠海橫琴金投創業投資基金合夥企業(有限合夥)) ("**Hengqin Golden Investment**"), Beijing Deruida Wealth Technology Management Center (Limited Partnership)* (北京德睿達財富科技管理中心(有限合夥)) ("**Deruida Wealth**") and Xinhui Runkang subscribed for the increased registered capital of our Company of RMB572,130, RMB336,550, RMB67,310 and RMB33,650, respectively, at the considerations of RMB17,000,000, RMB10,000,000, RMB2,000,000, and RMB1,000,000, respectively, which was fully settled on September 3, 2021 (the "**Series Post A+ Financing**"). The Series Post A+ Financing was completed on September 15, 2021 upon completion of registration with the SAMR. Each of Hengqin Golden Investment and Deruida Wealth is our Pre-IPO Investor.

Series B financing in April 2022

Pursuant to the shareholders' resolution of our Company dated March 30, 2022, the registered capital of our Company increased from RMB21,875,434 to RMB23,824,344, and Beijing New Energy Technology Innovation Fund (Limited Partnership)* (北京新動能科技創新基金(有限合夥)) ("**Beijing New Energy**"), Zhuhai Hengqin Xinti Investment Partnership (Limited Partnership)* (珠海橫琴辛醍投資合夥企業(有限合夥)) (formerly known as Qingdao Chuangdong Venture Capital Center (Limited Partnership)* (青島創動創業投資中心(有限合夥))) ("**Hengqin Xinti**"), Beijing Dongsheng Bozhan Science & Technology Development Co., Ltd.* (北京東升博展科技發展有限公司) ("**Dongsheng Bozhan**"), Shenzhen Ruisheng Equity Investment Fund Partnership (Limited Partnership)* (深圳瑞昇股權投資基金合夥企業(有限合夥)) ("**Shenzhen Ruisheng**"), Zhuhai Huajin Lingyue Intelligent Manufacturing Industry

Investment Fund (Limited Partnership)* (珠海華金領越智能製造產業投資基金(有限合夥)) ("**Huajin Lingyue**"), Zhuhai Ligao No. 2 Equity Investment Fund Partnership (Limited Partnership)* (珠海力高貳號股權投資基金合夥企業(有限合夥)) ("**Ligao No. 2**"), Jinke Huiyu and Hengqin Golden Investment subscribed for the increased registered capital of our Company of RMB795,470, RMB198,870, RMB178,980, RMB19,890, RMB198,870, RMB198,870, RMB159,090, and RMB198,870, respectively, at the considerations of RMB40,000,000, RMB10,000,000, RMB9,000,000, RMB1,000,000, RMB10,000,000, RMB10,000,000, RMB8,000,000, and RMB10,000,000, respectively, which were fully settled on July 21, 2023 (the "**Series B Financing**"). The Series B Financing was completed on April 14, 2022 upon completion of registration with the SAMR. Each of Beijing New Energy, Hengqin Xinti, Dongsheng Bozhan, Shenzhen Ruisheng, Huajin Lingyue and Ligao No. 2 is our Pre-IPO Investor.

Capital increase in November 2022

Pursuant to the shareholders' resolution of our Company dated May 25, 2022, the registered capital of our Company increased from RMB23,824,344 to RMB25,896,026, and Zhuhai Meijirui subscribed for the increased registered capital of our Company of RMB2,071,682 at a consideration of RMB2,071,682, which was fully settled on April 17, 2025. The November 2022 Capital Increase was completed on November 18, 2022 upon completion of registration with the SAMR.

Change of company name in August 2023

On August 2, 2023, our Company relocated to the Guangdong-Macao In-Depth Cooperation Zone (橫琴粵澳深度合作區) in Hengqin and renamed as True Health (Guangdong Hengqin) Medical Technology Co., Ltd. (真健康(廣東橫琴)醫療科技有限公司).

Equity transfer in November 2023

Since Qingdao Rongyu Venture Capital Fund Partnership (Limited Partnership)* (青島榮昱創業投資基金合夥企業(有限合夥)) ("**Qingdao Rongyu**") was optimistic about the prospects of our Group, on August 7, 2023, Huitai Dongfang entered into an equity transfer agreement with Qingdao Rongyu, pursuant to which Huitai Dongfang transferred 1.00% equity interest in our Company to Qingdao Rongyu at a consideration of RMB12,020,698, which was fully settled on August 8, 2023 (the "**November 2023 Equity Transfer**"). Qingdao Rongyu is our Pre-IPO Investor.

Series B+ financing in November 2023

Pursuant to the shareholders' resolution of our Company dated October 26, 2023, the registered capital of our Company increased from RMB25,896,026 to RMB28,054,028, and each of Huzhou CICC Qihe Equity Investment Partnership (Limited Partnership)* (湖州中金啟合股權投資合夥企業(有限合夥)) ("**CICC Qihe**"), Hengqin Guangdong Macao Deep Cooperation Zone Industrial Investment Fund (Limited Partnership)* (橫琴粵澳深度合作區產業投資基金(有限合夥)) ("**Hengqin Industrial**"), Dongrong No. 1 (Zhuhai Hengqin) Equity Investment Partnership (Limited Partnership)* (東融壹號(珠海橫琴)股權投資合夥企業(有限合夥)) ("**Dongrong No. 1**") and Jinke Huiyu subscribed for the increased registered capital of our Company of RMB431,600, RMB1,438,668, RMB143,867, and RMB143,867, respectively, at the considerations of RMB30,000,000, RMB100,000,000, RMB10,000,000, and RMB10,000,000, respectively, which were fully settled on April 9, 2025 (the "**Series B+ Financing**"). The Series B+ Financing was completed on November 14, 2023 upon completion of registration with the SAMR. Each of CICC Qihe, Hengqin Industrial and Dongrong No. 1 is our Pre-IPO Investor.

Series first Post B+ financing in July 2024

Pursuant to the shareholders' resolution of our Company dated June 12, 2024, the registered capital of our Company increased from RMB28,054,028 to RMB29,204,962.60, and each of Taiping (Shenzhen) Medical and Health Industry Private Equity Investment Fund Partnership (Limited Partnership)* (太平(深圳)醫療健康產業私募股權投資基金合夥企業(有限合夥)) ("**Taiping Medical Investment Fund**") and Hengqin Shenhe Industrial Investment Co., Ltd.* (橫琴深合產業投資有限公司) ("**Hengqin Shenhe Industrial Investment**") subscribed

for the increased registered capital of our Company of RMB719,334, and RMB431,600, respectively, at the considerations of RMB50,000,000 and RMB30,000,000, respectively, which were fully settled on July 10, 2024 (the "**Series First Post B+ Financing**"). The Series First Post B+ Financing was completed on July 30, 2024 upon completion of registration with the SAMR. Each of Taiping Medical Investment Fund and Hengqin Shenhe Industrial Investment is our Pre-IPO Investor.

Series second Post B+ financing in February 2025

Pursuant to the shareholders' resolution of our Company dated January 23, 2025, the registered capital of our Company increased from RMB29,204,962.60 to RMB32,082,298.80, and Hengqin Guangdong-Macao Development & Investment Co., Ltd.* (橫琴粵澳開發投資有限公司) ("**Guangdong-Macao Investment**") subscribed for the increased registered capital of our Company of RMB2,877,336.2 at a consideration of RMB200,000,000, which was fully settled on January 23, 2025 (the "**Series Second Post B+ Financing**"). The Series Second Post B+ Financing was completed on February 14, 2025 upon completion of registration with the SAMR. Guangdong-Macao Investment is our Pre-IPO Investor.

Conversion into a joint stock limited company in October 2025

Pursuant to the shareholders' resolutions of our Company dated June 20, 2025 and the promoters' agreement dated August 25, 2025, our Company was converted into a joint stock company with limited liability and was renamed Guangdong True Health Medical Technology Development Co., Ltd. (廣東真健康醫療科技開發股份有限公司) on October 29, 2025. The conversion was made with reference to the net assets value of our Company as of April 30, 2025 of RMB395,912,871.5, among which, RMB32,082,303 was converted into 32,082,303 Shares with a nominal value of RMB1 each, with the remaining RMB363,830,568.5 recorded as capital reserves. The following table sets out the shareholding structure of our Company immediately upon the completion of the conversion into a joint stock limited company:

Shareholders	Number of Shares held	Approximate percentage of shareholding in our Company
		(%)
Renyang Biotechnology	3,360,000	10.47
Chengzhen Health	3,000,000	9.35
Guangdong-Macao Investment	2,877,337	8.97
Jiarun Tongchuang	2,400,000	7.48
Jiarun Hechuang	2,293,900	7.15
Zhuhai Meijirui	2,071,682	6.46
Jinke Huiyu	1,955,547	6.10
Jiarun Xinchuang	1,800,000	5.61
Taike Maidi	1,440,000	4.49
Hengqin Industrial	1,438,669	4.48
Shuimu Dongfang	1,038,060	3.24
Beijing New Energy	795,470	2.48
Taiping Medical Investment Fund	719,335	2.24
Gaorong Phase IV	696,510	2.17
JingDe (Guangzhou)	673,090	2.10
KIP (ZhangJiaGang)	673,090	2.10
Zhongguancun Zhiyou	664,900	2.07
Beijing Jingantai	615,030	1.92
Hengqin Golden Investment	535,420	1.67
Hengqin Shenhe Industrial Investment	431,601	1.35
CICC Qihe	431,601	1.35
Qingdao Rongyu	259,840	0.81
Shuimu Linghang	249,340	0.78
Novel Robotics	207,780	0.65
X Technology	207,780	0.65
Huajin Lingyue	198,870	0.62
Ligao No. 2	198,870	0.62
Hengqin Xinti	198,870	0.62
Dongsheng Bozhan	178,980	0.56

Shareholders	Number of Shares held	Approximate percentage of shareholding in our Company
		(%)
Dongrong No. 1	143,867	0.45
Kangyong Investment	122,904	0.38
Lide Gongchuang	83,110	0.26
Deruida Wealth	67,310	0.21
Xinhui Runkang	33,650	0.10
Shenzhen Ruisheng	19,890	0.06
Total	**32,082,303**	**100**

Our Principal Subsidiaries

As of the Latest Practicable Date, we had six, one and one subsidiaries in the PRC, Macau and Hong Kong, respectively. The following table sets out our principal subsidiaries which made a material contribution to our performance during the Track Record Period:

Name	Place of incorporation	Date of incorporation	Registered share capital	Principal business activities	Major shareholding changes during the Track Record Period
True Health (Guangdong Hengqin)	The PRC	July 26, 2021	RMB20,000,000	Production and R&D of medical devices including our Core Product	None
True Health (Beijing)	The PRC	November 21, 2022	RMB1,000,000	R&D of medical devices including our Core Product	None

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

Throughout the Track Record Period and up to the Latest Practicable Date, we did not conduct any acquisitions, disposals or mergers that we consider to be material to us.

PRE-IPO INVESTMENTS

Overview

The following table summarizes the key terms of the Pre-IPO Investments to our Company made by the Pre-IPO Investors. As confirmed by our PRC Legal Advisors, the Pre-IPO Investments have been approved, filed and registered by relevant regulatory authorities subject to the then effective PRC Laws.

Pre-IPO Investment	Date of the first subscription agreement/ equity transfer agreement	Date of last payment of consideration	Total registered capital/ number of shares subscribed/ transferred	Cost per registered capital/share paid to our Company/the transferor	Discount to the Offer Price[1]	Amount of consideration paid	Approximate post-money valuation of our Company[2]
			(RMB)	*(RMB)*	*(%)*	*(RMB)*	*(RMB)*
January 2021 Capital Increase	January 10, 2021	January 19, 2021	998,700	1.00	99.10%	1,000,000	13,015,620.3[3]
Series Pre-A Financing	January 15, 2021	January 20, 2021	1,329,790	6.02	94.57%	8,000,000	100,000,090.2[3]
Series A Financing	March 8, 2021	May 31, 2021	2,493,370	12.03	89.14%	30,000,000	229,999,077.6[4]
Series A+ Financing	June 18, 2021	June 28, 2021	1,750,034	29.71	73.17%	52,000,000	620,000,118.9[5]
First September 2021 Equity Transfer[9]	August 17, 2021	September 1, 2021	664,900	9.02	91.85%	6,000,000	–
Second September 2021 Equity Transfer[8]	August 17, 2021	August 27, 2021	249,340	6.02	94.57%	1,500,000	–
Third September 2021 Equity Transfer[9]	August 17, 2021	August 27, 2021	831,120	12.03	89.14%	10,000,000	–
Series Post A+ Financing	August 20, 2021	September 3, 2021	1,009,640	29.71	73.17%	30,000,000	649,997,048.5
Series B Financing	December 29, 2021	July 21, 2023	1,948,910	50.28	54.59%	98,000,000	1,197,995,655.0[6]
November 2023 Equity Transfer[9]	August 7, 2023	August 8, 2023	259,840	46.26	58.23%	12,020,698	–
Series B+ Financing	October 26, 2023	April 9, 2025	2,158,002.1	69.51	37.23%	150,000,000	1,950,000,048.7[7]
Series First Post B+ Financing	June 12, 2024	July 10, 2024	1,150,934.5	69.51	37.23%	80,000,000	2,029,999,976.5
Series Second Post B+ Financing	January 23, 2025	January 23, 2025	2,877,336.2	69.51	37.23%	200,000,000	2,230,000,011.8[8]

Notes:

(1) The discount to the Offer Price is calculated based on the exchange rate as set out in this prospectus and the assumption that the Offer Price is HK$127.40 per Offer Share, being the mid-point of the indicative offer price range of HK$119.30 and HK$135.40.

(2) The post-money valuation refers to the cost per additional registered capital paid to our Company in the corresponding series of Pre-IPO Investment, multiplied by the amount of registered capital of our Company immediately after the completion of the corresponding series of Pre-IPO Investment.

(3) The material change in valuation of our Company between the January 2021 Capital Increase and the Series Pre-A Financing was primarily attributable to the lower cost per unit of registered capital in the January 2021 Capital Increase. The discount was determined through arm's length negotiations, taking into consideration the long-term cooperation between our Company and the relevant Pre-IPO Investors, as well as the strategic value these investors were expected to bring to our Group.

(4) The increase in valuation of our Company from the Series Pre-A Financing to the Series A Financing was primarily due to the progress of R&D of our products, the milestones we achieved and our business prospects. For instance, our TH-S1 protocol was developed and ready for clinical trial in February 2021.

(5) The increase in valuation of our Company from the Series A Financing to the Series A+ Financing was mainly due to the commencement of registrational clinical trial of TH-S1 in June 2021.

(6) The increase in valuation of our Company from the Series A+ Financing to the Series B Financing was primarily due to the completion of clinical trial of TH-S1 and the significant progress made in obtaining Class III medical device registration certificate.

(7) The increase in valuation of our Company from the Series B Financing to the Series B+ Financing was primarily due to the milestones we achieved and our business prospects. For instance, (i) by June 2023, we had obtained two Class III medical device registration certificates; and (ii) in October 2023, our puncture robot won the bidding project of the First Affiliated Hospital of Guangzhou Medical University, representing the commercialization of our products.

(8) The increase in valuation of our Company from the Series Second Post B+ Financing to the Listing was primarily due to the milestones we achieved, including but not limited to, (i) the establishment of the Guangdong Province Doctoral Workstation (廣東省博士工作站) in April 2025; (ii) the inclusion of our TH-S and TH-X MW in the first-batch catalog of innovative drugs and medical devices of Guangdong province (廣東省已獲批創新藥械產品目錄(第一批)), which encourages clinical adoption of listed innovative products by public medical institutions in Guangdong, in June 2025, thereby validating the commercial viability and clinical superiority of our products; (iii) the receipt of the Class III medical device registration certificate for our TH-X HMW and TH-SA from the NMPA in November 2025 and December 2025, respectively; and (iv) the premium attached to our Shares as they become freely tradeable upon the Listing.

(9) For each of the First September 2021 Equity Transfer, the Second September 2021 Equity Transfer, the Third September 2021 Equity Transfer and the November 2023 Equity Transfer, the Company did not receive any proceeds. To the best knowledge of our Company, the respective considerations were determined among the then Shareholders and the relevant Pre-IPO Investors upon their respective arm's length negotiation.

Use of proceeds from the Pre-IPO Investments . . . Save for the aforementioned equity transfers which we did not receive any proceeds from, we utilized the proceeds from the Pre-IPO Investments for the operations, business expansion and general working capital purposes of our Group. As of the Latest Practicable Date, approximately 79% of the proceeds from the Pre-IPO Investments have been utilized.

Strategic benefits the Pre-IPO Investments brought to our Group . . At the time of each of the Pre-IPO Investments, our Directors considered that our Company would benefit from the capital raised through the Pre-IPO Investments, the expertise and experience of the Pre-IPO Investors, and the endorsement of and confidence in the Group's performance, strength and prospects reflected by the Pre-IPO Investments. In addition, investments from the Pre-IPO Investors, including professional investment companies or professional funds, are beneficial to business development of our Group and could also diversify our shareholding structure and Shareholders base.

Basis of determining the consideration paid	The determination of the consideration for the Pre-IPO Investments which involved the subscription of our registered capital was based on arm's length negotiations between our Company and the relevant Pre-IPO Investors with reference to among others, (i) the timing and market conditions of the investments at the relevant time, (ii) the status of our business operation and financial performance at the relevant time/period, and (iii) the prospects of our business. To the best knowledge of our Company, for the Pre-IPO Investments which only involved the transfers of our existing registered capital to the Pre-IPO Investors, the consideration was determined among the then Shareholders and the relevant Pre-IPO Investors upon their respective arm's length negotiations.
Lock-up period	Pursuant to the applicable PRC Laws, within the 12 months following the Listing Date, the Shares issued by the Company prior to the Global Offering (including the Shares held by the Pre-IPO Investors immediately prior to the Global Offering) are restricted from transfer.

Special rights of the Pre-IPO Investors

Pursuant to the capital increase agreements entered into by and among our Company and the Pre-IPO Investors from time to time and the shareholders' agreement in the Series B+ Financing dated October 26, 2023 (the "**October 2023 Shareholders' Agreement**") (which superseded all previous agreements among the parties in respect of the shareholders' rights in our Company), as subsequently superseded by the shareholders' agreement in the Series First Post B+ Financing dated June 12, 2024 (the "**June 2024 Shareholders' Agreement**") and further superseded by the shareholders' agreement in the Series Second Post B+ Financing dated January 23, 2025 (the "**January 2025 Shareholders' Agreement**"), the Pre-IPO Investors were granted (i) certain special rights against our Company, including, among others, (a) director nomination rights, (b) anti-dilution rights, (c) pre-emptive rights, (d) redemption-related rights (the "**Company Redemption-Related Rights**"), being our Company's joint and several liability in respect of the repurchase obligations of our Controlling Shareholders, (e) liquidation preferences, (f) most favorable treatment, (g) preferential dividend rights and (h) information rights; and (ii) certain special rights against certain members of our Controlling Shareholders, including, among others, (a) anti-dilution rights, (b) share transfer restrictions, (c) pre-emptive rights, (d) co-sale rights, (e) redemption rights, (f) most favorable treatment and (g) drag-along rights.

Company Redemption-Related Rights

Since the commencement of the Pre-IPO Investments in January 2021 until the Series B+ Financing in October 2023, our Company granted redemption rights to the relevant Pre-IPO Investors in the Series A Financing, the Series A+ Financing, the Series Post A+ Financing and the Series B Financing. On October 26, 2023, our Company entered into the October 2023 Shareholders' Agreement, which superseded all previous agreements with the then Shareholders. Pursuant to the October 2023 Shareholders' Agreement, our Company ceased to bear any redemption obligations against the relevant Pre-IPO Investors. Instead, our Company assumed joint and several liability for the payment obligations of our Controlling Shareholders in respect of (i) the repurchase price payable upon valid exercise of the redemption rights, and (ii) any default interest payable for delayed payment. The October 2023 Shareholders' Agreement was superseded by the June 2024 Shareholders' Agreement, which was further superseded by the January 2025 Shareholders' Agreement. Our Company continued to grant the Company Redemption-Related Rights to the relevant Pre-IPO Investors in the June 2024 Shareholders' Agreement and the January 2025 Shareholders' Agreement. Therefore, since October 2023, although our Company is not the primary repurchase obligor, our Company agreed to assume joint and several liability for the payment obligations of our Controlling Shareholders as the Company Redemption-Related Rights.

Accordingly, while the Pre-IPO Investors' redemption rights are exercisable against our Controlling Shareholders, our Company may be held jointly and severally liable for the relevant payment obligations if our Controlling Shareholders fail to perform such obligations. Save for the joint and several liability described above and the obligation to notify the Pre-IPO Investors upon the occurrence of the Triggering Events, our Company does not have an independent obligation to repurchase or redeem the equity interests held by the Pre-IPO Investors.

Redemption Rights Granted by our Controlling Shareholders

Pursuant to the January 2025 Shareholders' Agreement, upon the occurrence of certain events (the "**Triggering Events**"), including, among others, the failure of our Company to achieve a qualified listing by December 31, 2028 or any change in the actual control of our Company, the Pre-IPO Investors are entitled to require our Controlling Shareholders to repurchase all or part of their equity interests at the agreed repurchase price.

Upon the occurrence of any Triggering Event, our Company and our Controlling Shareholders are required to notify the Pre-IPO Investors within 30 days. Our Controlling Shareholders, as the repurchase obligors, are required to complete the repurchase within 30 business days upon receipt of a repurchase notice from the relevant Pre-IPO Investor and shall be liable to pay default interest if payment is made later than such period.

Save for the aforementioned payment obligations of our Company in respect of the redemption rights against our Controlling Shareholders, the Directors confirm that (i) no guarantee has been provided by our Company in respect of such rights; (ii) no side agreements have been entered into by our Company in relation to such rights; and (iii) as our Company has no obligation to such arrangements, no liability in respect of such rights has been recorded during the Track Record Period. For details, see note 32 to the Accountants' Report set out in Appendix I to this prospectus.

During the Track Record Period, no Pre-IPO Investors had exercised their redemption rights. For details, see note 27 to the Accountants' Report set out in Appendix I to this prospectus.

Pursuant to all special rights termination agreements dated between May 2025 to November 2025 (the "**Special Rights Termination Agreements**"),

(i) the Company Redemption-Related Rights and anti-dilution rights against our Company granted to the Pre-IPO Investors were irrevocably terminated upon or before the first submission of the listing application (the "**First Filing**") to the Stock Exchange for the purpose of the Global Offering. Such redemption rights are deemed void ab initio and shall not resume under any condition;

(ii) the redemption rights against certain members of our Controlling Shareholders granted to the Pre-IPO Investors were terminated before the First Filing. Such redemption rights are deemed void ab initio and shall not resume under any condition for certain Pre-IPO Investors. For other Pre-IPO Investors, such redemption rights shall resume automatically under the circumstances such as (a) the listing application has been rejected by the Stock Exchange, SFC or CSRC (if applicable); (b) the listing application has been withdrawn or lapsed and we did not re-submit listing application within 12 months afterwards; (c) the Listing does not take place for any other reasons; or (d) the Listing does not take place on or before December 31, 2028; and

(iii) all other special rights against our Company and certain members of our Controlling Shareholders granted to the Pre-IPO Investors will cease to be effective upon Listing and shall not resume under any condition after Listing.

For details of the Special Rights Termination Agreements, see "B. Further Information about our Business—1. Summary of material contracts" in Appendix VI to this prospectus.

Article 143 of the Civil Code of the People's Republic of China (中華人民共和國民法典) stipulates that a civil legal act is valid if (i) it is conducted by parties with the requisite capacity for civil conduct; (ii) it is based on genuine intent; and (iii) it does not contravene any mandatory provisions of laws, administrative regulations, or public order and morals. Adhering to the principle of autonomy of will, our Company and the Pre-IPO Investors explicitly agreed that the Company Redemption-Related Rights and liquidation preference rights were irrevocably terminated and deemed void ab initio. Through the execution of the Special Rights Termination Agreements, while the clauses concerning the Company Redemption-Related Rights and liquidation preference rights have never been exercised, the parties agreed to terminate these clauses and to treat them as having no legal effect from the time of their execution, thereby restoring the rights and obligations of both parties to the status quo ante as if such clauses had never been agreed upon. This arrangement does not violate any mandatory provisions of laws, administrative regulations, or public order and morals, and is thus legally valid under the PRC laws. Based on the above, the PRC Legal Advisors are of the view that the Company Redemption-Related Rights and liquidation preference rights agreed upon by our Company and the Pre-IPO Investors have been irrevocably terminated and shall be deemed void ab initio.

Prior to the execution of the Special Rights Termination Agreements, only certain information rights and director nomination rights had been exercised by the Pre-IPO Investors. These rights were exercised in the ordinary course for governance and information purposes and did not result in any financial obligations, liabilities or other financial implications for our Company nor affect the PRC Legal Advisors' conclusion above.

Compliance with the Guide

On the basis that (i) the consideration for the Pre-IPO Investments were settled more than 28 clear days before the First Filing, (ii) the Company Redemption-Related Rights and the redemption rights against certain members of our Controlling Shareholders granted to the Pre-IPO Investors were terminated upon or before the First Filing, and (iii) all other special rights granted to the Pre-IPO Investors were terminated before the First Filing and/or shall cease to be effective upon Listing, the Joint Sponsors confirm that the Pre-IPO Investments are in compliance with Chapter 4.2 of the Guide.

Information about our Pre-IPO Investors

Our Pre-IPO Investors include Sophisticated Investors, namely CICC (as defined below) and Jinke Junchuang (as defined below), who have made meaningful investment in our Company in accordance with Chapter 2.3 of the Guide for New Listing Applicants. CICC (through CICC Qihe, Dongrong No. 1 and Hengqin Industrial) and Jinke Junchuang (through Jinke Huiyu) will hold approximately 5.65% and 5.49%, respectively, of our Company's total issued share capital upon the Listing (assuming that the Over-allotment Option is not exercised). To the best knowledge and information of our Directors, set out below is the information of our Pre-IPO Investors:

(a) Beijing Jingantai

Beijing Jingantai is a limited liability company established under the laws of the PRC and is principally engaged in the sales of electronic products, mechanical equipment and medical devices. As of the Latest Practicable Date, Beijing Jingantai was owned as to 90% and 10% by Mr. Chen Qi (陳齊) and Mr. Jiang Wenjun (蔣文軍), respectively.

To the best knowledge and information of our Directors, each of Beijing Jingantai and its ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Beijing Jingantai held 1.92% of our total issued share capital.

(b) Beijing New Energy and Qingdao Rongyu (collectively, "Ligong Innovation Entities")

Beijing New Energy is a limited partnership established under the laws of the PRC and is principally engaged in equity investment and investment management. As of the Latest Practicable Date, Beijing New Energy was owned as to (i) 1.23% by Ligong Innovation (Beijing) Investment Management Co., Ltd.* (理工創動(北京)投資管理有限公司) ("**Ligong Innovation**") as its general partner; (ii) 1.44% by Zhongtou Ruishi Puyu Phase II No. 1 Private

Equity Investment Master Fund (Zhuhai Hengqin) Partnership Enterprise (Limited Partnership)* (中投瑞石浦鈺貳期壹號私募股權投資母基金(珠海橫琴)合夥企業(有限合夥)) ("**Zhongtou Ruishi Puyu Phase II No. 1**") as its limited partner; (iii) 0.86% by Zhongtou Ruishi Puyu Phase II No. 2 Private Equity Investment Master Fund (Zhuhai Hengqin) Partnership Enterprise (Limited Partnership) (中投瑞石浦鈺貳期貳號私募股權投資母基金(珠海橫琴)合夥企業(有限合夥)) ("**Zhongtou Ruishi Puyu Phase II No. 2**") as its limited partner; and (iv) 96.47% by other seven limited partners, none of which held 30% or more of the interest therein. CICC Capital Management Co., Ltd.* (中金資本運營有限公司) ("**CICC Capital**") is the general partner of both Zhongtou Ruishi Puyu Phase II No. 1 and Zhongtou Ruishi Puyu Phase II No. 2. For details of CICC Capital, see "History and Corporate Structure — Pre-IPO Investments — Information about our Pre-IPO Investors — (c) CICC Qihe, Dongrong No. 1 and Hengqin Industrial (collectively, "**CICC Entities**")" below.

Ligong Innovation is a limited liability company established under the laws of the PRC and was owned as to 73% and 27% by Mr. Duan Yulong (段豫龍) and Mr. Cui Jihong (崔繼紅), respectively.

Qingdao Rongyu is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, Qingdao Rongyu was owned as to (i) 1.16% by Ligong Innovation as its general partner; (ii) 54.08% by Wang Yipeng (王一鵬); and (iii) 44.75% by three other limited partners, none of which held 30% or more of the interest therein.

To the best knowledge and information of our Directors, save for Zhongtou Ruishi Puyu Phase II No. 1 and Zhongtou Ruishi Puyu Phase II No. 2, each of Beijing New Energy and Qingdao Rongyu, their respective general partners, and limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Beijing New Energy and Qingdao Rongyu held 2.48% and 0.81% of our total issued share capital, respectively.

(c) CICC Qihe, Dongrong No. 1 and Hengqin Industrial (collectively, "CICC Entities")

CICC Qihe is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, CICC Qihe was owned as to (i) 1% by CICC Private Equity Management Co., Ltd.* (中金私募股權投資管理有限公司) ("**CICC Private Equity Management**") as its general partner; (ii) 98% by Huzhou Industrial Fund Investment Co., Ltd.* (湖州市產業基金投資有限公司) ("**Huzhou Industrial Fund**") as its limited partner; and (iii) 1% by Huzhou Innovation and Entrepreneurship Investment Co., Ltd.* (湖州市創新創業投資有限公司) as its limited partner.

CICC Private Equity Management is a limited liability company established under the laws of the PRC and was wholly-owned by China International Capital Corporation Limited (中國國際金融股份有限公司) ("**CICC**"). Huzhou Industrial Fund is a limited liability company established under the laws of the PRC and was a wholly-owned subsidiary of Huzhou Industrial Investment Development Group Co., Ltd.* (湖州市產業投資發展集團有限公司) ("**Huzhou Industrial Investment**"). Huzhou Industrial Investment is a state-owned limited liability company established under the laws of the PRC and was wholly-owned by the State-owned Assets Supervision and Administration Commission of Huzhou Municipal People's Government (湖州市人民政府國有資產監督管理委員會).

Dongrong No. 1 is a limited partnership established under the laws of the PRC and is principally engaged in equity investment and investment management. As of the Latest Practicable Date, Dongrong No. 1 was owned as to (i) 1% by CICC Capital, which was wholly-owned by CICC, as its general partner; and (ii) 99% by Guia Fund LP ("**Guia Fund**") as its limited partner. Guia Fund, a limited partnership established under the laws of Cayman Islands, is an institutional investor which primarily invests in leading companies in the advanced manufacturing, healthcare, energy and environmental protection, and consumer goods sectors.

Hengqin Industrial is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, Hengqin Industrial was owned as to (i) 0.0001% by CICC Capital as its general partner; and (ii) 99.9999% by the Finance Bureau of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin Finance Bureau* (橫琴粵澳深度合作區財政局) as its limited partner.

CICC, one of our Sophisticated Investors, is a joint stock company established under the laws of the PRC whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 3908) and A Shares are listed on the Shanghai Stock Exchange (Stock Code: 601995). CICC is principally engaged in securities business, foreign exchange business, public securities investment fund sales, intermediary introduction business provided by securities companies to futures companies and custodian business for securities investment funds, with total assets under management of approximately RMB1,746.1 billion as of December 31, 2025.

To the best knowledge and information of our Directors, each of the limited partners of CICC Qihe, Dongrong No. 1 and Hengqin Industrial, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, CICC Qihe, Dongrong No. 1 and Hengqin Industrial held 1.35%, 0.45%, and 4.48% of our total issued share capital, respectively.

(d) Deruida Wealth

Deruida Wealth is a limited partnership established under the laws of the PRC and is principally engaged in investment in innovative technologies and emerging companies. As of the Latest Practicable Date, Deruida Wealth was owned as to (i) 99.94% by Ms. Hu Dewen (胡德文) as its general partner; and (ii) 0.06% by two other limited partners.

To the best knowledge and information of our Directors, each of Deruida Wealth, its general partner and its limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Deruida Wealth held 0.21% of our total issued share capital.

(e) Dongsheng Bozhan

Dongsheng Bozhan is a limited liability company established under the laws of the PRC and is principally engaged in investment in hard technology sectors such as biotechnology and medical devices. As of the Latest Practicable Date, Dongsheng Bozhan was wholly-owned by Beijing Dongsheng Bozhan Investment Management Co., Ltd.* (北京東升博展投資管理有限公司) ("**Dongsheng Bozhan Investment**").

Dongsheng Bozhan Investment is a limited liability company established under the laws of the PRC and was owned as to 62.50%, 25.00% and 12.50% by Dongsheng Bozhan, Beijing Dongsheng Zhichun Property Management Center* (北京東升知春物業管理中心), and Beijing Dongsheng Bozhan Hotel Management Co., Ltd.* (北京東升博展酒店經營管理有限公司), respectively.

To the best knowledge and information of our Directors, each of Dongsheng Bozhan and its ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Dongsheng Bozhan held 0.56% of our total issued share capital, respectively.

(f) Gaorong Phase IV and Kangyong Investment (collectively, "Gaorong Ventures Entities")

Gaorong Phase IV is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, Gaorong Phase IV was owned as to (i) 0.04% by Beijing Gaorong Capital Management Consulting Co., Ltd.* (北京高榕資本管理諮詢有限公司) ("**Gaorong Ventures**") as its general partner; and (ii) 99.96% by 36 other limited partners, none of which held 30% or more of the interest therein.

Gaorong Ventures is a limited liability company established under the laws of the PRC and was owned as to 33.34%, 33.33% and 33.33% by Mr. Zhang Zhen (張震), Mr. Yue Bin (岳斌) and Mr. Gao Xiang (高翔), respectively.

Kangyong Investment is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, Kangyong Investment was owned as to (i) 0.22% by Tibet Rongkang Investment Management Co., Ltd.* (西藏榕康投資管理有限公司) ("**Tibet Rongkang**") as its general partner; (ii) 65.36% by Taikang Life Insurance Co., Ltd.* (泰康人壽保險有限責任公司) ("**Taikang Life Insurance**") as its limited partner; and (iii) 34.42% by four other limited partners, none of which held 30% or more of the interest therein.

Tibet Rongkang is a limited liability company established under the laws of the PRC and was wholly-owned by Xizang Gaorong Capital Management Co., Ltd.* (西藏高榕資本管理有限公司), which was in turn wholly-owned by Gaorong Ventures. Taikang Life Insurance is a limited liability company established under the laws of the PRC and was wholly-owned by Taikang Insurance Group Inc. (泰康保險集團股份有限公司).

To the best knowledge and information of our Directors, each of Gaorong Phase IV and Kangyong Investment, their respective general partners and limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Gaorong Phase IV and Kangyong Investment held 2.17% and 0.38% of our total issued share capital, respectively.

(g) Guangdong-Macao Investment

Guangdong-Macao Investment is a limited liability company established under the laws of the PRC and is primarily engaged in investment and assets management. As of the Latest Practicable Date, Guangdong-Macao Investment was owned as to (i) 50% by Guangdong-Macao Cooperation and Development Fund (Limited Partnership)* (廣東粵澳合作發展基金(有限合夥)) ("**Guangdong-Macau Development Fund**"); (ii) 30% by Guangdong Hengjian Investment Holding Co., Ltd.* (廣東恒健投資控股有限公司) ("**Hengjian Investment**"); and (iii) 20% by two other shareholders.

Guangdong-Macao Development Fund is a limited partnership established under the laws of the PRC and was owned as to (i) 0.05% by Guangdong-Macau Cooperation and Development Fund Management Co., Ltd.* (廣東粵澳合作發展基金管理有限公司) ("**Guangdong-Macau Development Fund Management**") as its general partner; and (ii) 99.95% by ICBC (Macau) Capital Limited (工銀(澳門)投資股份有限公司) as its limited partner. Guangdong-Macau Development Fund Management is a limited liability company established under the laws of the PRC and was owned as to (i) 75% by Hengjian Investment, which was in turn wholly-owned by the State-owned Assets Supervision and Administration Commission of Guangdong Province (廣東省人民政府國有資產監督管理委員會); and (ii) 25% by Guangdong Namyue Group Ltd., Co. (廣東南粵集團有限公司).

To the best knowledge and information of our Directors, each of Guangdong-Macao Investment and its ultimate beneficial owners, is an Independent Third Party. As of the Latest Practicable Date, Guangdong-Macao Investment held 8.97% of our total issued share capital.

(h) Hengqin Golden Investment and Ligao No. 2 (collectively, "Zhuhai Gree Group Entities")

Hengqin Golden Investment is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, Hengqin Golden Investment was owned as to (i) 0.33% by Guangdong Hengqin Jintou Venture Capital Fund Management Co., Ltd.* (廣東橫琴金投創業投資基金管理有限公司) ("**Hengqin Jintou Venture Capital**") as its general partner; and (ii) 99.67% by Zhuhai Gree Financial Investment Management Co., Ltd.* (珠海格力金融投資管理有限公司) ("**Zhuhai Gree Financial Investment**") as its limited partner.

Hengqin Jintou Venture Capital is a limited liability company established under the laws of PRC and was wholly-owned by Zhuhai Science and Technology Industry Group Co., Ltd.* (珠海科技產業集團有限公司) ("**Zhuhai Science and Technology Industry Group**"), which was owned as to 60% and 40% by Zhuhai Huafa Group Co., Ltd.* (珠海華發集團有限公司) ("**Zhuhai Huafa**") and Zhuhai Gree Group Co., Ltd.* (珠海格力集團有限公司) ("**Zhuhai Gree Group**"), respectively. Zhuhai Huafa was owned as to 93.48% and 6.52% by the State-owned Assets Supervision and Administration Commission of the Zhuhai Municipal

People's Government (珠海市人民 政府國有資產監督管理委員會) ("**Zhuhai SASAC**") and the Department of Finance of Guangdong Province (廣東省財政廳), respectively. Zhuhai Gree Group was owned as to 90% and 10% by Zhuhai SASAC and the Department of Finance of Guangdong Province, respectively.

Zhuhai Gree Financial Investment is a limited liability company established under the laws of PRC and was wholly-owned by Zhuhai Zhuke No. 1 Investment Co., Ltd.* (珠海珠科壹號投資有限公司), which was in turn wholly-owned by Zhuhai Science and Technology Industry Group.

Ligao No. 2 is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, Ligao No. 2 was owned as to (i) 0.20% by Zhuhai Gaoke Venture Capital Management Co., Ltd.* (珠海高科金投創業投資管理有限公司) ("**Gaoke Venture Capital**") as its general partner; (ii) 66.47% by Zhuhai Gree Venture Capital Co., Ltd.* (珠海格力創業投資有限公司) ("**Gree Venture Capital**") as its limited partner; (iii) 33.13% by Zhuhai Gaoke Jintou Industrial Equity Investment Co., Ltd.* (珠海高科金投產業股權投資有限公司) ("**Gaoke Jintou**") and (iv) 0.20% by another limited partner.

Gaoke Venture Capital is a state-owned limited liability company established under the laws of the PRC and was owned as to (i) 60% by the Bureau of Development, Reform, Finance and Finance Office of Zhuhai (National) Hi-Tech Industrial Development Zone (珠海高新技術產業開發區發展改革和財政金融局); and (ii) 40% by Zhuhai High-tech Holdings Group Co., Ltd.* (珠海高新控股集團有限公司) ("**Zhuhai High-tech Holdings**")), which was in turn wholly owned by the Bureau of Development, Reform, Finance and Finance Office of Zhuhai (National) Hi-Tech Industrial Development Zone. Gree Venture Capital was wholly-owned by Zhuhai Gree Financial Investment.

Gaoke Jintou was a wholly-owned subsidiary of Zhuhai Gaoxin Financial Investment Co., Ltd.* (珠海高新金融投資有限公司), which was in turn wholly-owned by Zhuhai High-tech Construction Investment Co., Ltd.* (珠海市高新建設投資有限公司), which was owned as to 93.18% and 6.82% by Zhuhai High-tech Holdings and the Department of Finance of Guangdong Province, respectively.

To the best knowledge and information of our Directors, each of Hengqin Golden Investment and Ligao No. 2, their respective general partners and limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Hengqin Golden Investment and Ligao No. 2 held 1.67% and 0.62% of our total issued share capital, respectively.

(i) Hengqin Shenhe Industrial Investment

Hengqin Shenhe Industrial Investment is a limited liability company established under the laws of the PRC and is principally engaged in investment activities. As of the Latest Practicable Date, Hengqin Shenhe Industrial Investment was wholly-owned by Hengqin Shenhe Investment Co., Ltd.* (橫琴深合投資有限公司), which was in turn wholly-owned by the Finance Bureau of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin (橫琴粵澳深度合作區財政局).

To the best knowledge and information of our Directors, each of Hengqin Shenhe Industrial Investment and its ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Hengqin Shenhe Industrial Investment held 1.35% of our total issued share capital.

(j) Hengqin Xinti

Hengqin Xinti is a limited partnership established under the laws of the PRC and is principally engaged in investment in biotechnology industry. As of the Latest Practicable Date, Hengqin Xinti was owned as to (i) 40% by Ms. Liang Tangyin (梁棠茵) as its general partner; and (ii) 60% by Ms. Zhang Xiaoshan (張曉珊) as its limited partner.

To the best knowledge and information of our Directors, each of Hengqin Xinti, and its ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Hengqin Xinti held 0.62% of our total issued share capital.

(k) Huajin Lingyue

Huajin Lingyue is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, Huajin Lingyue was owned as to (i) 0.09% by Zhuhai Huajin Lingchuang Fund Management Co., Ltd. (珠海華金領創基金管理有限公司) ("**Huajin Lingchuang Fund Management**") as its general partner; and (ii) 99.91% by other six limited partners, none of which held 30% or more of the interest therein.

Huajin Lingchuang Fund Management is a limited liability company established under the laws of the PRC and was wholly-owned by Zhuhai Huajin Innovation Investment Co., Ltd.* (珠海華金創新投資股份有限公司), which was in turn wholly-owned by Zhuhai Huajin Capital Co., Ltd. (珠海華金資本股份有限公司), a joint stock company whose shares are listed on the Shenzhen Stock Exchange (stock code: 000532) as of the Latest Practicable Date.

To the best knowledge and information of our Directors, each of Huajin Lingyue, its general partner and its limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Huajin Lingyue held 0.62% of our total issued share capital.

(l) Huitai Dongfang

Huitai Dongfang is a limited partnership established under the laws of the PRC and is principally engaged in investment in biotechnology industry. As of the Latest Practicable Date, Huitai Dongfang was owned as to (i) 36.50% by Ms. Wang Binbin (王彬彬) as its general partner; and (ii) 63.50% by six other limited partners, none of which held 30% or more of the interest therein.

To the best knowledge and information of our Directors, each of Huitai Dongfang, its general partner and its limited partners is an Independent Third Party. As of the Latest Practicable Date, Huitai Dongfang did not hold any shares of our Company.

(m) Jinke Junlian, Junhe Hongrui and Jinke Huiyu

Jinke Junlian is a limited partnership established under the laws of the PRC and is principally engaged in the provision of management consultancy service. As of the Latest Practicable Date, Jinke Junlian was owned as to (i) 50% by Beijing Jinke Junchuang Investment Management Co., Ltd.* (北京金科君創投資管理有限公司) ("**Jinke Junchuang**") as its general partner; (ii) 30% by Ningbo Juncheng Zhonghe Enterprise Management Consulting Partnership (Limited Partnership)* (寧波君誠眾合企業管理諮詢合夥企業(有限合夥)) ("**Ningbo Juncheng**") as its limited partner; and (iii) 20% by another limited partner.

Ningbo Juncheng is a limited partnership established under the laws of the PRC and was owned as to (i) 60.62% by Ms. Guan Xianyue (管弦悦) as its general partner; and (ii) 39.38% by eight other limited partners, none of which held 30% or more of the interest therein.

Junhe Hongrui is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, Junhe Hongrui was owned as to (i) 0.41% by Jinke Junchuang as its general partner; (ii) 38.62% by Mr. Jin Xiangguo (金向國) as its limited partner; (iii) 38.62% by Ms. Song Na (宋娜) as its limited partner; and (iv) 22.36% by five other limited partners.

Jinke Huiyu is a limited partnership established under the laws of the PRC and is principally engaged in investment management. As of the Latest Practicable Date, Jinke Huiyu was owned as to (i) 1.83% by Jinke Junlian as its general partner; (ii) 45.14% by Junhe Hongrui as its limited partner; and (iii) 53.03% by five other limited partners, none of which held 30% or more of the interest therein.

Jinke Junchuang, one of our Sophisticated Investors, is a limited liability company established under the laws of the PRC and is principally engaged in equity and assets management with total assets under management of approximately RMB2.21 billion. Jinke Junchuang was owned as to (i) 50% by Ningbo Junchuang Xincheng Investment Management Partnership Enterprise (Limited Partnership)* (寧波君創信誠投資管理合夥企業(有限合夥)) ("**Junchuang Xincheng**"); and (ii) 50% by nine other shareholders, none of which held 30% or more of the interest therein. Junchuang Xincheng is a limited partnership established under the laws of the PRC with a registered capital of RMB5 million and was owned as to (i) 49% by Ms. Guan Xianyue as its general partner; and (ii) 51% by seven other limited partners, none of which held 30% or more of the interest therein.

Ms. Guan Xianyue, the founder of Jinke Junchuang, has over 30 years of experience in technology management, enterprise services and investment. She is responsible for overseeing investments in the healthcare sector of Jinke Junchuang. The investment portfolio of Jinke Junchuang in the medical healthcare and biotechnology sectors includes, among others, TINAVI Medical Technologies Co., Ltd. (北京天智航醫療科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688277) and Beijing Competitor Sports Science Technology Joint Stock Co., Ltd. (北京康比特體育科技股份有限公司), a company listed on the Beijing Stock Exchange (stock code: 920429).

To the best knowledge and information of our Directors, each of Jinke Junlian, Junhe Hongrui and Jinke Huiyu, their respective general partners and limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Jinke Junlian and Junhe Hongrui did not hold any shares of our Company, and Jinke Huiyu held 6.10% of our total issued share capital.

(n) KIP (ZhangJiaGang) and JingDe (Guangzhou) (collectively, "KIP Entities")

KIP (ZhangJiaGang) and JingDe (Guangzhou) are limited partnerships established under the laws of the PRC and are all investment arms of Korea Investment Partners Co., Ltd. ("**KIP**"). KIP is a limited liability company established in Korea, which is wholly-owned by Korea Investment Holdings Co., Ltd. ("**KIH**"), a company whose shares are listed on the KOSDAQ (stock code: 071050) and was controlled by its largest shareholder Mr. Namgoo Kim as of the Latest Practicable Date.

The general partner of KIP (ZhangJiaGang) is Korea Investment Partners (Shanghai) Co., Ltd. (韓投夥伴(上海)創業投資管理有限責任公司) ("**KIP Shanghai**") which is wholly-owned by KIP. KIP (ZhangJiaGang) has two limited partners: KIP KIS SEA-CHINA Fund (韓投世亞基金) ("**Sea China Fund**") and Zhangjiagang Shazhouhu Venture Capital Co., Ltd. (張家港市沙洲湖創業投資有限公司), holding approximately 54.95% and 45.00% of the partnership interest, respectively. Sea China Fund was owned as to (i) 9.30% by KIP as its general partner; (ii) 83.67% by Korea Investment Securities Co., Ltd., a wholly-owned subsidiary of KIH, as its limited partner; and (iii) 7.04% by another limited partner.

The general partner of JingDe (Guangzhou) is KIP Shanghai. JingDe (Guangzhou) has five limited partners, with the largest being Sea China Fund, holding approximately 53.27% of the partnership interest. None of the other four limited partners holds 30% or more of the interest therein.

To the best knowledge and information of our Directors, each of KIP (ZhangJiaGang) and JingDe (Guangzhou), their respective general partners and limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, KIP (ZhangJiaGang) and JingDe (Guangzhou) held 2.10% and 2.10% of our total issued share capital, respectively.

(o) Lide Gongchuang

Lide Gongchuang is a limited liability company established under the laws of the PRC and is principally engaged in robotics technology innovation and industry services, including brand media, industry forums, consulting, investment incubation and industrial implementation. As of the Latest Practicable Date, Lide Gongchuang was owned as to (i) 60.42% by Mr. Pan Yue (潘月); (ii) 30.78% by Ms. Duan Jianli (段建麗); and (iii) 8.8% by two other shareholders.

To the best knowledge and information of our Directors, each of Lide Gongchuang and its ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Lide Gongchuang held 0.26% of our total issued share capital.

(p) Novel Robotics

Novel Robotics is a limited liability company established under the laws of Hong Kong and is principally engaged in investment and R&D of medical robots and service robots. As of the Latest Practicable Date, Novel Robotics was owned as to (i) 76.47% by Mr. Liu Yun Hui (劉雲輝); (ii) 17.65% by Ultimate Lenovo Limited; (iii) 3.53% by Eterpassion Inc.; and (iv) 2.35% by Sherwood International Inc..

To the best knowledge and information of our Directors, each of Novel Robotics and its ultimate beneficial owner is an Independent Third Party. As of the Latest Practicable Date, Novel Robotics held 0.65% of our total issued share capital.

(q) Shenzhen Ruisheng

Shenzhen Ruisheng is a limited partnership established under the laws of the PRC and is principally engaged in private equity investment management. As of the Latest Practicable Date, Shenzhen Ruisheng was owned as to (i) 25.42% by Beijing Zhongzhi Ronghui Investment Consulting Co., Ltd.* (北京眾智融匯投資顧問有限公司) ("**Zhongzhi Ronghui**") as its general partner; and (ii) 74.58% by Hainan Jizhi Enterprise Management Consulting Partnership (Limited Partnership)* (海南吉智企業管理諮詢合夥企業(有限合夥)) ("**Hainan Jizhi**") as its limited partner.

Zhongzhi Ronghui is a limited liability company established under the laws of the PRC and was owned as to 55% and 45% by Beijing Borui Huizhi Management Consulting Center (Limited Partnership)* (北京博睿匯智管理諮詢中心(有限合夥)) ("**Borui Huizhi**") and Ms. Li Xueying (李雪瑩), respectively. Borui Huizhi is a limited partnership established under the laws of the PRC and was owned as to (i) 71.43% by Ms. Li Xueying as its general partner; and (ii) 28.57% by Ms. Guo Wei (郭威) as its limited partner.

Hainan Jizhi is a limited partnership established under the laws of the PRC and was owned as to (i) 0.91% by Beijing Zhongzhi Huixin Investment Consulting Co., Ltd.* (北京眾智匯鑫投資顧問有限公司) ("**Zhongzhi Huixin**") as its general partner; (ii) 62.73% by Mr. Su Guogang (蘇國剛); and (iii) 36.36% by Mr. Zhang Jun (張軍). Zhongzhi Huixin is a limited liability company established under the laws of the PRC which was primarily engaged in the provision of investment consulting services, and was owned as to 60%, 30% and 10% by Mr. Li Gang (李罡), Mr. Chang Lei (暢磊) and Mr. Xu Yang (徐揚), respectively.

To the best knowledge and information of our Directors, each of Shenzhen Ruisheng, its general partner and its limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Shenzhen Ruisheng held 0.06% of our total issued share capital.

(r) Shuimu Dongfang

Shuimu Dongfang is a limited liability company established under the laws of the PRC and is principally engaged in the production and sales of medical equipment. As of the Latest Practicable Date, Shuimu Dongfang was owned as to (i) 18.97% by its single largest shareholder, TINAVI Medical Technologies Co., Ltd. (北京天智航醫療科技股份有限公司), a joint stock company listed on the STAR Market of the Shanghai Stock Exchange (Stock Code: 688277), and (ii) 81.03% by other 13 shareholders, none of which held 30% or more of the interest therein.

To the best knowledge and information of our Directors, each of Shuimu Dongfang and its ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Shuimu Dongfang held 3.24% of our total issued share capital.

(s) Shuimu Linghang

Shuimu Linghang is a limited partnership established under the laws of the PRC and is principally engaged in investment management. As of the Latest Practicable Date, Shuimu Linghang was owned as to (i) 1.85% by Beijing Shuimu Linghang Consultation Center (Limited Partnership)* (北京水木領航諮詢中心(有限合夥)) ("**Shuimu Linghang Consultation Center**") as its general partner; and (ii) 98.16% by 16 other limited partners, none of which held 30% or more of the interest therein.

Shuimu Linghang Consultation Center is a limited partnership established under the laws of the PRC and was owned as to (i) 75% by Anyi Shuimu Huizhi Enterprise Management Center (Limited Partnership)* (安義水木匯智企業管理中心(有限合夥)) ("**Shuimu Huizhi**") as its general partner; and (ii) 25% by Beijing Shuimu Zhongzhi Enterprise Management Co., Ltd.* (北京水木眾智企業管理有限公司) ("**Shuimu Zhongzhi**") as its limited partner.

Shuimu Huizhi is a limited partnership established under the laws of the PRC and was owned as to (i) 60% by Mr. Wu Yong (吳勇) as its general partner; and (ii) 40% by three other limited partners, none of which held 30% or more of the interest therein. Shuimu Zhongzhi is a limited liability company established under the laws of the PRC and was owned as to 99% and 1% by Mr. Wu Yong and Mr. Song Feng (宋峰), respectively.

To the best knowledge and information of our Directors, each of Shuimu Linghang, its general partner and its limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Shuimu Linghang held 0.78% of our total issued share capital.

(t) Taiping Medical Investment Fund

Taiping Medical Investment Fund is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, Taiping Medical Investment Fund was owned as to (i) 0.02% by Taiping Innovation Investment Management Co., Ltd.* (太平創新投資管理有限公司) ("**Taiping Innovation Investment**") as its general partner; (ii) 76.91% by Taiping Life Insurance Co., Ltd. (太平人壽保險有限公司) ("**Taiping Life Insurance**") as its limited partner; and (iii) 23.07% by another limited partner.

Taiping Innovation Investment is a limited liability company established under the laws of the PRC and was wholly-owned by Taiping Capital Asset Management Co., Ltd. (太平資本保險資產管理有限公司), which was in turn owned as to 60% and 40% by Taiping Life Insurance and Taiping General Insurance Co., Ltd. (太平財產保險有限公司) ("**Taiping General Insurance**"), respectively. Taiping General Insurance was owned as to 99.99% by China Taiping Insurance Holdings Company Limited (中國太平保險控股有限公司) ("**China Taiping Insurance**"), whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 966).

Taiping Life Insurance is a limited liability company established under the laws of the PRC and was owned as to 75.10%, 12.45% and 12.45% by China Taiping Insurance, Jinbo International Investment Co., Ltd.* (金柏國際投資有限公司) and Ageas Insurance International N.V. (比利時富傑保險國際股份有限公司), respectively.

To the best knowledge and information of our Directors, each of Taiping Medical Investment Fund, its general partner and its limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Taiping Medical Investment Fund held 2.24% of our total issued share capital.

(u) X Technology

X Technology is an exempted limited partnership established under the laws of the Cayman Islands and is principally engaged in the investment of technology companies in Hong Kong and the Greater Bay Area, with a focus on big data and artificial intelligence, microelectronics and chip design, robotics and intelligent manufacturing, life sciences, and advanced materials. As of the Latest Practicable Date, X Technology was owned as to (i) 0.0003% by X Tech Management, L.P. as its general partner; (ii) 39.71% by Gopher HKX Technology Fund LP as its limited partner; (iii) 30.55% by HSG Venture VI Holdco, Ltd.; and (iv) 29.73% by 12 other limited partners.

X Tech Management L.P. is an exempted limited partnership established under the laws of the Cayman Islands. Its general partner, X Tech Holdings Ltd., is responsible for its management and operation. X Tech Holdings Ltd. was owned as to (i) 48.4% by Wang Shun Group Limited, which was wholly-owned by Guanhan Chen; (ii) 33.3% by Clear Water Bay Capital, which was owned as to 57%, 23% and 20% by Zexiang Li, Ping Keung Ko and Jie Gan, respectively; and (iii) 18.3% by HSG Venture VI Holdco, Ltd..

To the best knowledge and information of our Directors, each of X Technology, its general partners and its limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, X Technology held 0.65% of our total issued share capital.

(v) Yarui Heyi and Zhongguancun Zhiyou

Yarui Heyi is a limited liability company established under the laws of the PRC and is principally engaged in investment management. As of the Latest Practicable Date, Yarui Heyi was owned as to 51% and 49% by Ms. Gao Yaping (高雅萍) and Mr. Zhang Ruijun (張瑞君), respectively.

Zhongguancun Zhiyou is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. As of the Latest Practicable Date, Zhongguancun Zhiyou was owned as to (i) 1.02% by Yarui Heyi as its general partner; (ii) 42.35% by Beijing Science and Technology Innovation Fund (Limited Partnership)* (北京市科技創新基金(有限合夥)) ("**Beijing Science and Technology Innovation Fund**") as its limited partner; and (iii) 56.63% by 27 other limited partners, none of which held 30% or more of the interest therein.

Beijing Science and Technology Innovation Fund is a limited partnership established under the laws of the PRC and was owned as to (i) 1% by Beijing Science and Technology Innovation Investment Management Co., Ltd.* (北京科技創新投資管理有限公司) ("**Beijing Science and Technology Innovation Investment Management**") as its general partner; (ii) 49.14% by Beijing Municipal Government Investment Guidance Fund (Limited Partnership)* (北京市政府投資引導基金(有限合夥)) ("**Beijing Municipal Government Investment Guidance Fund**") as its limited partner; and (iii) 49.86% by seven other limited partners, none of which held 30% or more of the interest therein.

Beijing Science and Technology Innovation Investment Management is a limited liability company established under the laws of the PRC, and was owned as to (i) 51% by CICC Capital; and (ii) 49% by four other shareholders, none of which held 30% or more of the interest therein.

Beijing Municipal Government Investment Guidance Fund is a limited partnership established under the laws of the PRC and was owned as to (i) 0.004% by Beijing Municipal Government Investment Guidance Fund Management Co., Ltd.* (北京市政府投資引導基金管理有限公司) as its general partner; and (ii) 99.996% by Beijing State-owned Capital Operation and Management Co., Ltd.* (北京國有資本運營管理有限公司).

To the best knowledge and information of our Directors, each of Yarui Heyi and Zhongguancun Zhiyou, their respective general partners and limited partners, and their respective ultimate beneficial owners is an Independent Third Party. As of the Latest Practicable Date, Zhongguancun Zhiyou held 2.07% of our total issued share capital.

REASONS FOR THE LISTING

Our Directors consider that the listing of our H Shares on the Stock Exchange will be beneficial to our Group and our Shareholders as our Group can leverage the international capital markets platform offered by the Stock Exchange to strengthen our global presence, expand our Shareholder base and improve our fundraising capabilities. For details of our application of proceeds from the Listing, see "Future Plans and Use of Proceeds".

OUR EMPLOYEE SHAREHOLDING PLATFORM

In May 2022, to align the interests of our employees and our Company and to recognize the valuable contributions of our Directors, senior management, service backbones of our Group who are crucial to our Group's overall performance and long-term development, we adopted the Pre-IPO Employee Incentive Scheme. Zhuhai Meijirui was established under the laws of the PRC as our employee shareholding platform on June 15, 2022. Renxiang Biotechnology is the sole general partner of Zhuhai Meijirui and is responsible for its management. As of the Latest Practicable Date, Zhuhai Meijirui held approximately 6.46% equity interest in our Company. For details of the Pre-IPO Employee Incentive Scheme, see "Statutory and General Information—E. Pre-IPO Employee Incentive Scheme" in Appendix VI to this prospectus.

PUBLIC FLOAT

Upon completion of the Global Offering (assuming that the Over-allotment Option is not exercised) and the conversion of the Domestic Unlisted Shares into H Shares, our Company will have 35,647,003 H Shares, among which:

(a) the 14,959,232 H Shares to be converted from the Domestic Unlisted Shares held by our Controlling Shareholders (representing approximately 41.96% of our total issued Shares upon Listing) will not be counted towards the public float for the purpose of Rule 19A.13A(1) of the Listing Rules after the Listing as these Shareholders will be our core connected persons;

(b) the 5,481,897 H Shares to be converted from the Domestic Unlisted Shares held or controlled by (i) Hengqin Industrial, (ii) Guangdong-Macao Investment, (iii) Hengqin Golden Investment, (iv) Ligao No. 2 and (v) Hengqin Shenhe Industrial Investment (the "**Guangdong Shareholders**") (representing approximately 15.38% of our total issued Shares upon Listing) will not be counted towards the public float for the purpose of Rule 19A.13A(1) of the Listing Rules after the Listing as these Shareholders, who collectively hold over 10% of our total issued Shares upon Listing, are controlled by or associated with a governmental body of Guangdong province;

(c) the 11,641,174 H Shares to be converted from the Domestic Unlisted Shares held or controlled by our Shareholders who are not our core connected persons (representing approximately 32.66% of our total issued Shares upon Listing) will be counted towards the public float for the purpose of Rule 19A.13A(1) of the Listing Rules after the Listing as these Shareholders will not be core connected persons of our Company upon Listing nor are they accustomed to take instructions from our Company's core connected persons in relation to the acquisition, disposal, voting or other disposition of their Shares and their acquisition of Shares were not financed directly or indirectly by our Company's core connected persons; and

(d) the 3,564,700 H Shares (representing approximately 10.00% of our total issued Shares upon Listing) will be issued pursuant to the Listing.

Immediately following the completion of the Global Offering (assuming that the Over-allotment Option is not exercised), the expected market capitalization of our Company's Shares would be approximately HK$4,252.7 million, HK$4,541.4 million, and HK$4,826.6 million based on the low end (HK$119.30), mid-point (HK$127.40) and high end (HK$135.40) of the Offer Price range, respectively. Under Rule 19A.13A(1), the minimum public float of the Company shall be 25.00%, based on the low end, mid-point and high end of the Offer Price range. To the best knowledge of our Directors, save as disclosed above, upon completion of the Global Offering (assuming that the Over-allotment Option is not exercised) and the conversion of Domestic Unlisted Shares into H Shares, an aggregate of 15,205,874 H Shares, representing approximately 42.66% of our total issued Shares, will be counted towards the public float and therefore, our Company will be able to meet the minimum public float requirement under Rule 19A.13A.

FREE FLOAT

Rule 19A.13C of the Listing Rules provides that, where a new applicant is a PRC issuer with no other listed shares at the time of Listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Our Company will satisfy the free float requirement under Rule 19A.13C of the Listing Rules.

CAPITALIZATION OF OUR COMPANY

The following table sets out our shareholding structure (a) as of the Latest Practicable Date and (b) as of the Listing Date (assuming that the Over-allotment Option is not exercised):

	As of the Latest Practicable Date		As of the Listing Date (assuming that the Over-allotment Option is not exercised)	
Shareholders	**Number of Shares**	**Approximate percentage in total issued share capital**	**Number of H Shares**	**Approximate ownership percentage in H shares**
		(%)		*(%)*
CONTROLLING SHAREHOLDERS				
Renyang Biotechnology	3,360,000	10.47	3,360,000	9.43
Chengzhen Health	3,000,000	9.35	3,000,000	8.42
Jiarun Tongchuang	2,400,000	7.48	2,400,000	6.73
Jiarun Hechuang	2,293,900	7.15	2,293,900	6.44
Zhuhai Meijirui	2,071,682	6.46	2,071,682	5.81
Jiarun Xinchuang	1,800,000	5.61	1,800,000	5.05
Xinhui Runkang	33,650	0.10	33,650	0.09
Subtotal of Controlling Shareholders	**14,959,232**	**46.63**	**14,959,232**	**41.96**
SOPHISTICATED INVESTORS				
CICC Entities				
Hengqin Industrial[(2)]	1,438,669	4.48	1,438,669	4.04
CICC Qihe	431,601	1.35	431,601[(1)]	1.21
Dongrong No. 1	143,867	0.45	143,867[(1)]	0.40
Subtotal	***2,014,137***	***6.28***	***2,014,137***	***5.65***
Jinke Huiyu	1,955,547	6.10	1,955,547[(1)]	5.49
Subtotal of Sophisticated Investors	**3,969,684**	**12.37**	**3,969,684**	**11.14**

Shareholders	As of the Latest Practicable Date		As of the Listing Date (assuming that the Over-allotment Option is not exercised)	
	Number of Shares	Approximate percentage in total issued share capital	Number of H Shares	Approximate ownership percentage in H shares
		(%)		(%)
OTHER PRE-IPO INVESTORS				
Guangdong-Macao Investment[(2)]	2,877,337	8.97	2,877,337	8.07
Taike Maidi	1,440,000	4.49	1,440,000[(1)]	4.04
KIP Entities				
JingDe (Guangzhou)	673,090	2.10	673,090[(1)]	1.89
KIP (ZhangJiaGang)	673,090	2.10	673,090[(1)]	1.89
Subtotal	***1,346,180***	***4.20***	***1,346,180***	***3.78***
Ligong Innovation Entities				
Beijing New Energy	795,470	2.48	795,470[(1)]	2.23
Qingdao Rongyu	259,840	0.81	259,840[(1)]	0.73
Subtotal	***1,055,310***	***3.29***	***1,055,310***	***2.96***
Shuimu Dongfang	1,038,060	3.24	1,038,060[(1)]	2.91
Gaorong Ventures Entities				
Gaorong Phase IV	696,510	2.17	696,510[(1)]	1.95
Kangyong Investment	122,904	0.38	122,904[(1)]	0.34
Subtotal	***819,414***	***2.55***	***819,414***	***2.30***
Zhuhai Gree Group Entities				
Hengqin Golden Investment[(2)]	535,420	1.67	535,420	1.50
Ligao No. 2[(2)]	198,870	0.62	198,870	0.56
Subtotal	***734,290***	***2.29***	***734,290***	***2.06***
Taiping Medical Investment Fund	719,335	2.24	719,335[(1)]	2.02
Zhongguancun Zhiyou	664,900	2.07	664,900[(1)]	1.87
Beijing Jingantai	615,030	1.92	615,030[(1)]	1.73
Hengqin Shenhe Industrial Investment[(2)]	431,601	1.35	431,601	1.21
Shuimu Linghang	249,340	0.78	249,340[(1)]	0.70
Novel Robotics	207,780	0.65	207,780[(1)]	0.58
X Technology	207,780	0.65	207,780[(1)]	0.58
Huajin Lingyue	198,870	0.62	198,870[(1)]	0.56
Hengqin Xinti	198,870	0.62	198,870[(1)]	0.56
Dongsheng Bozhan	178,980	0.56	178,980[(1)]	0.50
Lide Gongchuang	83,110	0.26	83,110[(1)]	0.23
Deruida Wealth	67,310	0.21	67,310[(1)]	0.19
Shenzhen Ruisheng	19,890	0.06	19,890[(1)]	0.06
Subtotal of other Pre-IPO Investors	**13,153,387**	**41.00**	**13,153,387**	**36.90**
OTHER INVESTORS TAKING PART IN THE GLOBAL OFFERING	**–**	**–**	**3,564,700[(1)]**	**10.00**
Total	**32,082,303**	**100.00**	**35,647,003**	**100.00**

Notes:

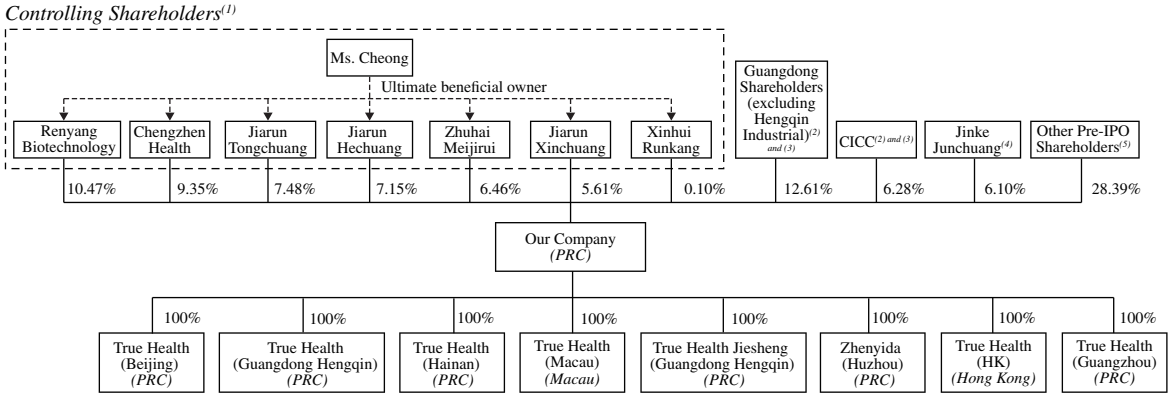
(1) Shares that count towards the public float. As indicated in the above table, a total of 15,205,874 H Shares will be counted towards the public float, representing approximately 42.66% of the total number of Shares immediately upon the Listing (assuming that the Over-allotment Option is not exercised).

(2) For the purpose of calculating the public float, as the Guangdong Shareholders are controlled by or associated with a governmental body of Guangdong province, the relevant governmental body indirectly holds and will hold approximately 17.09% and 15.38% of our total issued Shares immediately before and upon Listing, respectively. For details, see "—Public Float" above.

SHAREHOLDING AND CORPORATE STRUCTURE OF OUR COMPANY

Shareholding and Corporate Structure Immediately Before the Global Offering

The following chart sets forth our corporate structure as of the Latest Practicable Date and immediately before completion of the Global Offering:



Notes:

(1) Renxiang Biotechnology, which was held as to 99.99% by Ms. Cheong, is the sole general partner of, and is, pursuant to the relevant partnership agreements, entitled to exercise all voting rights in, each of Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang. Each of Renyang Biotechnology, Chengzhen Health and Jiarun Tongchuang was owned as to 99% by China True Health Medical as their sole limited partner, and Jiarun Hechuang was owned as to 99% by Shuimu Medical Technology as its sole limited partner. Each of China True Health Medical and Shuimu Medical Technology was owned as to 96.67% by Ms. Cheong. As such, (i) Ms. Cheong is the ultimate beneficial owner of each of Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang; and (ii) Ms. Cheong, Renxiang Biotechnology, China True Health Medical, Shuimu Medical Technology, Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang are considered to be a group of Controlling Shareholders.

(2) For the purpose of calculating the public float, as of the Latest Practicable Date, each of (i) Hengqin Industrial, (ii) Guangdong-Macao Investment, (iii) Hengqin Golden Investment, (iv) Ligao No. 2 and (v) Hengqin Shenhe Industrial Investment held 4.48%, 8.97%, 1.67%, 0.62% and 1.35% of our total issued Shares, respectively. As (i) Hengqin Industrial, (ii) Guangdong-Macao Investment, (iii) Hengqin Golden Investment, (iv) Ligao No. 2 and (v) Hengqin Shenhe Industrial Investment are controlled by or associated with a governmental body of Guangdong province, the relevant governmental body indirectly holds and will hold approximately 17.09% and 15.38% of our total issued Shares immediately before and upon Listing, respectively, which will not be counted towards the public float for the purpose of Rule 19A.13A(1) of the Listing Rules after the Listing. For details, see "—Public Float" above.

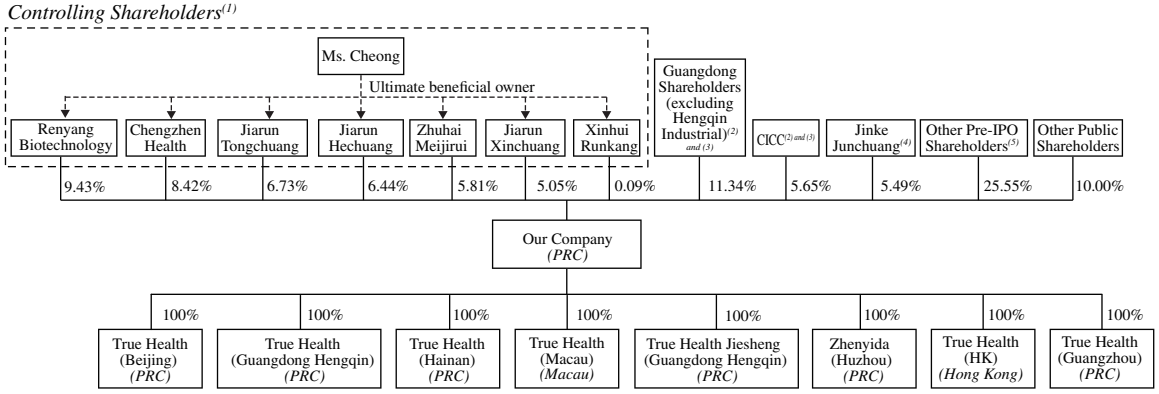
(3) Include Shares held by CICC Qihe, Dongrong No. 1, and Hengqin Industrial. See "—Pre-IPO Investments—Information about our Pre-IPO Investors—(c) CICC Qihe, Dongrong No. 1, and Hengqin Industrial (collectively, "CICC Entities")" above for details.

(4) Include Shares held by Jinke Huiyu. See "—Pre-IPO Investments—Information about our Pre-IPO Investors—(m) Jinke Junlian, Junhe Hongrui and Jinke Huiyu" above for details.

(5) As of the Latest Practicable Date, we had other 23 Pre-IPO Shareholders who were also our Pre-IPO Investors each holding less than 5% shareholding in our Company. For details of their respective shareholdings in our Company, see "—Capitalization of our Company" above.

Shareholding and Corporate Structure Immediately Following the Global Offering

The following chart sets forth our corporate structure immediately after the Global Offering (assuming that the Over-allotment Option is not exercised):



Notes: For Notes 1 to 5, see the corresponding note to the chart set out in "—Shareholding and Corporate Structure Immediately Before the Global Offering" above.

OVERVIEW

We engage in developing and commercializing percutaneous puncture and ablation surgical robots in China. We have one Core Product, a percutaneous puncture surgical robot available in four models, namely, TH-S1, TH-S, TH-S Pro and TH-SA. We hold NMPA Class III registration certificates for TH-S1, TH-S, TH-S Pro and TH-SA for lung and abdominal puncture, and we are expanding the indication of TH-S1 to include retroperitoneal lesions. Beyond our Core Product, our pipeline also includes two key products, the percutaneous microwave ablation surgical robot TH-X MW approved for the treatment of liver and lung tumors and the percutaneous microwave ablation surgical robot TH-X HMW approved for the treatment of liver tumors, and five additional product candidates, including the TH-P series of compact percutaneous puncture surgical robots which are approved for lung and abdominal puncture, the MW150 microwave ablation device, the TH-X Cryo cryoablation robot, the TH-LS KI300 and TH-LS LU100 *ex vivo* organ preservation and assessment systems.

According to CIC, we ranked first in China in terms of revenue for percutaneous puncture surgical robots in 2025, with a 28.0% market share. We are committed to delivering solutions for precise, minimally invasive oncology care, covering clinical needs from early-to-advanced stages and extending to *ex vivo* organ preservation and assessment. We offer a portfolio that includes both domestic and global firsts in percutaneous puncture and ablation, and we have built an intelligent robotic product matrix centered on "percutaneous localization and precise therapy." One model of our Core Product, TH-S, was recognized as China's first domestically developed percutaneous puncture navigation and localization system and our key product, TH-X MW, was the first image-guided percutaneous navigation and microwave ablation robot globally.

In current clinical practice, traditional percutaneous puncture procedures face multiple challenges. Surgical accuracy is heavily operator-dependent, relying on the physician's individual experience and tactile feedback, which inherently limits consistency and precision. For deep, small lesions or anatomically complex areas near critical vessels, the limits of manual stability become evident, fatigue and hand tremor further increase the likelihood of needle deviation. This often necessitates multiple attempts, prolongs procedure time, and raises the risk of complications such as tissue injury, bleeding, and pneumothorax. In addition, physiological factors such as respiratory motion cause continuous intraoperative target movement, making precise localization difficult under static, freehand techniques and undermining success rates. Under CT and other image guidance, patients often undergo multiple scans to confirm the lesion location and needle entry position subjecting them to higher radiation doses. Traditional freehand percutaneous procedures are planned on 2D CT slices, so the needle path must stay in a single plane and cross plane targeting is difficult. Finally, the learning curve is steep. Younger physicians need substantial practice to become proficient, making it hard to scale quality care and hindering the standardization of clinical practice. These unmet needs create a clear and immediate opportunity for image-guided surgical robots to deliver safer, more precise and more scalable interventions and treatments.

In 2025, the global prevalence of pulmonary nodules was estimated at approximately 1.6 billion individuals, including about 308.9 million in China. In China, this figure is expected to increase to around 334.1 million by 2031. Over the same period, the global annual incidence of lung cancer is projected to increase from about 2,657.1 thousand cases in 2025 to 3,116.7 thousand cases in 2031, with China accounting for 1,186.3 thousand cases in 2025 and an expected 1,418.8 thousand cases by 2031. In 2025, the combined global incidence of liver, kidney and pancreatic cancers was approximately 1.8 million cases, comprising 808.0 thousand liver, 475.5 thousand kidney and 546.7 thousand pancreatic cancer cases. In the same year in China, there were an estimated 359.5 thousand incident cases of liver cancer, 72.8 thousand of kidney cancer and 128.0 thousand of pancreatic cancer. These continue to drive the growth of the global medical robotics market. According to CIC, the global medical robotics market has entered a period of rapid growth and is expected to reach US$70.0 billion by 2031. Although China's surgical robotics market started later, it is expanding rapidly and expected to reach US$7.5 billion by 2031, representing a CAGR of 32.8% from 2026 to 2031. Within this landscape, percutaneous puncture and ablation surgical robots are key growth drivers because they directly address essential needs in oncology diagnosis and treatment. China's percutaneous puncture robot market is expected to increase from RMB76.9 million in 2026 to RMB1,386.4 million in 2031, representing a CAGR of 78.3% and the percutaneous ablation surgical robot market is expected to increase from RMB6.6 million in 2025 to RMB381.5 million in 2031.

To seize this historic opportunity, we have pursued systematic planning and sustained innovation, completing product engineering and registration clinical studies. We have built an R&D team with deep complementary experience in regulation, technology, commercialization and clinical translation, and obtained over 200 related patents, and built comprehensive IP barriers. These capabilities give us the R&D strength to break through key technical bottlenecks and to establish a full industrialization chain from technology development to product launch. Focusing on intelligent medical image processing, dynamic registration, precision robotic arm control, and dynamic respiratory tracking, we concentrate on the R&D and industrialization of intelligent robots for percutaneous interventions, microwave ablation, and organ preservation and assessment. Our diversified product portfolio covers core clinical scenarios, including minimally invasive needle biopsy, preoperative localization, tumor ablation, and organ preservation and assessment, forming an end-to-end oncology solution spanning early tumor diagnosis, precision treatment and advanced stage organ transplantation. As of the Latest Practicable Date, we had obtained eight NMPA Class III medical device registrations (including two under the innovative device program, comprising one domestic first and one global first, and excluding disposables) and two NMPA Class II registrations (excluding disposables).

In comparative evaluations against freehand puncture, use of our percutaneous puncture and ablation surgical robots has been associated with reductions of more than 50% in overall complications, including pneumothorax and bleeding, and approximately 90% in severe complications. Our products expand access to procedures that are difficult or high risk with freehand techniques, estimated at over 10% of cases, thereby enabling low-cost, high-quality percutaneous procedures and ablation. Leveraging the validated precision and stability of our percutaneous puncture and ablation surgical robots, physicians have extended minimally invasive treatment to small lesions (≤10 mm), supporting earlier detection, accurate preoperative localization, and precise ablation that together minimize damage to healthy tissue, shorten recovery, improve patient reported outcomes, and help avoid downstream costs associated with tumor progression.

Our *ex vivo* platform supports organ preservation, assessment and transportation outside the body under normothermic conditions, bridging diagnosis, intervention and transplant. It uses normothermic machine perfusion, i.e. pumping warm, oxygenated fluid through the organ to mimic natural blood flow to maintain organs, enabling warm temperature storage, evaluation and transport of removed organs. It can also operate at sub-normothermic (below-normal) temperatures when needed. We are developing two perfusion systems: TH-LS KI300 for kidney preservation and assessment and TH-LS LU100 for multi-organ preservation and assessment, both of which are in early design and development.

Our technical advantage is built on a strategy of technology differentiation, deep clinical integration, accelerated pathway from R&D to product and outreach, and global deployment. We continue to advance critical technologies, optimize our supply chain, and build an academic ecosystem. Our intelligent medical image processing for chest-and-abdomen percutaneous procedures precisely identifies and segments lesions and surrounding anatomy and reconstruct them in 3D to generate an intuitive anatomical map that supports procedure planning. Our optical navigation achieves sub-millimeter real-time tracking and clearly displays the dynamic relative positions of instruments and the patient to provide precise visual guidance. Our robotic arm control covers the full chest-and-abdomen workspace, executes point localization and trajectory operations with high precision, filters hand tremor, and maintains accuracy and stability. Our dynamic respiratory tracking monitors respiratory rhythm in real-time and intelligently captures the optimal puncture window, thereby minimizing motion interference. In addition, we actively undertake national R&D programs such as the "14th Five-Year Plan" National Key R&D Program in Intelligent Robotics from the MST and participate in national and industry standards development. In January 2024, we won First Prize at the 3rd Hengqin International Sci-Tech Innovation Competition. In July 2024, we were designated by the MIIT as a "Specialized, Sophisticated, Distinctive, and Innovative ('Little Giant') Enterprise."

We have built a distributor network across 23 key provinces in China, and launched clinical applications and deployments primarily through free trial installations in medical institutions. Our team brings deep clinical backgrounds and service experience and has established collaboration mechanisms with leading Grade III hospitals nationwide. Specifically, we provide hospitals with our products, technical support and training, while hospitals, in turn, provide clinical feedback, assist us in the upgrade and iteration of our

products, and procure our products based on their clinical needs. While consolidating our domestic leadership, we are advancing our international expansion. We are pursuing CE marking for our Core Product and other product candidates in our pipeline to enable global market access, adopting a "Europe as a gateway to emerging markets" approach, and driving adoption in Portuguese-speaking countries to accelerate international scaling. Our goal is to become the global benchmark for percutaneous, minimally invasive solutions in interventional oncology.

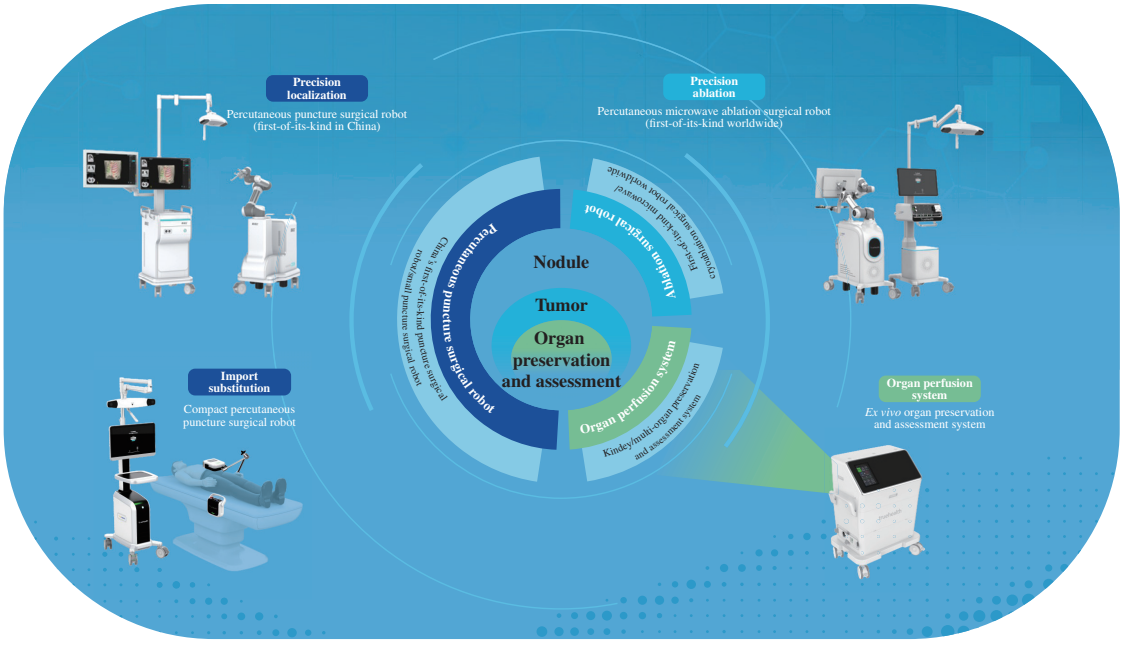
We are led by an experienced, execution-focused team and supported by a robust network of clinical and academic partners. We combine regulatory rigor, R&D excellence, and commercialization capability with national programs and clinical demonstration sites to accelerate intelligent robotics and frontier biotechnology from lab to market.

Hengqin, where our headquarters is located, is a key pilot zone within the Guangdong-Hong Kong-Macau Greater Bay Area, aimed at developing scalable models for nationwide reform and opening-up. Its integration into the Greater Bay Area, together with favorable "dual 15%" tax policies, cross-border institutional innovations, and dedicated industrial programs, provides us with full life-cycle support across R&D, manufacturing, certification, talent, and financing, making it an ideal platform for us to connect resources, reduce costs and accelerate commercialization. As of the Latest Practicable Date, we did not have any capital commitments related to such industrial programs.

OUR COMPETITIVE STRENGTHS

From precision navigation to full-chain care: a complete minimally invasive oncology solution

We have established a fully integrated, intelligent robotic ecosystem for oncology, delivering comprehensive cancer care across the full patient journey from diagnosis and treatment to organ preservation. Our platform spans the entire workflow, including percutaneous needle guidance, precision therapy, and *ex vivo* organ preservation and assessment. We offer a diversified product portfolio that addresses core clinical needs, including needle biopsy, preoperative localization, precision ablation, brachytherapy seed implantation, percutaneous drainage, minimally invasive drug and device delivery, and organ preservation and assessment. This solution unifies diagnosis and treatment and supports the varied needs of multi-tier healthcare institutions.



- **Precision navigation and localization**. Our precision navigation and localization portfolio enhances targeting accuracy, streamlines workflow and supports consistent image-guided puncture across multiple anatomies. Our Core Product is a percutaneous puncture surgical robot available in four models: (i) our flagship TH-S1, for which we obtained an NMPA Class III registration certificate in May 2022 for lung and abdominal puncture, we submitted an application for CE marking in January 2026 for lung and abdominal puncture, and we are currently expanding its indication in retroperitoneal lesions, (ii) TH-S, an iterated model with structural and industrial-design upgrades to better match clinical needs, for which we obtained an NMPA Class III registration certificate in June 2023 for lung and abdominal puncture, (iii) TH-S Pro, an iterated model that adds several features such as laser-based localization, multi-planar reconstruction and automatic surgical report generation, for which we obtained an NMPA Class III registration certificate in December 2024 for lung and abdominal puncture, and (iv) TH-SA, an iterated model with further industry design optimization and expanded needle puncture capabilities, for which we obtained an NMPA Class III registration certificate in December 2025 for lung and abdominal puncture. Our portfolio also includes the TH-P series (TH-P Elite, TH-P, TH-P Plus), a line of compact devices with the robotic arm cart reduced to a bedside unit, for which we obtained an NMPA Class III registration certificate in December 2024 for lung and abdominal puncture. The TH-P series is highly adaptable and can be deployed across hospitals of all sizes and in specialized biopsy settings, addressing an unmet need for compact, precision localization systems. We have also developed single-use disposables dedicated to our robotic system, including a target puncture guide, and a CT angle-positioning guide for target localization.

- **Precision therapy**. Building on navigation-guided targeting, our therapy system delivers accurate, minimally invasive treatment. Our key product, TH-X MW, integrates real-time navigation with microwave ablation to provide precise localization and efficient ablation for adult solid tumor indications. For liver solid tumor, we obtained an NMPA Class III registration certificate in September 2024, and for lung tumor, we received the registration approval in April 2026. We are extending our interventional oncology platform with another percutaneous ablation robot in development: a cryoablation robot for solid tumors. Our other key product, TH-X HMW, adds three major improvements over TH-X MW, including a laser-based indication of the optical tracker's center of view in the operative field, a multi-planar reconstruction tool that converts 3D imaging data into 2D views on multiple displays as needed, and a surgical report export feature that lets physicians export and review images and the planned puncture path after percutaneous procedures. Building on our core competencies in image-guided navigation, respiratory motion tracking, and precise needle guidance, these programs aim to deliver consistent, operator-agnostic outcomes across high-burden indications. We have also developed a single-use microwave ablation needle set (multiple sizes) that has obtained an NMPA Class III registration certificate for solid liver tumor, and another single-use microwave ablation needle set for liver and lung tumor, which was approved by the NMPA in June 2026.

- ***Ex vivo* organ preservation, assessment and transport**. Our *ex vivo* platform supports organ preservation, assessment and transportation outside the body under normothermic conditions, bridging diagnosis, intervention, transplant. It uses normothermic machine perfusion, i.e. pumping normothermic fluid through the organ to mimic natural blood flow, to maintain organs, enabling warm temperature transport, storage and evaluation of removed organs. It can also operate at sub-normothermic (below-normal) temperatures when needed. We are developing two perfusion systems: TH-LS KI300 for kidney preservation and assessment and TH-LS LU100 for multi-organ preservation, assessment and transport, both of which are in early design and development. We are also designing matching single-use tubing sets that connect the organ to the perfusion system.

Our products are capable of supporting thoracic surgery, radiology, pulmonology, oncology, radiation oncology, hepatobiliary surgery, interventional radiology, and urology. Our products replace operator dependent, manual techniques with standardized, image guided precision, reducing procedural constraints, increasing throughput, and delivering more

consistent outcomes. Although many solid tumors inherently tend to recur, our navigation led targeting and therapy platforms are designed to improve lesion access, accuracy, and treatment quality across the care pathway. In addition, our integrated "equipment + disposables" model supports durable, recurring revenue and underpins our sustainable growth.

Pioneering puncture and ablation surgical robotics, transforming oncologic diagnosis and treatment

- **TH-S—one of the iterated models of our Core Product (a percutaneous puncture surgical robot) that was recognized by the NMPA as China's first domestically developed percutaneous navigation and localization system**:

  - ***Integrated puncture robot***. Our TH-S system integrates the "brain" (intelligent image analysis and puncture planning module), the "eye" (optical navigation), and the "hand" (a six-degree-of-freedom robotic arm for execution and assisted puncture). The intelligent image analysis and puncture planning module performs precise lesion and organ segmentation, three-dimensional reconstruction, and preoperative path planning. Our Core Product has been validated on a large set of chest-abdomen CT images from 5,000 patients. The optical navigation system provides real-time tracking accuracy of approximately 0.15 millimeters for intraoperative localization and real-time registration. The robotic arm stabilizes needle grip and path execution with high repeatability. By combining dynamic respiratory tracking with real-time navigation control, the system delivers a closed-loop of preoperative planning, intraoperative guidance, and postoperative assessment, achieving sub-millimeter localization and intelligent avoidance of critical vessels and organs in complex chest-and-abdomen procedures.

  - ***Systematic resolution of clinical pain points and a new benchmark***. Addressing the core challenges of limited accuracy, prolonged procedure time, and high complication rates, TH-S combines intelligent imaging analysis and three-dimensional reconstruction, four-dimensional real-time registration, high-precision optical navigation, a six-degree-of-freedom robotic arm, and dynamic respiratory tracking to deliver standardized, reproducible puncture paths and workflows. It targets a high first-pass success rate while minimizing needle passes and CT scans, reducing risks such as bleeding and pneumothorax, and keeping the inherent risks of invasive procedures low and acceptable. Our Core Product has been validated in more than 5,000 puncture procedures across the lung, liver, pancreas, and other solid organs, demonstrating high target-hit rates and localization accuracy, along with meaningful improvements in departmental efficiency and patient outcomes.

  - ***Proven clinical benefits and independent recognition***. Compared with conventional freehand puncture, our Core Product increases first-pass success, reduces needle passes and CT scans, shortens procedure time, lowers complication and operator-related AE rates, and reduces dependence on individual operator experience, resulting in higher efficiency and more consistent outcomes. Real-world evidence from the Second Affiliated Hospital of Suzhou University (published in Scientific Reports, 2025) reports a technical success rate of 100%; significantly fewer intraoperative needle adjustments (1.4 ± 0.8 vs. 2.3 ± 1.5, $P < 0.05$); fewer intraoperative CT scans (3.80 ± 1.22 vs. 5.75 ± 2.12, $p < 0.05$); and shorter procedure time (15.33 ± 5.47 minutes vs. 20.43 ± 9.78 minutes, $P < 0.05$). In a 2024 appraisal organized by the China Machinery Industry Federation, an academician-led expert panel concluded that the overall technology is internationally advanced, with positioning accuracy and first-pass success rates at an internationally leading level.

- **TH-X MW—the first image-guided percutaneous microwave ablation robot globally recognized by the NMPA**

  - Our key product, TH-X MW, integrates CT-based planning, real-time respiratory motion tracking, and ablation control into a single, streamlined workflow for adult solid liver tumors. By uniting preoperative planning and intraoperative guidance, TH-X MW enhances needle placement accuracy and ablation zone conformity, improving procedural efficiency and technical success while reducing dependence on operator experience. TH-X MW was successfully selected for the 2025 High-End

Medical Equipment Promotion and Application Program list jointly announced by the MIIT, the NHC and the NMPA on November 26, 2025. We obtained the NMPA Class III registration certificate for adult solid liver tumors and lung tumors.

Comprehensive capability from clinical needs to technology R&D and standards setting

- **Strong R&D capabilities and technology platform**

  - ➢ ***Clinically driven, closed-loop innovation***. We operate a closed-loop model of clinical validation, data feedback, and technology iteration. This model, integrating algorithms, devices, and clinical practice, shortens development cycles, improves iteration efficiency, and supports timely responses to defined clinical needs in minimally invasive interventions.

  - ➢ ***Technology architecture and core platforms***. Our portfolio includes a percutaneous puncture robot and image-guided percutaneous microwave ablation surgical robot, each supported by core technologies and patent coverage. We have developed an integrated ablation plus navigation treatment platform designed for accuracy, stability, and reliability. Three foundational platforms underpin our systems: an AI imaging platform for lesion identification, a navigation and tracking platform for real-time guidance, and an energy-field ablation platform for ablation energy field simulation, covering preoperative planning and intraoperative guidance. We have also developed a patented miniaturized robotic arm and maintain an independent AI and robotics technology stack to preserve control and flexibility.

  - ➢ ***R&D team and collaboration***. As of the Latest Practicable Date, our R&D team comprised 71 members, with approximately 28.2% holding master's or doctoral degrees, with expertise across multiple disciplines. Our R&D team is deeply committed to industry-academia-research collaborative innovation and has launched several flagship research partnerships with leading universities in China. These initiatives focus on: technologies for robotic systems and research and innovation platform for organ preservation. These high-caliber collaborations continue to propel our technological breakthroughs and product iterations, providing robust support for our core competitiveness.

  - ➢ ***High efficiency in translating R&D to registrations and commercialization***. Since our establishment in 2018 and as of the Latest Practicable Date, we had obtained eight NMPA Class III medical device registration certificates (excluding disposables) and two NMPA Class II medical device registration certificates (excluding disposables). These registrations substantiate our execution from development through NMPA approval, underpinning accelerated market entry and scaled deployment in approved indications.

  - ➢ ***Intellectual property and barriers to entry***. As of the Latest Practicable Date, we maintained a dedicated intellectual property management function and a three-layer protection strategy across algorithms, mechanical structures, and systems, including portfolio maintenance and infringement monitoring. We held 289 granted intellectual property rights, including 206 issued patents in China and 5 international patents, covering imaging algorithms, robotic arm motion control, and navigation and tracking. Our structural patents (e.g., multi axis joint architectures) establish hard-to-circumvent mechanical protections, and our algorithm patents (e.g., dynamic registration) secure the accuracy and robustness drivers of our systems, together reinforcing strong technical defensibility and sustained performance leadership.

- **Academic-clinical synergy: from demand shaping to standards leadership across the value chain**

  - ➢ **National programs and third-party recognition**. We are currently undertaking key research tasks under the MST's 14th Five-Year Plan, including projects in intelligent robotics, and we participated in multiple joint research programs. Our TH-S1 was awarded the 2025 First Prize (Technological Invention) of the "Machinery Industry Science and Technology Award" and the First Prize of the "2025 Invention and Entrepreneurship Award". We received awards including the "World Robot

Conference Technology Innovation Award" and the First Prize at the 3rd Hengqin International Sci-Tech Innovation Competition. Our products were listed in the MIIT Catalog for the Promotion and Application of High-end Medical Equipment, the 11th Catalog of Excellent Domestic Medical Devices and the Guangdong Province Catalog of Innovative Drugs and Medical Devices and received recognitions such as "Guangdong High-Quality High-Tech Product," "Guangdong First (Set)" and "Zhuhai Innovative Product."

- ➢ ***Standards and expert consensus leadership***. We drove the development of China's first Expert Consensus on the Standardized Clinical Application of Robotic-Assisted Percutaneous Lung Puncture Diagnosis and Therapy and, as of the Latest Practicable Date, had led or participated in the formulation of over 10 technical standards. Among these, two national and two industry standards had been initiated and eight group standards were in effect, addressing gaps in domestic guidance.

- ➢ ***Clinical-use cases and iterative improvement***. Our products have been used to complete complex multi-target puncture procedures, including cases involving multiple pulmonary nodules, lesions adjacent to vessels or critical organs, and multiple hepatic nodules, for biopsy or ablation. They have also supported radioactive seed implantation for tumors. These clinical applications demonstrate the systems' accuracy, stability and workflow suitability for minimally invasive interventions. We maintain structured mechanisms for clinical research and technology iteration with leading centers, including the First Affiliated Hospital of Guangzhou Medical University, the PLA General Hospital Third Medical Center, and Aerospace Center Hospital, to enable feedback from procedure design through hardware and software optimization.

- **AI-driven intelligent engine**

  - ➢ ***Core models and continuous optimization***. Our models incorporate contemporary neural network architectures with demonstrated generalization across devices and imaging conditions, supporting lesion identification, organ segmentation, and three-dimensional reconstruction. We operate a continuous improvement process spanning data collection, model training, clinical validation, and algorithm optimization that incorporates clinical feedback to enhance performance in precision therapy.

Accelerating deployment of precision interventional solutions through established sales channels

Our commercialization approach follows a clear, connected sequence from product fit to adoption.

- ***"Equipment + disposables" model***. Our surgical robots are compatible with third-party, standard-size, general consumables, including puncture needles, biopsy needles and cryoablation needles, making it an open surgical platform. On the other hand, we derive recurring revenue from our single-use, device-specific consumables, including disposable guides used in conjunction with the Core Product, disposable CT-based puncture angle positioning guides, and microwave ablation needles used together with our ablation devices. Each use of our Core Product or ablation devices necessarily involves the use of such device-specific consumables. Our device-specific consumables are exclusive for our products and not designed to be compatible with third-party devices.

- ***Differentiated go-to-market strategy***. We adopt a differentiated go-to-market strategy built around a tiered product lineup to match hospital needs and budgets. For example, the TH-S1 and TH-S models of our percutaneous puncture robots are positioned for leading Grade III hospitals nationwide. The lightweight TH-P series targets county-level hospitals to address broader market need.

- ***Established national sales network***. We have established a national sales network with eight core sales regions. Our products are designed for deployment across multiple clinical departments, including pulmonology, thoracic surgery, hepatobiliary surgery, interventional medicine, radiology, and oncology, supporting broad clinical adoption. While our commercialization remains at an early stage, we expect the total addressable market to expand materially. Accordingly, we believe the long-term market opportunity for percutaneous puncture and ablation surgical robots is substantial.

- ***Nationwide clinical training and support system***. We believe physician proficiency with our surgical robot and assured system availability are critical to outcomes and adoption. Accordingly, we have established dedicated clinical support and after-sales service departments that deliver installation, application and user training, in-OR proctoring, and comprehensive maintenance and service, supporting a currently reported-100% procedure success rate. Drawing on more than 5,000 clinical cases, we have curated over 100 complex case studies involving anatomically challenging and high risk lesions, which inform our protocols and training and have strengthened physicians' capabilities in difficult percutaneous interventions and confidence in our platform. Our nationwide clinical training and surgical support network enables rapid onboarding and consistent quality, and our internal analyses show no statistically significant performance differences among physician cohorts with approximately 20, 10, and 5 years of prior experience, indicating broad usability and a short learning curve that support diffusion of quality care to lower-tier institutions and expansion of the addressable market. Combined with preventive maintenance, rapid field service, remote diagnostics, and real-time technical support designed to maximize uptime across our installed base, we believe this integrated clinical and service infrastructure delivers consistent, reproducible results nationwide while creating substantial social value and reducing overall healthcare expenditures.

- ***Strong commercialization capabilities***. We translate regulatory approvals into rapid market adoption. For example, the flagship model of our Core Product, TH-S1 achieved approval and commenced commercial launch within the same year, demonstrating leading efficiency from clinical validation and regulatory review to supply readiness and channel activation, within approved applications.

In-house and localized production enable lower costs, faster iteration, and resilient supply

We operate an integrated hardware and manufacturing platform that delivers clear advantages in cost, quality, and speed. By combining import substitution with in-house development, we lower unit costs, secure core technologies, and reduce supply risk. Our comprehensive capabilities enable rapid iteration and consistent quality, and our scalable capacity in Zhuhai supports demand-driven delivery.

- ***Import substitution strategy*.** Our self-developed, miniaturized robotic arm achieves positioning accuracy comparable to leading imported products, and lowers costs by about 70%. We are developing an optical navigation system that aims to match imported alternatives and reduce costs. Overall, our core component costs are significantly lower than an import-dependent model, while we retain full control of product roadmaps and upgrades.

- ***Scalable capacity***. Our Zhuhai facility has 3,682 sq.m. of floor space and two production lines for robotic products. During the Track Record Period and up to the Latest Practicable Date, one of the production lines was used for commercial mass production, while the other was used for product validation, process optimization, trial production of new products and support of quality control activities and did not participate in routine mass production. To meet increasing demand for our products, we may expand our production capacity by temporarily deploying the second production line into mass production as needed.

Strong leadership, deep expertise and strategic partnerships

Our company is led by an experienced, execution-focused team and supported by a robust network of clinical and academic partners. We combine regulatory rigor, R&D excellence, and commercialization capability with national programs and clinical demonstration sites to accelerate intelligent robotics and frontier biotechnology from lab to market.

- ***Founder with global perspective***. Our founder and chairwoman Ms. Cheong Hou Iam has over 20 years of experience in drug and medical device R&D, registration, investment, and management. Prior to founding our Company, she served at Macau Health Department. Ms. Cheong has led multiple national projects, such as the "14th Five-Year Plan" National Key R&D Program in Intelligent Robotics from the MST and holds over 100 patents. She led the Company to secure China's first Class III certificate for a percutaneous puncture robot as well as recognition as a national "Specialized, Sophisticated, Distinctive, and Innovative ('Little Giant') Enterprise." She holds a bachelor's degree from Fudan University Shanghai Medical College (previously Shanghai Medical University) and an EMBA from Tsinghua University. In June 2025, Ms. Cheong was recognized as the "Top Talent" in the second cohort of the 2024 High-Level Talents program of the Hengqin Guangdong-Hong Kong-Macao In-Depth Cooperation Zone, awarded by the Economic Development Bureau of the Hengqin Guangdong-Hong Kong-Macao In-Depth Cooperation Zone. She also received the First Prize of the "2025 Invention and Entrepreneurship Award" by the China Invention Association in June 2025 and the First Prize (Technological Invention) of the Machinery Industry Science and Technology Award from the China Machinery Industry Federation and the Chinese Mechanical Engineering Society in October 2025.

- ***Core management team***. Our R&D team brings deep, complementary strengths across regulation, technology, commercialization, and clinical translation.

  - ➢ Ms. Guo Jian, our executive Director and vice general manager, has over 20 years in healthcare with specialization in product registration and research program management; She has led the acquisition of more than 40 drug and medical device registrations and successfully directed multiple MST national projects and provincial programs to completion. Ms. Guo holds a bachelor's degree from China Pharmaceutical University and a master's degree from Harbin Medical University.

  - ➢ Ms. Chen Miaoping, our Director and head of finance, also has over 20 years of industry experience and has overseen marketing, key account management, and government affairs in the pharmaceutical sector, bringing strong capabilities in market access, commercial operations, and enterprise management. Ms. Chen holds a bachelor's degree from China Pharmaceutical University and a master's degree from Shenyang Pharmaceutical University.

  - ➢ Mr. Chen Xiangqian, our chief technology officer, has more than a decade of experience in surgical robot R&D and focuses on surgical navigation and image registration for medical robotics. He holds over 40 granted invention patents and 50 utility model patents and has authored more than 10 peer reviewed publications. He completed his Ph.D. and postdoctoral training at Beihang University.

  - ➢ Mr. Shi Jipeng, our R&D director, brings over 20 years of experience across IT and medical sectors in product architecture, engineering translation of R&D outputs, and productization. Mr. Shi has led multiple technology transfer projects with the Chinese Academy of Sciences and Tsinghua University. He holds a master's degree from Hong Kong Metropolitan University.

- ***Partnership network***. In addition, we have entered into collaboration and partnership arrangements with nationally-leading academic institutions to conduct primarily joint researches on fundamental subjects and frontier technologies. We believe that these joint researches help us maintain our technological leadership in the industry, enhance our brand image, and lay the foundation for our sustainable

development. Such researches are primarily funded by national or regional fiscal appropriations, our own funds and funds of other relevant parties. There are no profit sharing arrangements under the collaboration arrangements. Under the collaboration arrangements, we are generally primarily responsible for engineering and R&D of primary robotic systems and technologies and in-scenario or by-context application validation. Under the collaboration arrangements, all jointly developed intellectual property is jointly owned by the respective participating parties, except that we retain all jointly developed intellectual properties related to our products. Intellectual property obtained prior to project commencement belongs to the original owners, and intellectual property independently developed under the projects belongs to the respective parties. None of the joint research results or research results of other parties under the collaboration arrangements were or is planned to be used or applied in our products or product candidates.

Hengqin headquarters delivers structural advantages in Medtech Development and Commercialization

Hengqin, where our headquarters is located, is a leading pilot zone within the Guangdong-Hong Kong-Macao Greater Bay Area. Its close regional integration, together with a dual 15% tax regime, cross-border institutional innovations, and sector specific programs, provides support across R&D, manufacturing, regulatory approval, talent, and financing. This enables efficient resource access, lower operating costs, and shorter time to market.

For medical devices, the policy framework is both targeted and executable. The Measures for Supporting High Quality Development of the Biomedicine and Health Industry in the Guangdong-Macao In-Depth Cooperation Zone (Hengqin), alongside dedicated funding such as the Biomedicine and Health High Quality Development Fund, support companies through each stage of growth. Hengqin also operates Enterprise Excellence ("培優") programs that strengthen core R&D, facilitate participation in national and provincial science and technology projects, and subsidize the development and first deployment of first-of-its-kind equipment. These programs provide practical support for obtaining "Specialized, Sophisticated, Distinctive, and Innovative ('Little Giant') Enterprise" designation and High Tech Enterprise accreditation, and for securing inclusion of eligible products in national and provincial product catalogs, expanding market access and enhancing industry standing. Ongoing enhancements to these Enterprise Excellence policies convert incentives into durable advantages for product development and commercialization.

These structural advantages have produced measurable results. In January 2024, we received First Prize at the 3rd Hengqin International Sci-Tech Innovation Competition with an award amount of RMB50.0 million, reflecting the region's emphasis on clinically meaningful innovation and effective translation.

OUR STRATEGIES

Continue to broaden our product portfolio and application scenarios while advancing our global footprint

We are advancing the flagship model of our Core Product, TH-S1, to expand its indications to include retroperitoneal lesions. We initiated the registrational trial in November 2025 and plan to submit registration application to the NMPA in the fourth quarter of 2026. We are also developing a cryoablation surgical robot and plan to submit registration application to the NMPA in the second half of 2027. In parallel, we are advancing R&D on intelligent organ-preservation and assessment devices based on normothermic continuous mechanical perfusion, aiming to initiate clinical trial for TH-LS KI300 in the first half of 2027 and for TH-LS LU100 in the first half of 2028, respectively.

We also plan to expand our global market access. We submitted the application for CE marking in January 2026. This will enable entry into Europe and other markets that recognize EU standards, such as Southeast Asia, the Middle East and Australia. Leveraging Macau's China-Portuguese platform for regulatory alignment and market access to the European Union and Portuguese-speaking countries, we plan to establish Macau as our center for technology showcases and clinical training, paving the way for entry into Lusophone markets, including Brazil.

Strengthen core platform innovation and build durable technological advantages

We will continue to reinforce a three pillar platform—algorithms, mechanisms, and systems. Over the next three years, we plan to file at least 50 new domestic invention patents, focusing on core areas such as multimodal image fusion algorithms (CT/MRI/CBCT/real time ultrasound registration), robotic remote puncture, autonomous robotic arm control and intelligent puncture, and intelligent control of ablation energy fields. In parallel, we will file at least three international patents via the PCT route to establish a global patent protection network.

We will deepen our AI driven iteration framework to build a domestically leading intelligent clinical decision platform through systematic data accumulation and model optimization strategies. For model iteration, we adopt a "clinical needs driven and frontier technology integration" dual track approach, continuously assessing state of the art models, optimizing performance, and validating each upgrade against the latest clinical data to steadily improve accuracy.

Our AI-powered puncture surgical robot platform is designed for high compatibility and scalability. It already supports adaptation to multiple mainstream instruments, such as biopsy needles, ablation needles, and brachytherapy seed implantation needles. It also offers standardized interfaces for integration with imaging systems such as CT and MRI. Over the next three years, we plan to expand indication coverage (including retroperitoneal puncture), build a 5G remote surgery ecosystem, and develop a low latency, cross hospital collaboration system to enable expert tele-guidance for primary hospitals. We will also extend our ablation energy portfolio, including cryoablation, to deliver a full cycle, minimally invasive healthcare platform spanning diagnosis and therapy.

Strengthen commercialization to consolidate market leadership and accelerate adoption of our products

We plan to scale our commercial team by building a professional marketing team calibrated to market capacity, improving opportunity conversion in priority regions, and achieving broader geographic coverage. Leveraging our broad and differentiated product portfolio, we will extend reach into county- and city-level medical institutions.

We intend to expand partnerships with high-performing distributors in high-growth regions with extensive hospital networks, optimize our channel architecture, and establish a comprehensive distributor ecosystem spanning provincial, key city, and project-based distributors. While maintaining our sales focus on public hospitals, we will invest in financing and leasing solutions and pursue deployment models for private healthcare institutions to shorten product launch and promotion cycles.

We will establish additional training centers in collaboration with national and regional medical centers and leading provincial and municipal hospitals to develop more reference sites and create training hubs across major provinces, educating and upskilling more physicians to proficiently use our surgical robot and accelerating market penetration.

We intend to initiate reimbursement filings across provinces to include surgical robot service fee items in public insurance programs, with the goal of lowering patient out-of-pocket costs and increasing penetration and utilization. As of the Latest Practicable Date, we had not commenced any initiatives to include our products in public insurance programs. According to applicable regulations and prevailing practice, eligibility for inclusion in the public insurance program is generally achieved two years after (i) obtaining approval from provincial or municipal healthcare insurance authorities for the establishment of (new) medical service charging items, and (ii) passing a health economic evaluation and obtaining the relevant approvals.

In parallel, we will increase export investment and build a reliable commercial infrastructure in target markets, including European countries, Brazil and other Lusophone markets, Belt-and-Road regions, and emerging economies. In the meantime, we plan to further enhance our product certifications, key opinion leader development, academic promotion, professional distributor channel development, clinical support, and after-sales service capabilities.

Strengthen integrated supply chain capabilities

We will pursue a vertically integrated supply chain strategy focused on in-house development of core components, cost efficiency, and resilience.

For core components and cost control, we plan to replace the optical navigation system with a domestically developed solution within three years and achieve full in-house autonomy for our robotic-arm lineup within five years.

For capacity planning, we plan to expand our application training, R&D testing, and manufacturing base to 10,000 sq.m., introduce modern production lines, and steadily increase annual output across multiple puncture-robot models and ablation robots.

There are alternative suppliers on the market with comparable prices. To enhance supply chain resilience, we plan to find backup suppliers. During the Track Record Period and up to the Latest Practicable Date, our supply chain had remained stable, with no instances of supply disruption or delay, nor any difficulties in procuring major raw materials. We plan to further enhance end-to-end supply chain visibility using the enterprise resource planning system and adopt a VMI (vendor-managed inventory) model to reduce inventory days and ensure stable supply continuity.

OUR PRODUCT PORTFOLIO

We are engaged in developing and commercializing percutaneous puncture and ablation surgical robots in China. We are committed to delivering solutions for precise, minimally invasive oncology care, covering clinical needs from early-to-advanced stages and extending to *ex vivo* organ preservation and assessment. We offer a portfolio that includes both domestic and global firsts in percutaneous puncture and ablation, and we have built an intelligent robotic product matrix centered on "percutaneous localization and precision therapy." Our Core Product is a percutaneous puncture surgical robot available in four models, namely, TH-S1, TH-S, TH-S Pro and TH-SA. We hold NMPA Class III registration certificates for TH-S1, TH-S, TH-S Pro and TH-SA for lung and abdominal puncture, and we are expanding the indication of TH-S1 to include retroperitoneal lesions. Beyond our Core Product, our pipeline also includes two key products, the percutaneous microwave ablation surgical robot TH-X MW approved for the treatment of liver and lung tumors and the percutaneous microwave ablation surgical robot TH-X HMW approved for the treatment of liver tumors, and additional product candidates, including the TH-P series of compact percutaneous puncture surgical robot, the MW150 microwave ablation device, the TH-X Cryo cryoablation robots for solid tumor cryoablation, the TH-LS KI300 and TH-LS LU100 *ex vivo* organ preservation and assessment systems and a full range of dedicated disposables compatible with our surgical robots and organ preservation and assessment systems. One model of our Core Product, TH-S, was recognized as China's first domestically developed percutaneous puncture navigation and localization system and our key product, TH-X MW, was recognized as the first image-guided percutaneous navigation and microwave ablation robot globally by the NMPA.

The following chart summarizes our product portfolio as of the Latest Practicable Date:

Category	Products	Indications/R&D description	Registration classification	Design development	Design validation	Clinical trial[3]	Registration and approval	Authority and Jurisdiction	Approval date	Upcoming milestone	Owner of global rights or not	Source
Percutaneous puncture surgical robot	Core Product: TH-S1 model[1]	puncture positioning for lung and abdominal organs	III				✓	NMPA, China	May 2022	–	Yes	internally-developed
		puncture positioning for lung and abdominal organs	IIa					Notified Body, the EU[4]	–	CE marking Q4 2026	Yes	internally-developed
		puncture positioning for retroperitoneal lesions[2]	III					NMPA, China	–	registration application Q4 2026	Yes	internally-developed
	Core Product: TH-S model	puncture positioning for lung and abdominal organs	III				✓	NMPA, China	June 2023	–	Yes	internally-developed
	Core Product: TH-S Pro model	puncture positioning for lung and abdominal organs	III				✓	NMPA, China	December 2024	–	Yes	internally-developed
	Core Product: TH-SA model	puncture positioning for lung and abdominal organs	III				✓	NMPA, China	December 2025	–	Yes	internally-developed
	TH-P Elite, TH-P, TH-P PLUS	puncture positioning for lung and abdominal organs	III				✓	NMPA, China	December 2024	–	Yes	internally-developed
Percutaneous ablation surgical robot	Key product: TH-X MW (microwave ablation)	puncture and microwave ablation of liver tumors	III				✓	NMPA, China	September 2024	–	Yes	internally-developed
		puncture and microwave ablation of lung tumors	III				✓	NMPA, China	April 2026	–	Yes	internally-developed
	Key product: TH-X HMW (microwave ablation)	puncture and microwave ablation of liver tumors	III				✓	NMPA, China	November 2025	–	Yes	internally-developed
	MW150 (microwave)	microwave ablation of liver tumors	III				✓	NMPA, China	August 2025	–	Yes	internally-developed
	TH-X Cryo (cryoablation)	cryoablation of solid tumors	III					NMPA, China	–	design validation H1 2027	Yes	internally-developed
Organ perfusion system	TH-LS KI300	normothermic preservation and function assessment of kidney	III					NMPA, China	–	clinical trial 2031	Yes	internally-developed
	TH-LS LU100	normothermic preservation and function assessment of multiple organs	III					NMPA, China	–	clinical trial H1 2027	Yes	internally-developed

Core Product | Key product | Approved/commercialized product/ indication | Complete the clinical evaluation through the same-type comparison pathway

Notes:

1. The NMPA, which our PRC Legal Advisors confirm is the competent authority, has confirmed that TH-S1, TH-S, TH-S Pro, and TH-SA share the same technical principles, intended use, risk classification, structural composition, core technical parameters, and substantially the same software system, and therefore will be classified under a single registration unit and regulated as the same product.
2. We consulted the NMPA, which our PRC Legal Advisors confirm is the competent authority, with respect to the necessity for a clinical trial for expanding the indication of TH-S1 in retroperitoneal lesions, and were advised that a clinical trial is required for such indication expansion.
3. For those products / product candidates that are only required to complete clinical evaluation, the same-type comparisons are generally conducted in-house by us. To the extent that type testing, animal experiments or other work requiring specialized professional qualifications in the relevant field is required during the comparison process, we will engage qualified third-party institutions to perform such work. During the technical review process, the NMPA may, from time to time, raise enquiries in relation to the same-type comparison.
4. CE marking for medical devices is obtained through a conformity assessment conducted by an EU-designated Notified Body (an independent organization designated by an EU Member State to do conformity assessment), and the CE mark is affixed by the manufacturer after testing the product and performing the conformity assessment procedure prescribed by the applicable EU harmonization legislation.

Our Core Product—Percutaneous Puncture Surgical Robot

Our Core Product is a percutaneous puncture surgical robot with four models: TH-S1, TH-S, TH-S Pro and TH-SA.

TH-S1

TH-S1 is the flagship model of our Core Product. It innovatively integrates an intelligent image-analysis and puncture planning system, an optical navigation system, a robotic arm control system, and a respiratory tracking system, the entirety of which together form our Core Product. These capabilities and characteristics grant the TH-S1 significant advantages over its market competitors in the realm of puncture robots in China, according to CIC. TH-S1 is designed to address key critical clinical pain-points faced by physicians, broaden the use of robotic-assisted percutaneous punctures in clinical practice and give physicians greater autonomy.

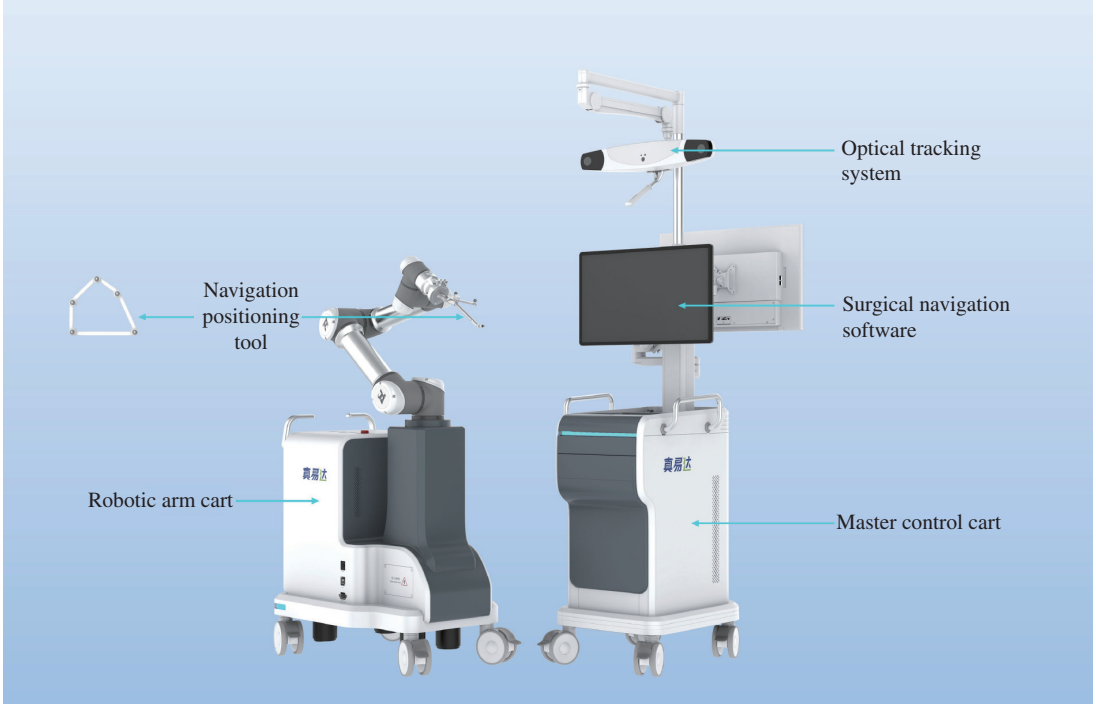
Our TH-S1 empowers a physician to operate all the instruments needed for percutaneous punctures by controlling a robotic arm. The robotic arm provides physicians with pinpoint accuracy and precision through enhanced visualization, ensuring the procedure is performed along a planned path with elevated success rates. Enhanced visualization is delivered through 3D patient modeling, dynamic image registration, real-time navigation and tracking of surgical instruments, and integrated guidance and path planning. These functions enable intuitive visualization of spatial relationships between surgical instruments and patient anatomy, support real-time procedure guidance, and facilitate accurate surgical planning. We have further upgraded the TH-S1 with the integration of a remote planning module, which offers a more comprehensive configuration compared to the optimized, cost-focused TH-S model. The clinical trial report shows a first-attempt puncture success rate of 98.3% for surgeries assisted by TH-S1, which is significantly higher than the 15.0% achieved by conventional surgeries. With optical navigation, the system tracks markers in real-time to deliver sub-millimeter positioning feedback, ensuring control and visibility throughout the entire procedure. TH-S1's extensive clinical track record has led to widespread recognition among medical professionals for its clinical stability, high precision, and efficacy in supporting complex procedures while maintaining low complication rates. We believe this robust clinical validation provides a strong endorsement of our product performance, supporting a reasonable price premium for the TH-S1 model.

TH-S1 is classified as a Class III medical device under applicable NMPA regulations. We completed a registrational clinical trial of TH-S1 for its indication in lung and abdominal puncture in January 2022. We submitted a registration application to the NMPA in December 2020, which was accepted by the NMPA in January 2021. In May 2022, we obtained a Class III medical device registration approval from the NMPA.

We are currently conducting clinical study on extending TH-S1's indication in retroperitoneal lesions. We received the ethical approval from the ethics committee of the Second Affiliated Hospital of Soochow University, which is the site for the clinical trial for the proposed indication expansion of TH-S1, in July 2025 and expect to complete the study and submit the registration application to the NMPA in the fourth quarter of 2026. We expect to obtain a registration approval from the NMPA in the second half of 2027. In order to expand our international footprint and build global presence, we are pursuing CE marking in the EU and expect to obtain it in the fourth quarter of 2026.

Product Structure

TH-S1 is composed of a master control cart, surgical navigation software, an optical tracking system, a robotic arm cart, and other navigation positioning tools.



Intelligent Image-analysis and Puncture Planning System

The intelligent image-analysis and puncture planning system is a CT-based robotic system which utilizes an immersive 3D reconstructed image for preoperative planning and real-time intraoperative guidance. By importing patient's data of plain CT scans or contrast-enhanced CT scans, it automatically detects and segments lesions in various target organs, providing physicians with a detailed 3D anatomical road map with real-time correlation between operative field and preoperative images. The intelligent image-analysis and puncture planning system has one major component:

- *Master control cart*. The master control cart acts as the "brain" of the TH-S1 and the primary interface to the patient's puncture field. It is seated on a mobile cart and consists of a workstation, dual monitors, a keyboard, a mouse, and multiple network ports.

Optical Navigation System

The optical navigation system employs an infrared optical positioning and tracking function to enhance accuracy and precision for percutaneous punctures. Its sub-millimeter navigation accuracy surpasses traditional electromagnetic navigation and is largely unaffected by factors such as electromagnetic interference. The optical navigation system features one major component:

- *Optical navigation camera*. The optical navigation camera is integrated into TH-S1 and forms a critical part of our optical navigation system. It mainly utilizes near-infrared light to wirelessly detect and track markers attached to surgical instruments. It delivers accurate, real-time data for precise tool tracking and navigating, assisting physicians with refined reliability throughout the puncture procedures.

Robotic Arm Control System

The robotic arm control system features a six-axis robotic arm that mimics the human arm's range of motion to enable precise, multidimensional movements during surgeries. Designed to offer flexibility for complex procedures across multiple specialties, the system

supports varied puncture angles and patient positions, delivering high-precision, stable localization to enable one-pass needle placement and accurate plan execution. The major component of the robotic arm control system is set out below:

- *Six-axis robotic arm*. Mounted on the robotic arm cart the six-axis robotic arm provides high agility, lightweight and sensible control during puncture procedures. Physicians typically manipulate the arm via the robotic arm cart while viewing the dual monitors to perform the accurate punctures.

Respiratory Tracking System

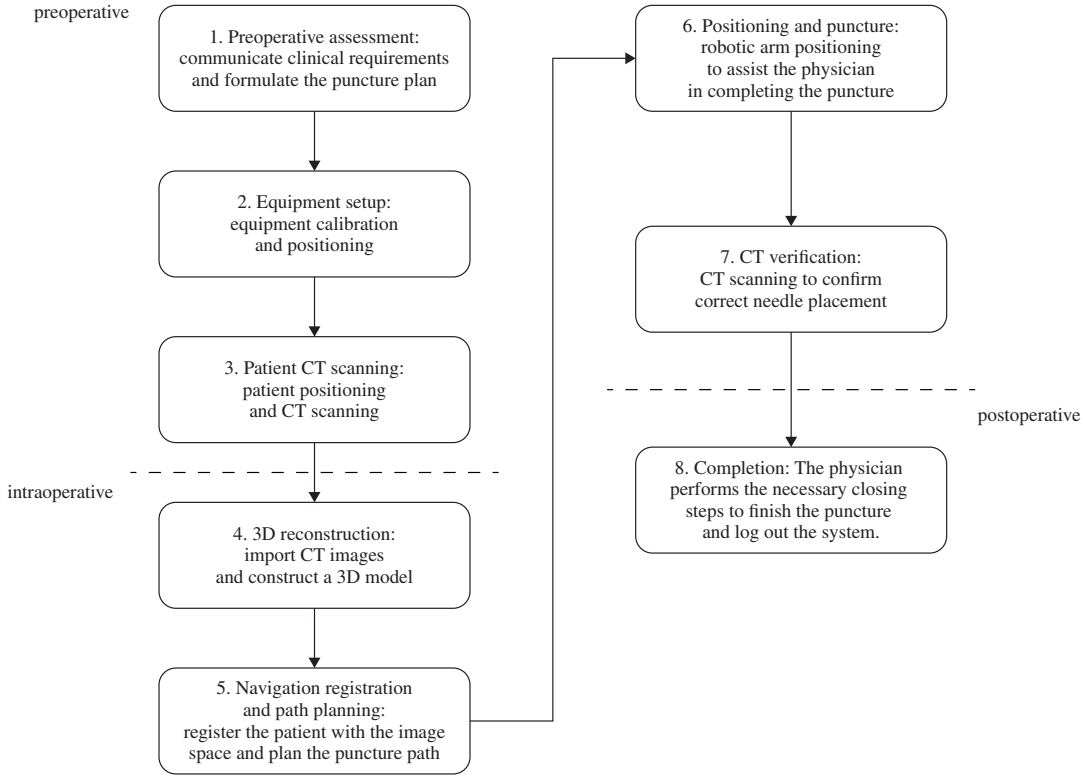
The respiratory tracking system monitors a patient's respiratory motion in real time during lung and abdomen puncture procedures. Using proprietary respiratory index and displacement index metrics, TH-S1 empowers physicians to monitor patient breathing and body position in real time through the surface positioning belts and respiratory motion sensors. By synchronizing the intraoperative phase with the preoperative CT scan phase, TH-S1 identifies the optimal moment to perform percutaneous punctures while the patient is breathing spontaneously. This approach mitigates the impact that is normally associated with intraoperative respiratory drift on the accuracy of performing percutaneous punctures, thereby greatly enhancing the puncture accuracy.

Instruments and Accessories

TH-S1 includes surgical instruments spanning one calibrator and a number of trackers, guides and sleeves all customized for use with TH-S1.

Operational Procedure

The flowchart below illustrates the operational procedures of puncture surgeries assisted by our Core Product:



Physicians interact with and operate our Core Product throughout the procedure primarily via software on the carts. In particular, in Step 4, physicians can use the image-analysis and puncture planning system to perform 3D reconstruction of the patient's CT images. The system

can automatically identify and segment lesions and anatomical structures such as blood vessels, bronchi, bones, lungs and skin, and construct a 3D visualized anatomical model, enabling physicians to observe the patient's condition in a more intuitive and stereoscopic manner. In Step 5, through the image-analysis and puncture planning system, physicians can select the puncture target and entry point on the images to generate a planned puncture path. In conjunction with the registration function of the optical navigation system, the positions of the patient and surgical instruments can be tracked in real time. In Step 6, using the robotic arm positioning function within the robotic arm control system, the robotic arm can automatically execute positioning operations and achieve precise alignment along the planned puncture path. After completion of robotic arm positioning, the physician performs the puncture under the guidance of the end-effector guide of the robotic arm.

The Core Product requires the import (Step 4) of the patient's preoperative CT scan or contrast-enhanced CT scan data obtained in Step 3 for subsequent puncture path planning and navigation within the system. Such CT data can be imported through either network transmission, whereby data from the hospital's CT image workstation is transmitted to the device via a wired network connection, or offline transmission, whereby data from the CT image workstation is exported to the device using storage media such as USB drives. In addition, intra-operative CT scanning is performed to confirm correct needle placement in Step 7.

Features

Our TH-S1 demonstrated excellence in the following aspects:

- *First percutaneous puncture surgical robot in China*. TH-S1 is the first percutaneous puncture surgical robot in China that fully integrates an intelligent image-analysis and puncture planning system, an intraoperative optical navigation system, a robotic arm positioning system, and a respiratory tracking system to support precise clinical puncture procedures.

- *3D reconstruction.* TH-S1 is capable of image reconstruction and generates 3D models for the purpose of guiding puncture path planning.

- *Infrared-based binocular navigation.* TH-S1 delivers sub-millimeter real-time tracking for complex lung and abdominal surgical procedures. It shows the live relative positions of surgical instruments and the patient to provide visual guidance.

- *Six-degree-of-freedom robotic arm*. TH-S1's light six-degree-of-freedom robotic arm adapts to varied puncture angles and patient positions for complex percutaneous punctures.

Applications

Some examples of the clinical applications of our TH-S1 are set forth below:

Precision Percutaneous Biopsy

For people with cancer, getting an early and accurate diagnosis is key to starting treatment and slowing or preventing the disease from getting worse. The most commonly adopted methods to detect cancer are imaging tests, laboratory tests and percutaneous biopsies. Unlike imaging, a biopsy involves removing a small sample of tissue or cells for examination and it is widely recognized in clinical practice as the best way to confirm diagnosis, determine the exact type of cancer and assess the stage. Compared with conventional percutaneous biopsies, which can have more complications when the lesion is small, deep, or near critical structures, our TH-S1 helps physicians to perform puncture biopsies with high precision, obtaining tissue or cells while avoiding unnecessary damage to non-target organs or tissue along the planned path during the puncture procedures.

Tumor Ablation Precision Puncture

Ablation therapy is an increasingly important local treatment for lung metastases, thanks to its unique advantages, and it has shown results comparable to surgery for small hepatocellular and colorectal metastases, with growing evidence for other tumor types. Our TH-S1 has shown promising results in patients with multiple nodules, particularly among those at high risk for cancer, elderly individuals, or those with respiratory failure. Unlike conventional ablation methods, our TH-S1 precisely places the ablation needle at the target area to fully cover the lesion while protecting the surrounding healthy tissue, therefore reducing the occurrence of under-ablation or over-ablation improves the effectiveness of the treatment.

Preoperative Positioning

CT-guided percutaneous puncture-assisted positioning technology is widely recognized as the most commonly used preoperative localization method in clinical practice as it is easy to use, shortens procedure duration, has a high success rate, and is cost-effective. For lesions that are traditionally hard to puncture, multiple needle adjustments or repeated insertion attempts can raise the risk of complications. Our TH-S1 outperforms conservative approaches by improving accuracy, reducing the number of needle insertions, and lowering the risk of complications such as infection and bleeding.

Radioactive Particle Implantation

Radioactive particle implantation is a minimally invasive cancer treatment in which tiny radioactive pellets are placed in or near a tumor. This approach delivers a high dose of radiation directly to the cancer cells while minimizing exposure to surrounding healthy tissue. Because treatment often requires multiple needles to deploy radioactive pellets precisely, it places high demand on puncture path planning and execution. Leveraging its proprietary intelligent image-analysis and puncture planning system, our TH-S1 facilitates simultaneous planning of multiple puncture paths and executes them with high precision, thereby reducing surgical complexity and enhancing surgical treatment outcomes.

Summary of Clinical Trial Results

Registrational Clinical Trial in Lung and Abdominal Puncture Localization

We initiated a registrational clinical trial to evaluate the safety and efficacy of TH-S1 in lung and abdominal puncture localization in August 2021. We completed this trial in January 2022.

Trial design. The registrational clinical trial was a non-inferiority, multicenter, randomized and parallel-controlled trial to evaluate the safety and efficacy of TH-S1's indication in lung and abdominal puncture localization. The primary efficacy endpoint was to evaluate the puncture success rate, defined as a needle-to-target distance of less than one centimeter. The secondary efficacy endpoints included (i) average number of intraoperative needle adjustments; (ii) first-pass success rate; (iii) number of CT scans performed during the procedure; and (iv) system usability rate. A total of 120 patients were enrolled at two sites and randomized into either the study group, undergoing a lung and abdominal puncture procedure guided by our TH-S1, or the control group, receiving conventional CT-guided manual puncture. The safety profile would be evaluated according to the number and occurrence of AEs and SAEs in the trial.

Trial status. The registrational trial commenced in August 2021, completed patient enrollment in November 2021 and was completed in January 2022. Of the 120 patients enrolled, 119 patients, including 59 patients in the study group and 60 patients in the control group, completed the registrational trial. One patient withdrew voluntarily. In addition, four patients were identified by the clinical monitors as not meeting the inclusion criteria, namely the ECOG performance status. Therefore, they were excluded from the Per Protocol Set (PPS) and only included in the Full Analysis Set (FAS) and the Safety Set (SS). In the Safety Set (SS) statistics, none of these four patients experienced any adverse events related to the subject product.

Efficacy results. TH-S1 demonstrated favorable and promising performance in lung and abdominal puncture localization compared to conventional CT-guided manual procedures. For the primary efficacy endpoint, the puncture success rates were 100.0% in both the study and control groups. The lowest ends of the 97% confidence intervals (CI) for FAS and PPS study groups were about minus 7.3% and minus 7.5%. Because the non-inferiority threshold was minus 10%, both values are above that threshold, so TH-S1 met the non-inferiority criterion. The table below shows the detailed results for the primary outcome:

Primary Efficacy Endpoint	FAS		PPS	
	Study Group n=59	Control Group n=60	Study Group n=57	Control Group n=58
Puncture success rate	100.00%	100.00%	100.00%	100.00%
97% CI	92.61% 100.00%	92.72%, 100.00%	92.37%, 100.00%	92.49%, 100.00%
97% CI for the difference in intergroup rates	-7.28%, 7.39%		-7.51%, 7.63%	

FAS (full analysis set): In the study group, the average number of needle adjustments during puncture procedures was 0.02, the first-pass success rate was 98.3%, the number of CT scans performed during the procedure was 3.1 times, and the system usability rate reached 100.0%. In the control group, the average number of needle adjustments was 1.4, the first-pass success rate was 15.0%, and the number of CT scans performed during the procedure amounted to 4.5.

PPS (per protocol set): In the study group, the average number of needle adjustments during puncture procedures was 0.02, the first-pass success rate was 98.3%, the number of CT scans performed during puncture procedures was 3.0, and the system usability rate reached 100.0%. In the control group, the average number of needle adjustments was 1.4, the first-pass success rate was 15.5%, and the number of CT scans performed during puncture procedures was 4.5. During the registrational trial, the device did not experience any operational malfunctions. The tables below set forth the clinical performance results in connection with the secondary endpoints:

Secondary Efficacy Endpoint	FAS				
				Intergroup Comparison	
	Category	Study Group n=59	Control Group n=60	Statistic	P
Average number of needle adjustments	Mean±SD	0.02±0.13	1.42±1.31	2,057.00	<0.0001
	Median	0.00	1.00		
	Ql, Q3	0.00, 0.00	1.00, 2.00		
	Min~Max	0.00-1.00	0.00~6.00		
Number of CT scans	Mean±SD	3.05±0.22	4.48±1.33	2,097.00	<0.0001
	Median	3.00	4.00		
	Ql, Q3	3.00, 3.00	4.00, 5.00		
	Min~Max	3.00~4.00	3.00~9.00		

Secondary Efficacy Endpoint	PPS				
				Intergroup Comparison	
	Category	Study Group n=57	Control Group n=58	Statistic	P
Average number of needle adjustments	Mean±SD	0.02±0.13	1.38±1.31	1,931.00	<0.0001
	Median	0.00	1.00		
	Ql, Q3	0.00, 0.00	1.00, 2.00		
	Min~Max	0.00-1.00	0.00~6.00		
Number of CT scans	Mean±SD	3.04±0.19	4.45±1.34	1,950.00	<0.0001
	Median	3.00	4.00		
	Ql, Q3	3.00, 3.00	4.00, 5.00		
	Min~Max	3.00~4.00	3.00~9.00		

Note:

(1) A *p*-value greater than 0.05 indicates no statistically significant difference between the study group and the control group.

Secondary Efficacy Endpoint	FAS					
	Study Group			Control Group		
	Satisfied	Unsatisfied	Neutral	Satisfied	Unsatisfied	Neutral
Interface is well-structured	100.00%	0.00%	0.00%		N/A	
Display is clear and normal	100.00%	0.00%	0.00%		N/A	
Device operation is user-friendly	100.00%	0.00%	0.00%		N/A	
Overall system performance is stable	100.00%	0.00%	0.00%		N/A	

Safety results. TH-S1 demonstrated promising safety results. There was no occurrence of medical device-related AE or SAE in either the study group or the control group. Four patients (6.8%) observed surgical complications in the study group. Such complications are common inherent complications of routine percutaneous puncture and are not directly related to the subject product. According to the clinical trial protocol, such complications are not reported as adverse events. The table below sets forth the safety results of the registrational trial:

Category	Study Group n=59			Control Group n=60		
	Number of Subjects	Occurrences	Occurrence Rate	Number of Subjects	Occurrences	Occurrence Rate
AE	0	0	0.00%	0	0	0.00%
Serious AE	0	0	0.00%	0	0	0.00%
Medical device-related AE	0	0	0.00%	0	0	0.00%
Medical device-related serious AE	0	0	0.00%	0	0	0.00%
Device defects	0	0	0.00%	0	0	0.00%
Complications	4.0	4.0	6.78%	8.0	8.0	13.33%

Conclusion. TH-S1 demonstrated a favorable safety and efficacy profile in the registrational clinical trial.

Ongoing Registrational Clinical Trial in Retroperitoneal Lesions

We initiated a registrational clinical trial to evaluate the safety and effectiveness of TH-S1 in retroperitoneal lesions in November 2025. As of the Latest Practicable Date, this trial was ongoing.

Trial design. The registrational trial is a prospective, single-center and single-arm trial to evaluate the safety and effectiveness of TH-S1's indication in retroperitoneal lesions. The primary endpoint is to evaluate the puncture success rate, characterized by a needle-to-target distance of less than one centimeter. The secondary endpoints are (i) average number of intraoperative needle adjustments; (ii) number of CT scans performed during the procedure; and (iii) system usability rate. The trial includes patients who are aged between 18 to 80 years with the proved clinical needs to receive retroperitoneal surgery. The safety profile aims to evaluate the number of occurrence of AEs, SAEs and product defects in the trial.

Trial status. The registrational trial was initiated in November 2025 and a total of 15 patients had been enrolled into the trial as of the Latest Practicable Date. The retroperitoneal trial is expected to enroll 30 patients in total. We expect to complete the trial in the fourth quarter in 2026.

Market Opportunities and Competition

China's percutaneous puncture surgical robot market is expanding rapidly, driven by rising volumes of image-guided biopsies and localization, broader use across pulmonary, abdominal, prostate and other indications, and accelerating hospital adoption of standardized, navigation-assisted workflows. According to CIC, the market size of China's percutaneous puncture surgical robot increased from nil in 2020 to RMB25.7 million in 2025, is expected to reach RMB1,386.4 million by 2031, representing a CAGR of 78.3% from 2026 to 2031.

The market is at an early stage, with a limited number of approved products and a steady stream of new entrants emerging. As of the Latest Practicable Date, a total of 21 percutaneous puncture surgical robots had obtained NMPA approval in China, comprising 19 domestic products and two imported products. According to CIC, in 2025, we ranked first among all percutaneous puncture surgical robotics companies in China by both shipment volume and revenue.

Since the first approval in 2022, additional percutaneous puncture surgical robots have successively obtained registration certificates, reflecting steady progress in regulatory recognition and industrialisation. As of the Latest Practicable Date, we had obtained 5 NMPA approvals, representing both the earliest and the largest number in this segment. Our TH-S was recognized as China's first domestically developed percutaneous puncture navigation and localization system. The following table sets forth percutaneous puncture surgical robots that had obtained NMPA approval as of the Latest Practicable Date:

Registration Certificate Number	Company	Type	Product name	Approval date	Indication	Number of Approval
國械註准20223010624			**TH-S1**	**05/13/2022**		
國械註准20233010810			**TH-S**	**06/15/2023**		
國械註准20243012455	**TrueHealth**	**Domestic**	**TH-P Elite/TH-P/TH-P Plus**	**12/05/2024**	**Lung and abdomen**	**5**
國械註准20243012643			**TH-S Pro**	**12/30/2024**		
國械註准20253012595			**TH-SA**	**12/15/2025**		
國械註進20233010199	Biobot Surgical Pte Ltd	Imported	iSR'obot Mona Lisa	05/12/2023	Prostate	1
國械註進20233010365	Quantum Surgical	Imported	30-0001	08/16/2023	Abdomen	1
國械註准20233011291	Tuodao Medical	Domestic	NP100	09/06/2023	Lung and abdomen	2
國械註准20253011264			PB100	06/27/2025	Prostate	
國械註准20243010229	Ariemedi	Domestic	ARMD-PN-201	01/31/2024	Lung and abdomen	1
國械註准20243010387	Simple Touch	Domestic	RC 120	02/21/2024	Lung	1
國械註准20243010922	Curaway Medical	Domestic	CR-NAV100	05/16/2024	Lung and abdomen	1
國械註准20243011118	WeiDe Precisely	Domestic	WD-Lung-Navi I	06/18/2024	Lung and abdomen	2
國械註准20263011087			WD-Lung-Navi I b	05/26/2026	Lung and abdomen	
國械註准20243011560	EDDA	Domestic	IQQA-Guide SI-ROBOT	08/23/2024	Lung and abdomen	1
國械註准20253010073	Amit	Domestic	FARE-OC-P	01/10/2025	Abdomen	1
國械註准20253010487	Zoye Medical	Domestic	ZY-TU-6	03/06/2025	Lung and abdomen	1
國械註准20253010707	United Imaging	Domestic	UInterv C550-A/C550-B/C550-C	04/01/2025	Lung and abdomen	1
國械註准20253012369	Hanglok-Tech	Domestic	HLT-SGNIO-A	11/25/2025	Liver	1
國械註准20263010655	Panier Medical	Domestic	ZZ-DJ-S1	03/27/2026	Lung and abdomen	1
國械註准20263010665	Precision MedTech	Domestic	M1P1	03/27/2026	Lung and abdomen	1

Indication Expansion and Iteration

Indication Expansion

We are conducting a clinical study focused on the design and verification of TH-S1 to expand its indication in retroperitoneal lesions (the "**Indication Expansion**"). We received the ethical approval for the registrational clinical trial in July 2025, completed the filing with the NMPA in November 2025, and commenced the trial in November 2025. As of the Latest Practicable Date, 15 patients had been enrolled. We expect to obtain NMPA registration approval in the second half of 2027.

According to Article 79 of the Measures for the Registration and Filing of Medical Devices, where substantial changes in the design, raw materials, production process, intended use and method of use of a registered Class II or Class III medical device occur, which may affect the safety and effectiveness of the medical device, the registrant shall apply to the original registration authority for a change in registration. According to our PRC Legal Advisors, upon completion of the clinical trial, the Indication Expansion will be submitted as a change in registration based on the existing registration of the TH-S1 model. Upon approval, the original TH-S1 registration certificate number will be retained, with only an addition to the intended use section.

Product Iteration

We are pursuing continuous product iteration with respect to structural optimization, software upgrades, instrument replacements, and functional enhancements. In May 2025, we submitted a supplementary registration application for TH-S1 to cover these updates, together with a testing report which was prepared in compliance with the safety and performance standards issued by the NMPA. For the product iteration, we completed a clinical evaluation in May 2025, which demonstrated that these upgrades and new features do not result in any clinically meaningful differences in safety and effectiveness of TH-S1. We obtained the registration approval from the NMPA in April 2026.

Development and Commercialization Plan

We received the Class III medical device registration certificate from the NMPA in May 2022 and were still in the early stage of commercializing our TH-S1. Subsequent to obtaining NMPA approval, we have focused on establishing our commercialization infrastructure and network primarily through distributors in China. As of the Latest Practicable Date, we had deployed our Core Product in medical institutions nationwide primarily through free trial installations, with each medical institution adopting a specific model of the Core Product based on its clinical needs, the majority of which were trial installations on a free-of-charge basis. See "—Sales and Marketing" for details.

In order to expand our international footprint and build global presence, we are pursuing CE marking in the EU and expect to obtain it in the fourth quarter of 2026.

Material Communications with the NMPA

We completed the registrational clinical trial for TH-S1's indication in lung and abdominal organs puncture in January 2022, after the principal investigators at the trial sites had signed off on the clinical data, including, among others, their conformity with the trial protocol. The registration clinical trial yielded promising results and met its primary and secondary endpoints under the trial protocol. We submitted the registration application to the NMPA in December 2020. In January 2021, the NMPA accepted TH-S1's registration application and granted us an acceptance number. In May 2022, we obtained a Class III medical device registration approval of our TH-S1 from the NMPA. According to CIC, the timeline of approximately 1.5 years from submission of the registration application to approval is generally in line with the industry norm for similar medical devices. Due to the involvement of clinical trials, the overall period from application to approval typically ranges from approximately 6 months to 2 years, depending on factors such as device classification, technical complexity, and the completeness of submission materials. For innovative or technically complex medical devices, the regulatory review process often entails multiple rounds of technical evaluation, clarification and supplementary submissions, which may extend the review timeline. In particular, as our TH-S1 is the first percutaneous puncture surgical robot approved in China, the review may have taken longer given the need for more comprehensive technical assessment and risk evaluation. Our registration timeline therefore falls within the normal range observed in the industry.

We consulted the NMPA, which our PRC Legal Advisors confirm is the competent authority, with respect to the necessity for a clinical trial for expanding the indication of TH-S1 in retroperitoneal lesions, and were advised that a clinical trial is required for such Indication Expansion.

We received the ethical approval for extending TH-S1's indication in retroperitoneal lesions from the Second Affiliated Hospital of Soochow University in July 2025. Clinical trials for products included in the Catalog of Class III Medical Devices Requiring Clinical Trial Approval (2020 Revision) published by the NMPA in September 2020 shall be approved by the relevant authority before the clinical trials commence. The Core Product is a Class III medical device that is not included in such catalog, and therefore pre-approval for commencement of its clinical trial is not required. Under Article 37 of the Measures for the Registration and Filing of Medical Devices (《醫療器械註冊與備案管理辦法》), before commencement of a clinical trial for a Class III medical device not included in such catalog, such as our Core Product, the clinical trial applicant shall submit a filing of the clinical trial with the drug regulatory department of the province, autonomous region, or municipality where it is located. Accordingly, we completed a clinical trial filing to the Guangdong Provincial Medical Products Administration for the Indication Expansion in November 2025 and received a filing number (Yue Xie Lin Bei 20250423粵械臨備20250423). The NMPA has confirmed during an interview that such completion of filing constitutes a "no objection" from the NMPA for us to commence clinical trial. Therefore, according to our PRC Legal Advisors, by completing the filing and obtaining the filing number, we have obtained the "no objection" to conducting a clinical trial for the Indication Expansion from the regulatory authority. The trial commenced in November 2025 and was ongoing as of the Latest Practicable Date. We expect to obtain the registration approval from the NMPA in the second half of 2027.

WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND MARKET TH-S1 IN ITS INDICATION IN RETROPERITONEAL LESIONS IN CHINA.

Other Models of Our Core Product

We have further developed our TH-S1 platform and extended it into three iterative models, namely, TH-S, TH-S Pro, and TH-SA. Different from an indication expansion, which refers to adding another clearly defined intended use thereby expanding the product's scope of indications, such product iterations primarily represent optimization and upgrades to the non-core structure and software of TH-S1 within the same intended use. The development of different models of the Core Product is our voluntary choice according to our differentiated market strategy and feedback from clinicians and medical institutions. As of the Latest Practicable Date, in addition to TH-S1, models TH-S, TH-S Pro and TH-SA had obtained regulatory approvals in China, with the registrant of all four models of the Core Product being our Company. All three Core Product models are based on the structure and function of TH-S1.

We classify our Core Product models by their medical device registration certificates and pursue separate certificates for each model to support commercialization.

According to the Guiding Principles for the Division of Medical Device Registration Units (《醫療器械註冊單元劃分指導原則》) in Circular No. 187 of 2017 issued by the NMPA on November 17, 2017, medical devices of different models of the same registrant with the same intended use, product performance, and structural composition shall, in principle, be classified into a single registration unit.

The table below sets forth the principal similarities and differences among the four models of our Core Product:

	TH-S1	TH-S	TH-S Pro	TH-SA
Registrant	Our Company			
Intended use	Navigation and positioning for puncture procedures of adult lung and abdominal solid organs			
Product performance	Navigation registration error is not more than 0.5 mm; Positioning error is not more than 0.3 mm; Positioning repeatability error is not more than 0.2 mm; System error is not more than 0.8 mm			

	TH-S1	TH-S	TH-S Pro	TH-SA
Unique features	3D organ imaging transparency adjustment	3D organ imaging transparency adjustment	/	/
	/	/	Tracking device observation center indication	Tracking device observation center indication
	/	/	Multiplanar reconstruction	Multiplanar reconstruction
	/	/	/	Error display
	Remote planning system	/	/	/
Core structural composition	An image-analysis and puncture planning system, an optical navigation system, a robotic arm control system and a respiratory tracking system			
Product life	10 years			
Product positioning	Premium	Mid-tier	Cost-effective	Compact
Target customer group	national medical centers and regional medical centers	provincial Grade III hospitals	prefecture level Grade III hospitals with limited budgets	older hospitals with high demands for space efficiency

As a percutaneous puncture surgical robot, the core function of our Core Product lies in ensuring positioning accuracy. Accordingly, image registration, path planning, robotic arm control, and the underlying hardware architecture constitute the core elements of the system. As such, to achieve the core functions, each of the four models of our Core Product is equipped with an image-analysis and puncture planning system, an optical navigation system, a robotic arm control system and a respiratory tracking system. By contrast, the differing features among the four models serve only auxiliary display, preoperative preparation, or power-failure protection purposes and do not directly affect intraoperative navigation or positioning accuracy. As such, the variances among the four models in terms of technical parameters, configuration and product structure, such as image transparency adjustment, tracking device observation and remote planning, are non-core in nature, and do not affect the regulatory treatment of the four models of our Core Product as a single product. In addition, core parameters of our Core Product are stipulated in relevant industry standards. All four models of the Core Product comply with the requirements set out in the PRC Pharmaceutical Industry Standards "Assisted Surgical Medical Equipment and Assisted Surgical Medical Systems Employing Robotic Technology (YY/T 1712-2021)" and "Requirements and Test Methods for Orthopedic Surgical Navigation Equipment Employing Robotic Technology (YY/T 1901-2023)" issued by the NMPA, and the relevant technical parameters of the four models are consistent. The differences among the four models fall outside the scope covered by these industry standards, and can therefore be characterized as non-core differences.

In addition, the four models of our Core Product are manufactured on the same production line and subject to a unified management system. This includes the implementation of a single Risk Management File (《風險管理文件》) to identify common risks across the four models, a single Modification Control Procedure (《變更控制程序》) to ensure synchronized completion of necessary modifications for all four models, and a single Adverse Events and Complaints (《不良事件與投訴》) protocol stipulating that complaints and adverse events for all models are recorded uniformly. Any issue with one model will trigger risk analysis and corresponding corrective and preventive actions (CAPA) for all four models, thereby achieving unified management.

The NMPA has confirmed that TH-S1, TH-S, TH-S Pro and TH-SA share the same technical principles, intended use, risk classification, structural composition, core technical parameters, and substantially the same software system, and therefore will be classified under a single registration unit and regulated as the same product.

According to our PRC Legal Advisors, regulations on medical device registration such as the Measures for the Registration and Filing of Medical Devices (《醫療器械註冊與備案管理辦法》) and the Requirements for Document Review of Medical Device Product Registration Projects (《醫療器械產品註冊項目立卷審查要求》) do not prohibit products within the same registration unit from applying for registration separately. In other words, separate certifications are permitted under the regulatory framework. In addition, the NMPA has confirmed during an interview that we had the discretion to either apply for and obtain separate registration certificates for the four models of the Core Product or apply for a single registration certificate covering all four models by directly filing for a change registration for the three subsequent models.

Separate registrations let us segment the market with precision, tailor sales and marketing to distinct user groups. China's hospital market is large and diverse. Clinical capability, institutional strength, and procurement budgets vary widely by hospital type, tier, and region. While we are still in the early stages of market development and must first build clinical references in leading hospitals, the many other hospitals often have a more urgent need for advanced puncture robots to quickly raise their procedural standards. To address these varying needs and budgets, we register different iterations as separate models so that each hospital segment can adopt the version that fits its capabilities and purchasing power. Our current portfolio includes four registered models of the Core Product: TH-S1 (premium), TH-S (mid-tier), TH-S Pro (cost-effective) and TH-SA (compact). This tiered lineup enables targeted pricing and positioning for different customer segments.

Separate registrations also accelerate time to market. By filing distinct applications for different iteration scopes, we can run reviews in parallel, avoid bottlenecks where one update delays another, and bring improvements to market faster. This approach shortens the path from R&D to commercialization and supports an annual cadence of iterative launches.

In conclusion, a multi-certificate strategy aligns our product roadmap with the realities of China's hospital landscape, meeting diverse needs, clarifying applications and features, and improving the speed and efficiency of commercialization.

TH-S

Overview

Our TH-S is designed to provide supplementary, accessible, and easy-to-use functions that match clinical needs for lung and abdominal percutaneous punctures. Compared with the original TH-S1, we optimized TH-S's structure and functionality, including adding a foot switch to replace manual operation and introducing a user-friendly touchscreen to replace keyboard controls, enhancing interactions with physicians.

TH-S is classified as a Class III medical device under applicable NMPA regulations and was recognized as an innovative medical device by the NMPA in April 2022. We completed a clinical evaluation of TH-S1 to determine its safety and effectiveness for indication in lung and abdominal puncture in November 2022, and submitted a registration application to the NMPA in the same month, which was accepted by the NMPA in December 2022. In June 2023, we obtained a Class III medical device registration approval for TH-S from the NMPA.

Summary of Clinical Evaluation Results

We conducted a clinical evaluation to determine whether the technical, biological, and clinical characteristics of TH-S are sufficiently similar to those of TH-S1 that no clinically meaningful differences in safety and effectiveness would be expected. The evaluation followed NMPA Announcement No. 73 (2021), Annex 3 (國家藥品監督管理局2021年第73號通告附件3), which defines how to demonstrate clinical equivalence and permits reliance on a comprehensive equivalence analysis when intended use and key characteristics align, potentially reducing the need for new, large clinical trials.

Design. The clinical evaluation was designed to demonstrate that there would be no clinically significant difference in the safety and effectiveness between TH-S and TH-S1 in lung and abdominal puncture localization by comparing their technical, biological and clinical characteristics. The comparison items in the clinical evaluation primarily include (i) model and specifications; (ii) basic working mechanisms; (iii) product structure; (iv) indications and intended application; (v) contraindications and precautions; (vi) manufacturing process and materials; (vii) patient contact; (viii) performance indicators, such as appearance, navigation accuracy, position accuracy, maximum space, and robotic arm load-bearing capacity; (ix) core function of the navigation software, such as system management, patient management, image display, navigation tracking, respiratory tracking, and robotic arm control; (x) safety assessment; and (xi) preoperative planning function; (xii) mobile control cart; and (xiii) foot pedals.

Trial status. The clinical evaluation commenced in January 2022 and was completed in November 2022.

Conclusion. The results of the clinical evaluation concluded that TH-S employs similar technical, biological and clinical characteristics for similar applications as TH-S1. Among all comparison items in the clinical evaluation, the differences between the two models are primarily relating to the optimized and upgraded functions designed to enhance physician performance. These differences do not adversely affect the safety and effectiveness of TH-S in lung and abdominal puncture localization. Accordingly, there was no clinically significant difference in the safety and effectiveness between TH-S1 and TH-S in lung and abdominal puncture localization.

Development and Iteration

We are pursuing continuous product iteration with respect to structural optimization, software upgrades, instrument replacements, and functional enhancements. In June 2025, we submitted a supplementary registration application for TH-S to cover these updates, together with a testing report which was prepared in compliance with the safety and performance standards issued by the NMPA. For the product iteration, we completed a clinical evaluation in June 2025, which demonstrated that these upgrades and new features do not result in any clinically meaningful differences in safety and effectiveness of TH-S. We obtained the registration approval from the NMPA in May 2026.

Material Communications with the NMPA

We submitted a registration application to the NMPA in November 2022, which was accepted by the NMPA in December 2022. In June 2023, we obtained a Class III medical device registration approval for our TH-S from the NMPA.

TH-S Pro

Overview

TH-S Pro is a new, upgraded model of our Core Product that provides a streamlined operating workflow, advanced data analytics, and greater physician autonomy. Compared with TH-S, our TH-S Pro adds a laser module to the optical navigation system, enabling physicians to position patients rapidly and accurately for percutaneous punctures. Its refined software validates 3D datasets across multiple angles and planes during the puncture planning. By integrating the laser module and refined validation into the intelligent image-analysis and puncture planning system, TH-S Pro offers highly magnified visualization of lesion location, size, and shape, helping physicians better understand anatomy, plan puncture pathways and assess puncture risks. In addition, TH-S Pro enhances the data output efficiency for information collected during puncture procedures. The TH-S Pro model is equipped with core functionalities but does not include certain advanced modules available in TH-S1 and TH-S, including 3D organ imaging transparency adjustment function, a standard function on the other models, which is disabled by default on TH-S Pro and available only as an optional add-on. It is able to meet the clinical needs and comprehensive specialty development requirements of municipal-level tertiary hospitals with relatively limited budgets without sacrificing core

clinical procedures and systematic puncture accuracy. Our TH-S Pro represents our most cost-effective surgical robot among the four models of our Core Product for lung and abdominal percutaneous punctures.

TH-S Pro is classified as a Class III medical device under applicable NMPA regulations. We completed a clinical evaluation of TH-S Pro for its indication in lung and abdominal puncture localization in May 2024 and submitted a registration application to the NMPA in the same month. The application was accepted by the NMPA in the same month. In December 2024, we obtained a Class III medical device registration approval of our TH-S Pro from the NMPA.

Summary of Clinical Evaluation Results

We initiated a clinical evaluation to assess whether the technical, biological and clinical characteristics in TH-S Pro are sufficiently similar to those of TH-S that there would be no clinically significant difference in the safety and effectiveness of TH-S.

Design. The clinical evaluation was designed to demonstrate that there would be no clinically significant difference in the safety and effectiveness between TH-S Pro and TH-S in lung and abdominal puncture localization by comparing their technical, biological and clinical characteristics. The comparison items in the clinical evaluation primarily include (i) model and specifications; (ii) basic working mechanisms; (iii) product structure; (iv) indications and intended application; (v) contraindications and precautions; (vi) manufacturing process and materials; (vii) patient contact; (viii) performance indicators, such as appearance, navigation accuracy, position accuracy, maximum space, and robotic arm load-bearing capacity; (ix) core function of the navigation software, such as system management, patient management, image display, navigation tracking, respiratory tracking, and robotic arm control; (x) protective functions; and (xi) other technical specifications which are absent from TH-S.

Trial status. The clinical evaluation commenced in January 2024 and was completed in May 2024.

Conclusion. The results of the clinical evaluation concluded that TH-S Pro employs similar technical, biological and clinical characteristics for similar applications as TH-S. Among all comparison items in the clinical evaluation, the differences between the two models are mainly confined to optimized and upgraded functions which are aimed to enhance TH-S Pro's performance. These differences have not adversely affected the safety and effectiveness of TH-S Pro in lung and abdominal puncture localization. Accordingly, there was no clinically significant difference in the safety and effectiveness between TH-S and TH-S Pro in lung and abdominal puncture localization.

Material Communications with the NMPA

We submitted a registration application to the NMPA in May 2024, which was accepted by the NMPA in the same month. In December 2024, we obtained a Class III medical device registration approval of our TH-S Pro from the NMPA.

TH-SA

Overview

TH-SA is a new, optimized model of our Core Product, improving ergonomics and physician comfort during intraoperative use, and facilitating more efficient procedures. It features a smaller, more compact surgical robot cart with enhanced mobility and flexibility adapting to the diverse space constraints of hospital operating rooms. The cart layout strictly adheres to ergonomic principles and reflects physicians' actual operating habits incorporating feedback from previous models. In terms of functional expansion, we added a path relative relationship display function compared to TH-S Pro to address the evolving clinical needs.

Summary of Clinical Evaluation Results

We initiated a clinical evaluation to assess whether the technical, biological and clinical characteristics in TH-SA are sufficiently similar to those of TH-S Pro that there would be no clinically significant difference in the safety and effectiveness of TH-S Pro.

Design. The clinical evaluation was designed to demonstrate that there would be no clinically significant difference in the safety and effectiveness between TH-SA and TH-S Pro in lung and abdominal puncture localization by comparing their technical, biological and clinical characteristics. The comparison items in the clinical evaluation primarily include (i) model and specifications; (ii) basic working mechanisms; (iii) product structure; (iv) indications and intended application; (v) contraindications and precautions; (vi) manufacturing process and materials; (vii) patient contact; (viii) performance indicators, such as appearance, navigation accuracy, position accuracy, maximum space, and robot arm load-bearing capacity; (ix) core function of the navigation software, such as system management, patient management, image display, navigation tracking, respiratory tracking, and robotic arm control; and (x) single-use LED guide performance.

Trial status. The clinical evaluation commenced in March 2025 and was completed in May 2025.

Conclusion. The results of the clinical evaluation concluded that TH-SA employs similar technical, biological and clinical characteristics for similar applications as TH-S Pro. Among all comparison items in the clinical evaluation, the differences between the two models are mainly confined to optimized and upgraded functions which are aimed to enhance TH-SA's performance. These differences have not adversely affected the safety and effectiveness of TH-SA in lung and abdominal puncture localization. Accordingly, there was no clinically significant difference in the safety and effectiveness between TH-S Pro and TH-SA in lung and abdominal puncture localization.

Material Communications with the NMPA

We submitted a registration application to the NMPA for TH-SA in May 2025. In December 2025, we obtained a Class III medical device registration approval for TH-SA from the NMPA.

Commercial Viability of Our Core Product

We started to commercialize our Core Product in 2022. We seek to penetrate the market through trial installations in medical institutions, and such trial installations are provided free of charge. The years from 2022 to 2025 represent the initial stage of market promotion, during which it is difficult to achieve scaled sales. We sold one, one and three units of our Core Product in 2023, 2024 and 2025, respectively. During this period, we focused on improving market recognition of our Company and our Core Product. Each of our partnered medical institution had adopted a specific model of the Core Product based on its clinical needs, the majority of which were trial installations on a free-of-charge basis, demonstrating the clinical value and market recognition of our Core Product across various types of puncture procedures.

On June 21, 2023, the National Health Commission issued the Notice on the Release of the "14th Five-Year Plan" for the Configuration of Large-Scale Medical Equipment ("十四五"大型醫用設備配置規劃的通知), which did not include puncture surgical robots (puncture surgical navigation and positioning systems) within the scope of unified quota management. Accordingly, our Core Product is not subject to quota restrictions. As of the Latest Practicable Date, no robot-assisted percutaneous puncture procedures had been included in the national or local medical insurance reimbursement catalogues.

It is expected that more puncture robot manufacturers will enter the market. Under increasingly intense competition, clinical application outcomes are a key determinant of whether companies can achieve sustainable development. We hold a leading market share in terms of total sale, cumulative procedure volume and published academic research. In addition, we drove the development of one expert consensus on puncture surgical robots, and participated in the setting of two national standards, two industry standards and eight group standards, placing us in a leading market position. We believe the high entry barriers formed by proven clinical value are conducive to our maintaining a competitive advantage.

Our Core Product has the following competitive advantages:

- **Comprehensive product portfolio.** Four models of our Core Product have obtained a total of four Class III registration certificates. With differentiated functionalities and pricing, our products can serve medical institutions at various levels, ranging from national medical centers to lower-level hospitals, and meet the diverse needs of different customer segments.

- **Extensive clinical validation.** Validation through procedures has demonstrated the clinical application value of our Core Product across various types of puncture procedures. Our experience in complex and challenging cases enables our Core Product to be applied in higher-value and more complex clinical scenarios, highlighting the value of our Core Product.

- **Continuous product iteration.** Application by medical institutions and feedback from them have formed a closed-loop iteration mechanism of "application — feedback — optimization — application," driving continuous product upgrades and maintaining technological leadership.

- **Comprehensive clinical support, training and after-sales service system.** We have a clinical technical support team, the members of which have each provided technical support for over 350 procedures on average, equipping the team with sufficient experience and capability to ensure the quality of each procedure and the compliant and efficient operation of our Core Product. Our after-sales service team and geographically distributed spare-parts warehouses ensure timely maintenance response and safe equipment operation.

We plan to promote the sales of our Core Product through the following commercialization strategy:

- **Market education**: We focus on building clinical recognition of our technology and innovative products through industry exhibitions, academic forums, expert training, consensus development, standard setting and research collaboration.

- **Clinical adoption-led demand creation**: We will continue to build up our clinical support team, establish benchmark hospitals in key regions, and collaborate with national and regional medical centers to set up training hubs to accelerate technology diffusion. For example, we have established an "Intelligent Puncture and Ablation Surgical Robot Training Center" in collaboration with the National Respiratory Center, offering training programs for physicians nationwide to promote broader clinical adoption of the technology.

- **Channel partner cultivation**: On a project-based authorization model, we will continue to deepen cooperation with distributors with broad coverage. With the expansion of our market influence, we have received growing cooperation inquiries from experienced and capable distributors, and have established regional partners in selected provinces.

- **Expanded hospital penetration**: Leveraging the multi-department applicability of our products and a diversified product portfolio, we aim to deepen the penetration our products in hospitals, drive cross-department adoption and repeat purchases, and promote sales of our products, such as TH-S Pro and TH-SA, and lower-tier cities and underserved markets.

- **Adaptive business models**: In response to the growing trend of direct hospital procurement, we have developed direct bidding capabilities, and achieved direct procurement sales in April 2026. Drawing on established leasing models adopted by mature surgical robot providers, we are also exploring equipment leasing and deployment models in selected regions, including Beijing and Guangdong Province, to better address market demand for our products. As confirmed by our PRC Legal Advisors, equipment leasing and deployment models are permitted under the regulations and policy frameworks in Beijing and Guangdong Province. The leasing arrangements are expected to be implemented by and through our distributors. We

will sell the products to distributors, and distributors will lease out the products to end-point hospitals. Our Directors are of the view that such arrangements (i) will not adversely affect our overall business performance; (ii) do not affect our sales channels or change the nature of transactions between us and our customers; and (iii) are conducive to enhancing the scale and efficiency of our operations and improving our financial condition and business performance.

- **Favorable policies**: On January 20, 2026, the National Healthcare Security Administration officially released the Guidelines for the Establishment of Items for Surgical and Therapeutic Auxiliary Procedures (Trial) (《手術和治療輔助操作類立項指南(試行)》). These guidelines establish a pricing framework for surgical robots and set nationwide standards for pricing, addressing the most critical bottleneck in the commercialization of surgical robots. In April 2026, major provinces including Hunan and Guangdong took the lead in introducing specific reimbursement codes with favorable pricing, and other provinces are expected to follow. The establishment of pricing framework represents a critical step in the commercialization of our products. Previously, despite clinical recognition of the value of robotic surgery, hospitals lacked independent charging codes, limiting procurement incentives. With standardized codes and pricing now in place, adoption incentives across hospitals, physicians and distribution partners are expected to strengthen, providing a strong foundation for future sales growth.

Our target customers can be categorized by hospital tier, clinical department and geographic location:

- By hospital tier, we focus on both Grade III and Grade II hospitals. Grade III hospitals typically emphasize clinical research and adoption of innovative technologies, while Grade II hospitals focus more on learning and introducing proven technologies. Accordingly, during the early stage of market development, our marketing efforts are primarily directed toward Grade III hospitals through activities such as academic conferences, research collaboration, pilot use and complex case studies. As clinical education matures and brand recognition is established, we will increasingly expand into Grade II hospitals by replicating clinical experience and commercial models.

- By clinical department, our products are applicable to thoracic (cardiac) surgery, respiratory medicine, interventional medicine, oncology, hepatobiliary surgery, radiology and imaging departments. Demand varies by specialty: thoracic surgery emphasizes preoperative positioning and energy ablation procedures; respiratory medicine focuses on introducing new percutaneous minimally invasive techniques; interventional medicine seeks improved procedural efficiency; oncology and hepatobiliary departments aim to address complex and difficult cases; and radiology and imaging departments seek to undertake cross-departmental procedures and develop sub-specialty expertise. We tailor our product positioning and service solutions to address the specific needs of each department.

- By location, hospitals are categorized into provincial capital, prefecture-level and county-level hospitals.

Based on our historical performance, our current business focus is primarily concentrated in thoracic surgery, respiratory medicine and interventional departments at Grade III hospitals in provincial capital cities.

A breakdown of our revenue by product model during the Track Record Period is set out below:

	2024		2025	
Product	**Sales volume**	**Revenue**	**Sales volume**	**Revenue**
	(unit)	*(RMB'000)*	*(unit)*	*(RMB'000)*
TH-S	1	1,593	2	2,655
TH-S Pro	–	–	1	1,416
TH-X MW	–	–	2	5,745
TH-P	–	–	1	929

Product	2024		2025	
	Sales volume	Revenue	Sales volume	Revenue
	(unit)	*(RMB'000)*	*(unit)*	*(RMB'000)*
Disposables	242	198	1,711	1,358
Subtotal	**243**	**1,791**	**1,717**	**12,103**
Technical services	N/A	–	N/A	75
Total	**243**	**1,791**	**1,717**	**12,178**

Our products are still at an early stage of market promotion. There are differences in hospital business volumes and pricing policies:

(1) Benchmark hospitals: For hospitals selected as demonstration sites, we do not impose limits on disposables usage and provide disposables free of charge in order to encourage broader adoption and achieve a demonstration effect. Hospitals are not permitted to charge patients for uses of our products.

(2) Technology validation trials: For hospitals conducting trial use to validate the technology, we typically agree on specific trial terms, including a capped number of procedures (generally no more than 30 cases). Hospitals are not permitted to charge patients.

(3) For products sold to hospitals where pricing guidance has been established, hospitals are incentivized to utilize the products and procure disposables, as they are able to charge patients and to budget for such disposables. Accordingly, we are able to encourage higher procedure volumes at such hospitals. As of the Latest Practicable Date, one hospital had met these conditions, which had purchased an aggregate of 977 sets of disposables, generating revenue of RMB903,518.

(4) For products sold to hospitals where pricing guidance has not been established, hospitals generally lack the incentive to utilize the products or procure disposables, as they are not able to charge patients.

Anti-cannibalization Strategy for Different Models of Our Core Product

The various models of our Core Product are based on the same core technology platform, with differentiated configurations developed in response to the budgetary levels of different medical institutions and regional market demands. They form a complementary, coexisting, and tiered product matrix. Therefore, the subsequent models of our Core Product will not replace and render earlier versions obsolete. Specifically, TH-S1, as the first-generation product, has completed a prospective randomized, controlled, multi-center clinical trial and been deployed, primarily through free trial installations, on a large scale. Throughout this process, its system stability, clinical effectiveness, human-machine interaction reliability, and production consistency have undergone long-term real-world validation, establishing a strong clinical reputation and user trust. Therefore, this product is positioned for the high-end market, catering to high-end customers' demands for product reliability, stability, and evidence-based support. Subsequent models were adjusted based on TH-S1 to meet the needs of clinicians and medical institutions, including changes in exterior design and the addition of certain functions. They are more suitable for mid- to low-end users willing to try new features to enhance diagnostic and therapeutic capabilities at more affordable prices.

We address potential cannibalization among different models through product differentiation and market strategy. China's hospital market is large and diverse. Clinical capability, institutional strength, and procurement budgets vary widely by hospital type, tier, and region. As such, we have formulated a differentiated market strategy. Different models of the Core Product vary in technical parameters, configuration, and product structure to meet the needs of different customers:

- TH-S1 is the high-end model, featuring remote functionality and upgradeable research modules. It primarily targets national medical centers and regional medical centers to meet needs for product reliability, stability, and evidence-based support.

- TH-S meets the needs of provincial Grade III hospitals for adopting new technologies, business expansion, and academic leadership within the province. It broadens application scenarios and supports use across different clinical departments.

- TH-S Pro features core functions without advanced modules, meeting the clinical needs and requirements for comprehensive disciplinary development of prefecture-level Grade III hospitals with limited budgets.

- TH-SA features a concise structural design, unique appearance, and flexible positioning, effectively addressing the issue of limited surgical space in older hospitals due to small operating room areas and numerous equipment. Many public hospitals are located in urban centers, making renovation and expansion costly. This model is primarily targeted at older hospitals with high demands for space efficiency.

Our marketing team will recommend product models appropriate to the needs of medical institutions based on the above differentiated product strategy.

Our Key Products

TH-X MW

Overview

Our key product, TH-X MW, is a percutaneous microwave ablation surgical robot designed to provide image-guided navigational guidance for percutaneous needle placement and microwave ablation of solid liver tumors. The system features intelligent organ and lesion segmentation, intraoperative real-time 3D navigation, and predictive reference of the ablation energy field. TH-X MW enables efficient and accurate microwave ablation by improving needle placement accuracy, target coverage, procedural efficiency, and success rates, while reducing dependence on physician experience in needle placement and ablation planning and enhancing overall safety and effectiveness.

TH-X MW is classified as a Class III medical device under applicable NMPA regulations and was recognized as an innovative medical device by the NMPA in April 2024. We completed a clinical evaluation in July 2023 through a clinical comparison among TH-X MW, TH-S1 and the other NMPA-registered predicate ablation device to assess TH-X MW's indication for the treatment of solid liver tumors in adults. We submitted a registration application to the NMPA in July 2023, which was accepted by the NMPA in the same month. In September 2024, we obtained a Class III medical device registration approval for TH-X MW from the NMPA.

We have expanded its indication in lung tumor treatment. We submitted a registration application to the NMPA in July 2025, which was accepted by the NMPA in August 2025. We obtained the registration approval in April 2026.

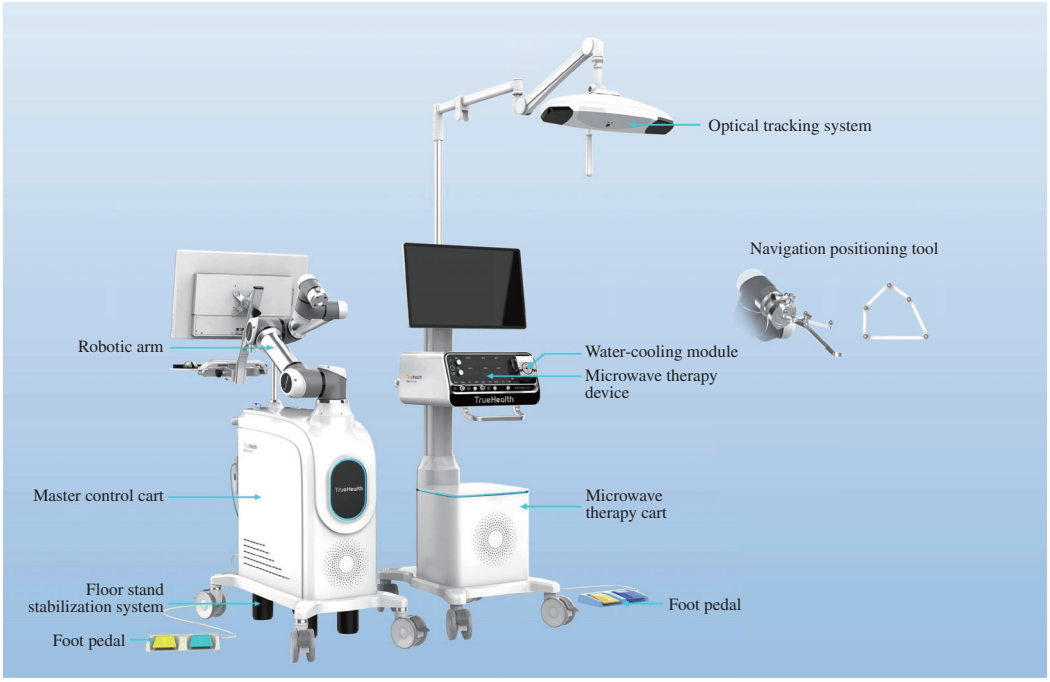
Product Structure

TH-X MW primarily consists of the following components, each with defined functions that work together during image guided ablation:

- master control cart with an integrated robotic arm, which serves as the central hub for user interaction, computing, and power distribution. It positions and stabilizes instruments with high precision under physician supervision, executes planned trajectories while allowing fine adjustments, and records procedural data. Where enabled, it also possesses the capability of connecting the picture archiving and communication system (PACS) for documentation and integration;

- microwave therapy cart, which incorporates the microwave therapy device and an optical tracking system. It uses optical tracking to localize instruments and patient position in real time and synchronizes that data with imaging to support accurate, image-guided targeting. It manages energy delivery parameters according to the planned ablation profile to execute precise ablation;

- foot pedals, which safeguards critical functions such as energy start/stop, are primarily designed to reduce hand movement in performing percutaneous punctures, thereby assisting physicians to maintain sterile technique during key procedural steps; and
- navigation and positioning tools, which support preprocedural planning and selection of the optimal trajectory. They align and maintain the intended puncture path relative to the target lesions, provide visual and quantitative guidance.



Operational Procedure

The key procedures for operating our TH-X MW are summarized as follows:

- *Preoperative preparation.* Position TH-X MW and connect the master control cart and microwave therapy cart.
- *Preoperative pathway planning and microwave parameter settings*. The patient typically undergoes a CT scan to enable the physician to detect the lesion location. Then the physician applies surface markers to the patient's skin then positions TH-X MW at the surgical site so the trackers, surface markers, and robotic arm end-effector guide are within the optical tracking system. By importing the CT scan results into the surgical navigation software, it commences the image registration and puncture pathway planning, and then configures microwave ablation parameters.
- *Intraoperative robotic arm guidance.* After completing the preoperative pathway planning, the physician installs the guide sleeve and moves the robotic arm to the planned position. The physician then proceeds to perform the puncture by strictly adhering to the system-calculated route and the orientation fixed by the guide sleeve. Upon reaching the target depth, the physician releases the sleeve and withdraws the robotic arm.
- *Puncture results confirmation.* The physician confirms puncture results by performing follow-up CT scans. When multiple puncture paths are planned in the surgical navigation software, the physician repeats the above procedures.
- *Microwave ablation*. Once the ablation needle is placed on the patient, the physician switches on the microwave button to perform ablation treatment.
- *Completion.* After the follow-up CT scans and verification, the physician performs the necessary closing steps to finish the ablation puncture.

Features

We believe our TH-X MW has the following features and benefits:

- *First image-guided percutaneous microwave ablation surgical robot globally*. Our TH-X MW integrates CT-based preoperative planning, navigation registration robotic arm positioning, real-time respiratory motion tracking, and ablation control into a single, streamlined workflow for adult solid liver tumors. By uniting trajectory optimization with motion-adaptive guidance, TH-X MW enhances needle placement accuracy and ablation zone conformity, improving procedural efficiency and technical success while reducing dependence on operator experience.
- *Intelligent water-cooling system.* Our TH-X MW is equipped with an intelligent water-cooling system which dynamically regulates the cooling medium's state. The system is designed to facilitate efficient energy delivery while actively protecting any tissue along the needle tract, thereby strengthening surgical safety.
- *Dual-source independent output models.* Our TH-X MW innovatively incorporates dual-source independent output models that support reliable and simultaneous dual-needle ablation. This allows physicians to treat bilateral or multiple lesions at the same time, significantly enhancing procedural efficiency.

Summary of Clinical Evaluation Results

Clinical Evaluation in Solid Liver Tumor Treatment

We initiated a clinical evaluation in January 2023 to assess whether the technical, biological and clinical characteristics in TH-X MW are sufficiently similar to those of TH-S1 in terms of percutaneous puncture and the other NMPA-approved predicate ablation device in terms of microwave ablation that there would be no clinically significant difference in the safety and effectiveness of TH-X MW and TH-S1 and the other NMPA-approved predicate ablation device.

Design. The clinical evaluation was designed to demonstrate that there would be no clinically significant difference in the safety and effectiveness between TH-X MW, TH-S1, and the other NMPA-registered predicate ablation device in solid liver tumor treatment in adults. The comparison items in the clinical evaluation primarily encompass (i) model and specifications; (ii) basic working mechanisms; (iii) product structure; (iv) indications and intended application; (v) contraindications and precautions; (vi) manufacturing process and materials; (vii) patient contact; (viii) performance indicators, such as operating mode, operating frequency, operating time, cooling system, tumor margin tissue temperature measurement and control range, navigation registration accuracy, robotic arm load capacity, and sampling frequency; (ix) core software functions of the microwave section; (x) core function of the navigation software; and (xi) navigation and positioning instruments.

Trial status. The clinical evaluation was completed in July 2023.

Conclusion. The results of the clinical evaluation concluded that TH-X MW systematically integrates the functionalities from TH-S1 and the other NMPA-approved predicate ablation device, and employs broad similarities in technical, biological and clinical characteristics for similar indications compared to the other two models. The variations between TH-X MW and the other two models have not adversely affected the safety and effectiveness of TH-X MW in solid liver tumor treatment in adults.

Indication Expansion

We have expanded TH-X MW's indication in lung tumor treatment. We completed the clinical evaluation and submitted the registration application to the NMPA in July 2025, which was accepted by the NMPA in August 2025. We obtained the registration approval in April 2026.

Market Opportunities and Competition

According to CIC, China's target patients for percutaneous microwave ablation surgical robots are defined as individuals who, after completing diagnostic evaluation in accordance with clinical practice guidelines, are deemed clinically eligible for percutaneous microwave ablation. Examples include patients who, after imaging assessment and percutaneous biopsy, are confirmed to have positive liver nodules presenting as a single tumor with a diameter no more than 5 cm, or 2–3 tumors with a maximum diameter 3 cm, or who are found

intra-operatively to be unsuitable for surgical resection, as well as patients with malignant pulmonary nodules whose cardiopulmonary function cannot tolerate surgical resection. According to this definition, the potential target patients for percutaneous microwave ablation surgical robot in China increased from 2.9 million in 2020 to 4.4 million in 2025, representing a CAGR of 8.6%. It is projected to rise further to 5.8 million by 2031, implying a CAGR of 4.3% from 2026 to 2031. Ongoing normalization of screening for liver, pulmonary and breast nodules and improved imaging availability contribute to earlier detection and a higher proportion of patients suitable for minimally invasive local therapy.

China's percutaneous microwave ablation surgical-robot market is at an early commercialization stage, with meaningful revenue expected to begin after 2024. Market size is projected to grow from approximately RMB6.6 million in 2025 to RMB244.2 million by 2031, reflecting rapid scale-up as approvals translate into hospital tenders, initial installations, and expanding clinical indications. Growth is underpinned by the widening pool of ablation candidates, improvements in image-guided navigation and robotic execution, and supportive hospital procurement and policy environments that enable conversion from pilot use to scaled clinical deployment.

In September 2024, our percutaneous microwave ablation surgical robot obtained NMPA approval, making it the first surgical robot approved for this therapeutic area as of the Latest Practicable Date. However, due to the late timing of approval, there were no substantive shipments recorded in 2024.

At present, several regulatory-cleared percutaneous puncture surgical robots can be used in microwave ablation workflows when paired with compatible third-party microwave generators and probes, such as Quantum Surgical's Epione®. In contrast, our percutaneous ablation surgical robot is a fully integrated solution that combines puncture navigation with microwave energy delivery on a single platform, and has been designated by the NMPA as "the first system of its kind worldwide."

Material Communications with the NMPA

We submitted a registration application to the NMPA in July 2023, which was accepted by the NMPA in the same month. In September 2024, we obtained a Class III medical device registration approval for our TH-X MW from the NMPA.

We also submitted the registration application to the NMPA in July 2025 for expanding its indication in lung tumor treatment, which was accepted by the NMPA in August 2025. We obtained the registration approval in April 2026.

TH-X HMW

Overview

Our other key product, TH-X HMW, is our other percutaneous microwave ablation surgical robot approved for the treatment of solid liver tumors. It introduces three major enhancements over TH-X MW, designed to streamline ablation workflow and enhance documentation and postoperative review, leading to more actionable and convenient ablation procedures.

TH-X HMW is classified as a Class III medical device under applicable NMPA regulations. We completed a clinical evaluation through a clinical comparison with our TH-X MW for its indication in solid liver tumor treatment in May 2024. We submitted a registration application to the NMPA in May 2024, which was accepted by the NMPA in June 2024. In November 2025, we obtained a Class III medical device registration approval for our TH-X HMW from the NMPA.

Operational Procedure

Our TH-X HMW follows the same operational procedures as TH-X MW.

Features

Our TH-X HMW has further advanced the following major improvements as compared to TH-X MW:

- *A laser pointer-integrated navigation tracking system*. It assists the physician to precisely position the master control cart and the robotic arm by monitoring the center point indicated by the laser pointer.
- *Multi-planar reconstruction function*. It enables the conversion of 3D imaging data into 2D views on multiple displays as needed.
- *Surgical report export function.* It adds a surgical report export feature that enables physicians to export and review images and the planned puncture path after ablation procedures.

Summary of Clinical Evaluation Results

We initiated a clinical evaluation to assess whether the technical, biological and clinical characteristics in TH-X HMW are sufficiently similar to those of TH-X MW that there would be no clinically significant difference in the safety and effectiveness of TH-X MW.

Design. The clinical evaluation was designed to demonstrate that there would be no clinically significant difference in the safety and effectiveness between TH-X MW and TH-X HMW in solid liver tumor treatment. The comparison items in the clinical evaluation primarily encompass (i) model and specifications; (ii) basic working mechanisms; (iii) product structure; (iv) indications and intended application; (v) contraindications and precautions; (vi) manufacturing process and materials; (vii) patient contact; (viii) performance indicators, such as operating mode, operating frequency, operating time, cooling system, tumor margin tissue temperature measurement and control range, navigation registration accuracy, robotic arm load capacity, and sampling frequency; (ix) core software functions of the microwave section; (x) core function of the navigation software; and (xi) navigation and positioning instruments.

Trial status. The clinical evaluation was completed in May 2024.

Conclusion. The results of the clinical evaluation concluded that TH-X MW employs similar technical, biological and clinical characteristics for similar applications as TH-X HMW. Among all comparison items in the clinical evaluation, the differences between the two models are mainly confined to optimized and upgraded functions which are designed to enhance TH-X HMW's performance. These differences have not adversely affected the safety and effectiveness of TH-X HMW in solid liver tumor treatment. Accordingly, there was no clinically significant difference in the safety and effectiveness between TH-X MW and TH-X HMW in solid liver tumor treatment.

Material Communication with NMPA

We submitted a registration application to the NMPA in May 2024, which was accepted by the NMPA in June 2024. In November 2025, we obtained a Class III medical device registration approval for our TH-X HMW from the NMPA.

OTHER PRODUCTS AND PRODUCT CANDIDATES

TH-P Series

Overview

Our TH-P Series, comprising TH-P Elite, TH-P, and TH-P Plus are compact percutaneous puncture surgical robots that provide greater flexibility and accessibility across diverse clinical settings. By reducing device size while retaining essential clinical functions of TH-S, our TH-P series addresses challenges associated with large-scale surgical robots, including limited workspace, constrained puncture and positioning posture angles.

Our TH-P Series are distinct from the Core Product. The table below sets out the differences between the TH-P Series and models of the Core Product:

	Structural composition	Product picture
TH-S1	Composed of an intelligent image-analysis and puncture planning system, an optical navigation system, a robotic arm control system and a respiratory tracking system, which are housed in two carts, namely a main control cart and a robotic arm cart. In particular, the robotic arm is seated in a separate cart, featuring a serial robotic arm design with an open-chain joint layout.	
TH-S		
TH-SA		
TH-S Pro		
TH-P	Composed of various functional parts that are housed in the main control cart, and a fully miniaturized robotic arm module designed for installation on the operating table. In particular, the robotic arm adopts a compact, desktop-mounted structure, employing a small-scale parallel robotic arm design with a multi-branch closed-loop architecture.	

Pursuant to the *Guideline for the Division of Registration Units of Medical Devices (*《醫療器械註冊單元劃分指導原則》), where there are material differences among products in terms of intended use, performance, or structure, they should be classified into different registration units. TH-P adopts a small parallel robotic arm structure in a compact tabletop configuration, whereas the Core Product uses a serial robotic arm in a floor-standing cart. Given these significant structural differences, TH-P does not meet the criteria for classification as the same registration unit and therefore is not regarded as a model of the Core Product.

According to the *Technical Guideline for Clinical Evaluation of Medical Devices Based on Equivalence (*《醫療器械臨床評價等同性論證技術指導原則》), different medical devices with the same intended use, similar technical principles and biological properties may complete clinical evaluation through same-product comparison, provided that sufficient scientific evidence demonstrates equivalent safety and effectiveness. TH-P has the same intended use and biological properties as the Core Product. Although it adopts a different robotic arm structure, its core working principles, including navigation and positioning algorithms, software architecture, and key performance indicators, are similar to the Core Product, constituting similar technical principles. As such, TH-P meets the criteria for being "equivalent" (although

not regarded as a model of the Core Product), and the Core Product may be used as the same-type device for TH-P to complete its clinical evaluation. The regulatory authority reviewing our registration application has assessed and accepted our analysis.

TH-P series is classified as a Class III medical device under applicable NMPA regulations. We completed a clinical evaluation using clinical data from our TH-S for lung and abdominal puncture in March 2024. We submitted a registration application to the NMPA in March 2024, which was accepted by the NMPA in April 2024. In December 2024, we obtained a Class III medical device registration approval of our TH-P series from the NMPA.

Summary of Clinical Evaluation Results

We completed a clinical evaluation of TH-P series in March 2024 through a clinical comparison with TH-S. The results concluded that the structural differences between the TH-P series and TH-S did not significantly affect safety and effectiveness for percutaneous punctures conducted under the protocol.

Material Communications with the NMPA

We submitted a registration application to the NMPA in March 2024, which was accepted by the NMPA in April 2024. In December 2024, we obtained a Class III medical device registration approval of our TH-P series from the NMPA.

MW150

Our MW150 is a microwave ablation device designed for use with our disposable microwave ablation needles to treat solid liver tumors. Compared to TH-X MW, MW150 is a standalone microwave ablation device which expands our offering suite in delivering differentiated ablation products to meet market demands.

Our MW150 is classified as a Class III medical device under applicable NMPA regulations. We completed a clinical evaluation for its indication in solid liver tumor treatment in April 2024. We submitted a registration application to the NMPA in April 2024, which was accepted by the NMPA in May 2024. In August 2025, we obtained a Class III medical device registration approval for our MW150 from the NMPA.

TH-X Cryo

We are developing TH-X Cryo, a cryoablation robot designed to deliver consistent results with less operator dependence. TH-X Cryo is generally intended for cryoablation of solid tumors.

As advised by CIC, cryoablation shows the ice ball in real time and typically produces a more predictable ablation zone; this can help achieve clear margins and reduce the risk of local recurrence. We are developing our cryoablation robot to uniquely integrate the benefits associated with cryoablation, including minimizing patient discomfort, visualizing ablation areas, and preserving surrounding tissue structures. These distinct advantages make cryoablation an advanced, safer and accurate treatment option in tumor treatment.

We are currently developing TH-X Cryo and plan to complete the development and submit the registration application in the second half of 2027. We expect to receive NMPA registration approval in the first half of 2028.

WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND MARKET TH-X CRYO IN CHINA.

***Ex Vivo* Organ Preservation and Assessment Systems**

We are developing two perfusion systems, namely, TH-LS KI300 for kidney preservation and assessment and TH-LS LU100 for multi-organ preservation and assessment. Both were in early design and development as of the Latest Practicable Date. We are also designing disposable tubing set to connect the organ to the perfusion system.

Ex vivo machine perfusion (EVMP) is a new way to preserve organs outside the body mainly for transplants. It is an alternative to the conventional static-cold storage. EVMP can keep organs viable longer, let clinicians monitor organ quality in real time and may reduce damage from ischemia-reperfusion injury.

Our *ex vivo* organ preservation and assessment systems are designed to use EVMP to preserve and assess organs outside the body, creating an integrated workflow from diagnosis to intervention. They use normothermic machine perfusion, i.e., pumping warm, perfusion fluid through the organ to mimic normal metabolism. In addition, they can also operate at sub-normothermic (below-normal) temperatures when needed. The goal is to keep organs functioning, enabling warm-temperature transport, storage and evaluation.

WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND MARKET THE *EX VIVO* ORGAN PRESERVATION AND ASSESSMENT SYSTEMS IN CHINA.

Disposables

Single-use Surgical Guide

Our disposable surgical guide is intended for clinical use in medical institutions to assist physicians with targeted guidance and localization during puncture procedures. It is designed to be used in conjunction with our puncture navigation and positioning system. We obtained a Class II medical device registration certificate from the NMPA in January 2023.

Single-use LED Localization Guide

Our single-use LED guide is intended for clinical use, mainly in image-guided punctures, it helps physicians to control the puncture angle and guide the needle after the localization. We submitted a registration application to the NMPA in February 2025, which was accepted by the NMPA in March 2025 and approved under a Class II medical device registration certificate in December 2025.

Single-use CT-guided Puncture Angle Guide

Our single-use CT-guided puncture angle guide is intended for clinical use in medical institutions to assist physicians with targeted localization and guidance during puncture procedures. It is used in conjunction with our puncture navigation and positioning devices. We obtained a Class II medical device registration certificate from the NMPA in January 2023.

Single-use Microwave Ablation Needle

Our single-use microwave ablation needle is intended for use with our microwave ablation robots to treat liver tumors. We obtained a Class III medical device registration certificate from the NMPA in August 2025.

We have also developed a single-use microwave ablation needle for treating liver and lung tumors. We obtained a Class III registration approval from the NMPA in June 2026.

Single-use Cryoablation Needle

We are developing a single-use cryoablation needle which is intended for clinical use in conjunction with our cryoablation robot to treat solid tumors. In clinical practice, it rapidly releases cryogenic media at its tip to freeze the target tumor tissue and induce cryonecrosis, achieving minimally invasive treatment. We plan to submit the registration application to the NMPA in the second half of 2027.

Medical Image Processing Software

Our medical image processing software is intended to import, display, and process CT images that comply with the DICOM (Digital Imaging and Communications in Medicine) 3.0 standard for clinical diagnosis and treatment purposes. The software features 2D image display, 2D measurement, and 3D image reconstruction and display. We obtained a Class II medical device registration certificate from the NMPA in November 2023.

Spirometer

Our spirometer is intended for use by medical institutions to measure tidal volume. We obtained a Class II medical device registration certificate from the NMPA in January 2025.

Perfusion Tubing Set

We are developing two distinct perfusion tubing sets as the primary accessories for our perfusion systems, TH-LS KI300 and TH-LS LU100. Each set will connect the organ directly to the respective perfusion system. Both tubing sets are in early design validation stage. The registration progress of these perfusion tubing sets is aligned with that of the relevant perfusion systems.

RESEARCH AND DEVELOPMENT

We believe that continuous innovation in research and development is the key driver of our business growth and competitiveness. Our R&D efforts are guided by unmet needs evidenced in the surgical robot market, and we strive to address these clinical needs by advancing revolutionary surgical robots to benefit both physicians and patients on a wider scale. For each of our product candidates, we typically assign a project team to take responsibility for monitoring the entire development cycle and leading the required R&D activities. We commence our R&D activities with a clear vision and a detailed product design. Upon confirmation of the product design, we will proceed to early validation to evaluate the functions, safety, and efficacy of the product candidates. Our R&D activities served as the backbone for our future manufacturing and commercialization of our product candidates.

Product Design and Preclinical Development

We have established and strictly complied with an internal protocol that governs the design and development of our products. Our internal protocol was formulated by reference to the applicable NMPA regulations and guidelines.

To commence a product development project, we usually conduct preliminary market research to comprehensively analyze market prospects and end users' needs before formulating a product blueprint that articulates the target medical need, potential risks and product functions. Upon approvals from our management, we will proceed to formulate a detailed product plan which contains the product functionalities and application scenarios, staff cost and project budget planning and commence the development process.

To optimize the quality of our product development, we have established a streamlined R&D structure that prioritizes scientific safety, authentication of clinical needs, and R&D efficiency. Our R&D process is structured across four key stages:

- *Product blueprint preparation*. The R&D department prepares a project blueprint, which collects and analyzes the target medical need, potential risks and product functions. The product blueprint will be presented to the management team for review and approval.

- *Product design*. The R&D department designs the product candidate in terms of function, performance, usability and safety requirements in compliance with the product design timeline. We will deploy responsible personnel at each stage of the product design and development to review and analyze the design of the product candidate to ensure its feasibility.

- *Early validation of design and development*. The product candidate will be delivered to our testing team to undertake early testing studies, mainly on its functions and overall performance. We may also invite third-party experts to conduct an external review of the product candidate to ensure its compliance with prescribed application and clinical evaluation.

- *Clinical research and registration*. We will then initiate clinical research and perform numerous registration-related work streams as required by applicable laws and regulations before officially launching our products.

Ongoing R&D

Our product R&D is conducted on an ongoing basis. In line with industry practice for large-scale medical devices such as our surgical robots, we continuously upgrade and enhance the functionality and usability of our products by collecting clinical feedback and following the latest technical trends in surgical robots. We continue our R&D activities and may further enhance and upgrade our product candidates despite the fact that they have received regulatory approval for commercialization.

Our R&D team

We have built an experienced R&D team with strong expertise in the surgical robots field. As of the Latest Practicable Date, our R&D team consisted of 71 members, with approximately 28.2% holding a doctoral or master's degree, mainly in mechanical engineering, electrical and electronic engineering, computer science, software engineering, biomedical engineering, pharmacy, and other related fields. The average industry experience of our R&D team members is over eight years. We emphasize assembling top talent with complementary expertise across all aspects of R&D, from early product design, through preclinical studies, to clinical development. This has allowed us to build a strong multidisciplinary team capable of efficiently translating scientific breakthroughs into product candidates.

Our R&D department is organized into six teams and departments. The function and main responsibilities of each of the R&D teams and departments are shown in the following table:

Functions	Main Responsibilities
Technology center	Responsible for the R&D of our key technologies and tackling major technical challenges in connection with our R&D activities.
R&D center	Responsible for setting the strategic planning of our product roadmap, conducting feasibility studies and organizing the implementation of new products.
Regulations and quality management center	In charge of the regulatory and quality management matters in connection with the R&D of our new products.
Clinical academic department	Responsible for providing technical support to our research projects and conducting preliminary design and implementation of our research plans, and assisting with application and presentation processes.
Pharmaceutical development department	In charge of R&D activities related to drug-device combination products or medical devices containing pharmaceutical substances.
Processing department	Responsible for the process formulation workflow and process parameter setting and adjustment, the process improvement and technical advancement workflow.

Our R&D team is led by a group of world-class scientists with decades of surgical robots development. Key R&D leadership includes: Ms. Cheong Hou Iam (our founder and chairwoman), Mr. Chen Xiangqian (our chief technology officer), and Mr. Shi Jipeng (our R&D director). Each of these individuals has over a decade of relevant experience, gained at leading medical device companies and research institutions. Under their guidance, our R&D organization has progressed 15 product candidates from concept into commercialization within just a few years. The collective knowledge and leadership of our R&D team give us confidence in our ability to sustain an innovative pipeline and maintain a competitive edge in the surgical robots field.

Our key R&D leadership team is distinguished by deep scientific expertise and a proven track record in surgical robots, including:

- Our founder and chairwoman Ms. Cheong Hou Iam has over 20 years of experience in drug and medical device R&D, registration, investment, and management. Prior to founding our Company, she served at Macau Health Department, where she led drug related legislation and licensing approvals, including legislation on the safety of traditional Chinese medicines and the promotion of licensing in traditional Chinese medicine. Ms. Cheong has led multiple national projects, such as the "14th Five-Year Plan" National Key R&D Program in Intelligent Robotics from the MST and holds over 100 patents. She led the Company to secure China's first Class III certificate for a percutaneous puncture robot as well as recognition as a national "Specialized, Sophisticated, Distinctive, and Innovative ('Little Giant') Enterprise." She holds a bachelor's degree from Fudan University Shanghai Medical College (previously Shanghai Medical University) and an EMBA from Tsinghua University.

- Mr. Chen Xiangqian, our chief technology officer, has more than a decade of experience in surgical robot R&D and focuses on surgical navigation and image registration for medical robotics. He holds over 40 granted invention patents and 50 utility model patents and has authored more than ten peer reviewed publications. He completed his Ph.D. and postdoctoral training at Beihang University.

- Mr. Shi Jipeng, our R&D director, brings over 20 years of experience across IT and medical sectors in product architecture, engineering translation of R&D outputs, and productization. Mr. Shi has led multiple technology transfer projects with the Chinese Academy of Sciences and Tsinghua University. He holds a master's degree from Hong Kong Metropolitan University.

R&D Expenses

In 2024 and 2025, our research and development expenses were RMB50.8 million and RMB56.9 million, respectively. We did not capitalize any R&D expense in the Track Record Period. Our R&D expenses attributable to our Core Product amounted to RMB11.9 million and RMB25.4 million in 2024 and 2025, respectively, accounting for 23.3% and 44.7% of our total R&D expenses for the corresponding periods. In 2024 and 2025, our research and development expenses accounted for 40.4% and 39.7% of our total operating expenses (being research and development expenses, administrative expenses and selling and distribution expenses), respectively. This substantial investment in R&D reflects our commitment to innovation and the advancement of our product candidates. We expect our R&D expenditures to continue to increase in accordance with our R&D activities carried out in connection with our product candidates.

Collaborations with CROs/SMOs

In alignment with industry standards, we engage CROs to conduct and support our preclinical studies and clinical trials under our close supervision and overall management. We engage CROs to manage the clinical trials on a full-process basis. The preclinical CROs typically provide services related to type testing and animal experiments. The clinical CROs assist with trial site selection, documentation preparation, ethics committee submissions, trial monitoring, data management and analysis, and coordination of multicenter trials, leveraging their standardized processes and hospital networks to shorten trial initiation, ethics approval and subject enrollment timelines. SMOs deploy dedicated clinical trial coordinators on site to handle subject follow-up, data collection and documentation, thereby improving enrollment efficiency and data quality. In addition, the standardized monitoring and quality control systems of CROs and SMOs help ensure data authenticity, completeness and traceability and support timely product registration. Through a full-process outsourcing approach, we are able to advance clinical trials efficiently while allowing our internal teams to focus on core R&D and commercialization initiatives. The relevant CRO we engaged integrates the SMO functions and acts as a single supplier, ensuring efficient and compliant trial execution, avoiding coordination risks arising from the involvement of multiple institutions, and enhancing data reliability. This approach is in line with industry practice and compliant with the requirements of the Good Clinical Practice for Medical Device Clinical Trials issued by the NMPA.

We select CROs based on a variety of factors, including their professional qualifications, expertise, experience, reputation, and cost-effectiveness. Our partnerships with CROs are project-specific, ensuring tailored support for each initiative. We maintain rigorous oversight of CROs to ensure that their performance adheres to our protocols and applicable laws, safeguarding data integrity and the overall quality of our research. We ensure CROs and SMOs comply with applicable regulatory requirements and our internal policies through (i) selective engagement of experienced service providers with proven track records; (ii) contractual controls, pursuant to which the agreements require requisite qualifications, compliance with applicable laws and regulations, and periodic quality assurance audits by us; and (iii) ongoing oversight by dedicated clinical project managers through remote monitoring, on-site inspections and milestone reviews. To safeguard our proprietary technologies and intellectual property, we implement confidentiality arrangements under legally binding non-disclosure agreements and data ownership provisions stipulating that all intellectual property rights in clinical data, analysis results and trial documentation vest exclusively with us. During the Track Record Period, we cooperated with eight and 11 CROs in 2024 and 2025, respectively, which were all independent third parties of our Group. In 2024 and 2025, our purchases of services from CROs were RMB1.7 million and RMB4.7 million, respectively. Our main CRO during the Track Record Period was established in Jiangsu Province in 2023 with a registered capital of RMB5.0 million. We became acquainted with this CRO because it is an affiliate of the CRO that we engaged for the clinical trial of TH-S1 prior to the Track Record Period.

Salient terms of our agreements that we typically enter into with our CROs are set forth below.

- *Services.* The CROs provide services to us, including the implementation and management of a preclinical or clinical research project as specified in the agreement.

- *Term.* The CROs are required to perform their services and complete the preclinical or clinical research project within the prescribed time limit set out in each work order, usually on a project basis.

- *Payments.* We are required to make payments to the CROs in accordance with the payment schedule agreed by the parties.

- *Intellectual property rights.* We generally own all intellectual property rights arising from the preclinical or clinical research projects conducted by the CROs within the stipulated work scope.

- *Confidentiality.* Our CROs are not allowed to disclose confidential information, including but not limited to any technical materials, research reports or trial data related to the project specified in the agreement.

- *Compliance*. The CRO shall fully comply with all applicable laws, rules and regulations, including any and all laws, rules and regulations in any other jurisdictions that are applicable to the CRO's business activities in connection with this agreement.

- *Audit*. We shall have reasonable access to the CRO's books and records and the right to conduct periodic audits thereof, in order to ensure the CRO's compliance with all applicable laws and the provisions of this agreement. The CRO shall fully and promptly cooperate with any compliance investigation initiated by us.

We ensure the compliance of CROs with relevant regulatory requirements and our protocols and protect our proprietary technologies and other IP rights primarily through the confidentiality, compliance and audit clauses in our agreements with CROs. We did not have any material disputes with our CROs during the Track Record Period and up to the Latest Practicable Date. For risks relating to our engagement of CROs/SMOs, see "Risk Factors—We engage third parties to conduct certain aspects of our clinical trials. If we lose our relationship with these third parties, or if these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or successfully commercialize our products and our business could be substantially harmed" for details.

R&D of Our Core Product

The Core Product was developed in-house by us. As of January 31, 2026, we had a total of 14 material invention patents regarding the Core Product, with the patentees and copyright holders all being our Group. The technologies underlying the Core Product were independently developed by our in-house R&D team. From time to time, we cooperate with third parties on certain aspects of our R&D, such as preclinical studies and clinical trials, which is customary in the industry.

The key milestones of the R&D history of each product model is as follows:

TH-S1:

- Project initiation commenced in April 2018;
- Registration-type testing was completed in November 2019;
- Formal animal experiment verification was completed in October 2020;
- The registration application was submitted in December 2020 and accepted in January 2021;
- Clinical trials were completed in January 2022;
- Registration was approved in May 2022;
- Upgrades:
    - o Research on design optimization, software upgrades, tool changes and functional enhancements was initiated in December 2024 and completed in May 2025;
    - o The change registration application was submitted to the NMPA in May 2025;
    - o The change registration application was approved in April 2026;
- Indication Expansion:
    - o Research on expanding the Core Product's intended use to include retroperitoneal lesions and on functional configuration upgrades was initiated in April 2025;
    - o Ethical approval for the clinical trial of the Core Product for retroperitoneal lesions was obtained in July 2025;
    - o Clinical trial commenced in November 2025;
- Certification application was submitted to the EU Notified Body, IMQ in January 2026;
- Work relating to functional upgrades of the Core Product, intelligent software development, localization of optical tracking systems, and research on remote surgical control technologies were ongoing as of the Latest Practicable Date.

TH-S:

- Project initiation commenced in January 2021;
- Type testing was passed and the type test report was issued in May 2022;
- The Class III medical device registration application was submitted and accepted in December 2022;
- Registration was approved in June 2023;
- Research on design optimization, software upgrades, tool changes and functional enhancements was initiated in January 2025 and completed in June 2025;

- The change registration application was submitted to the NMPA in June 2025 and was approved in May 2026.

TH-S Pro:

- Project initiation commenced in January 2023;
- Type testing was passed and the type test report was issued in April 2024;
- The Class III medical device registration application was submitted and accepted in May 2024;
- Registration was approved in December 2024;
- Research on software/hardware upgrades and tool changes was initiated in August 2025;
- The change registration application was submitted in December 2025;
- An acceptance notice requesting supplemental information was received in December 2025 and had begun processing in February 2026.

TH-SA:

- Project initiation commenced in August 2024;
- Type testing was passed and the type test report was issued in May 2025;
- The Class III medical device registration application was submitted and accepted in May 2025;
- Registration was approved in December 2025.

As shown above, we have been primarily engaged in the R&D for different models of the Core Product since 2018.

The historical R&D expenses for the clinical activities of the Core Product were only incurred in relation to TH-S1, including:

- registration clinical trial expenses: RMB7.4 million; and
- real-world evidence clinical study: RMB2.8 million.

As of the Latest Practicable Date, a total of 68 individuals had participated in the R&D of the Core Product, all being our full-time employees, including 33 software and algorithm engineers, 21 hardware R&D engineers, and 14 clinical and registration engineers. The core R&D personnel and their specific involvement in the R&D of our Core Product are as follows:

- Ms. Cheong Hou Iam: (i) oversees the overall strategic planning of the Core Product, leads clinical needs research and product definition, approves technical roadmaps and core functional specifications; (ii) reviews and approves key design schemes and milestones; (iii) coordinates resources across R&D, clinical, and registration functions; and (iv) serves as the final decision-maker, responsible for the clinical value, technical feasibility, and commercial implementation of the Core Product.
- Mr. Chen Xiangqian: (i) is responsible for the Company's technology strategy and R&D of core technologies; (ii) leads the algorithm architecture design and key technical breakthroughs for the Core Product's navigation system; (iii) reviews major technical solutions; and (iv) guides intellectual property strategy and technical team capability building, ensuring the Core Product's technological leadership and sustainable iteration.

- Mr. Shi Jipeng: (i) is responsible for establishing the new product R&D system and managing cross-functional teams; (ii) develops R&D strategy and project plans, forms and leads software/hardware R&D teams; (iii) establishes R&D processes and control mechanisms; (iv) supervises and coordinates the development progress and delivery quality of each module; and (v) ensures efficient progress and compliant delivery of R&D projects.

The core R&D team for our Core Product is stable, and the relevant key personnel have all worked continuously with us since joining.

DATA AND PRIVACY

During the course of our business operations, we collect and store a limited amount of personal information from registered users through the websites, WeChat mini-programs and official WeChat accounts we operate. Such information is used solely for the purpose of delivering targeted product- and business-related promotional content, including text, images and videos. Other than as described above, we do not engage in any collection or storage of personal information or data, nor do we transfer or provide any such personal information or data cross border. Data privacy and protection measures are an integral part of our internal control system. We have established policies and procedures to ensure that personal information is collected, stored and used securely and that risks to data privacy are identified and addressed. Our Directors are of the view that, during the Track Record Period and up to the Latest Practicable Date, we were in compliance with all applicable PRC laws and regulations with respect to privacy and personal data protection in all material respects.

We retain personal information only for the duration of time necessary and take steps to ensure the security of personal information during transmission and storage. We have an access control policy to prevent unauthorized access to personal information, and users have the right to access, correct, delete and withdraw consent for their personal information. We do not disclose personal biometric information, race, ethnicity, political opinions, religious beliefs, or other sensitive personal data analysis results.

Engagement of Third Parties

From time to time, we engage third-party service providers to process personal information. We require these third parties to comply with our data security and privacy policy. Our policy includes a risk management process to identify and assess potential risks and a security management system to address those risks. We also have a system in place to evaluate the credentials and track record of service providers to reduce non-compliance risks.

Personnel

We have implemented hiring protocols to ensure that only trustworthy individuals are hired and assigned to handle personal information. Our policy outlines the security controls associated with the hiring of personnel, including security responsibilities and standards of conduct for regular employees, outsourced personnel and third-party personnel. All employees are required to undergo appropriate pre-employment screening.

Our Data Protection Policies

We have established strict data protection policies to ensure that the collection, use, storage, transmission and dissemination of data are in compliance with applicable laws and prevalent industry practice. All data used and kept during our business operation are divided into different levels of confidentiality. We adopt comprehensive management measures for labeling, storing, printing, transferring and approving procedures for our data according to the level of its confidentiality.

We have also established internal systems to safeguard data we obtained, including data of end users we collected during the provision of our products and our collaboration with CROs during clinical trials. Our data privacy and protection measures primarily include (i) the establishment of internal systems to safeguard our confidential information and sensitive content. We have emphasized the corresponding codes of conduct in our employee handbook to which all employees are obliged to conform; (ii) the application of an encryption software

to which we have procured to encrypt and protect all corporate data related to our operations. External transmission is only permitted after submitting a decryption request and receiving approval following our management review; and (iii) the adoption of defined specific clauses that explicitly regulate the de-identification and control of sensitive information when signing contracts with external third-parties. In addition, we limit the amount of personal information collected to what is necessary for our business functions and respect our users' right to choose and obtain their consent before collecting their personal information.

Our Compliance with Relevant Regulations on Data Input and Output

The collection and transfer of data is subject to various regulatory restrictions in the PRC. At present, we do not harvest data from third parties or use tools to obtain data from the internet. In our data collection process, we do not engage in activities that compromise network security, such as illegally intruding into other networks or stealing network data. Our activities regarding the handling of personal information in various businesses and products are in accordance with the basic principles set forth in the Personal Information Protection Act (《個人信息保護法》). We inform end users and collaborators (such as CROs) of the rules for handling personal information and the circumstances under which their personal information may be shared with third parties through our privacy policy, on-screen notices, and terms and conditions. We obtain consent from end users and collaborators for data collection and handling through written authorizations. The written authorizations stipulate the reasons for the necessity to share the information with third parties. In addition, we provide the appropriate informed consent disclosures for our clinical trial and review any informed consent templates provided by research institutions.

To ensure the security of personal information, we have an information security verification mechanism for onboarding our suppliers. We have committed to verifying the legitimacy and data security capabilities of third parties before entrusting them with the processing of personal information and sign data entrustment agreements with them.

We share patients' training and evaluation data with medical institutions in collaborative research and development projects. We have implemented internal systems and procedures for cybersecurity, data security and the protection of personal information. Our collaborators' joint processing of data is subject to the requirements of these internal systems. In addition, we enter into cooperation agreements with co-processors to ensure alignment with our respective requirements regarding privacy rights and obligations.

As advised by our PRC Legal Advisors, we do not fall within the "important industries and sectors" specified in Article 2 of the Regulations on the Security Protection of Critical Information Infrastructure. Nor do we fall within the category of "other important network facilities or information systems" that may seriously endanger national security, the national economy, people's livelihoods or the public interest if compromised. Accordingly, we do not constitute an operator of critical information infrastructure, nor do we constitute a "network operator" as defined under Article 76 of the Cybersecurity Law of the PRC, and therefore do not fall within the circumstances requiring declaration for cybersecurity review under Article 2 of the Cybersecurity Review Measures. In addition, in the course of our daily business operations, we do not possess personal information of more than one million users, nor do we constitute a network platform operator. As such, we do not fall within the circumstances requiring declaration for cybersecurity review under Article 7 of the Cybersecurity Review Measures. Taking into account the type, nature, purpose and scale of our data processing activities, the likelihood that our data processing activities would affect national security is relatively low, and accordingly, the likelihood of regulatory authorities initiating a cybersecurity review against us is low. As of the Latest Practicable Date, we had not received any notice from regulatory authorities determining that we constitute, or may constitute, an operator of critical information infrastructure, nor had we received any notice from any competent authority conducting a review or determination that we, as a network platform operator, affect or may affect national security. We had also not received any written notice from our industry authorities or regulatory authorities requiring us to undergo a cybersecurity review. If regulatory authorities were to initiate a cybersecurity review against us, we would actively cooperate with such review and, in accordance with regulatory requirements, take effective measures to eliminate any factors that affect or may affect national security. Based on the foregoing, our PRC Legal Advisors are of the view that we are not currently required to apply for a cybersecurity review.

In the course of our business operations, we do not engage in data processing activities that affect or may affect national security, and therefore do not fall within the circumstances requiring declaration for a national security review under Article 24 of the Data Security Law of the PRC. We do not collect "important data" as defined under the Measures for Security Assessment of Data Exports, nor have we engaged in any activities involving the provision or transfer of important data or relevant personal information outside the PRC. Accordingly, as advised by our PRC Legal Advisors, we do not meet the applicability prerequisites under Article 2 of the Measures for Security Assessment of Data Exports, nor do there exist any circumstances that fall within the situations requiring a data export security assessment as prescribed under Article 4 thereof. Therefore, our PRC Legal Advisors are of the view that (i) we are not currently required to apply for a data export security assessment; (ii) we are currently not subject to the filing requirement of the Measures for Security Assessment of Data Exports or other laws and regulations relating to cross-border data transmission; and (iii) during the Track Record Period and up to the Latest Practicable Date, we had complied with applicable laws and regulations relating to cybersecurity and data protection, and we had not been subject to any administrative penalties for violations relating to data security or data protection.

MANUFACTURING

In light of the changes in market demand and our sales targets, our marketing team formulates sales forecasts from time to time. The production department then executes production plans in compliance with the sales forecasts, confirmed customer orders and inventory levels. In addition, our production team maintains close liaison with our R&D department since the early stages of production development to streamline production efficiency and quality.

Manufacturing Facility

As of the Latest Practicable Date, we had one major manufacturing base located in Zhuhai, with the gross floor area of our manufacturing site of approximately 3,682 square meters. The facility serves as the core of our production system, supporting the manufacturing of products across our commercialized products, including our Core Product, other surgical robots, and disposables. As of the Latest Practicable Date, our Zhuhai production base remained GMP-compliant.

Our Zhuhai production base functions as the principal manufacturing hub, focusing primarily on components assembly and product commissioning to which we procured from our suppliers. We have set up a professional manufacturing team, who have undergone proper training. We have commissioned GMP-compliant third parties for the production of disposables during the Track Record Period, and did not engage in any in-house production of such materials. After the Track Record Period and as of the Latest Practicable Date, we expanded a dedicated production cleanroom for the large-scale production of medical disposables, and had received approval for the expanded production facility. As of the Latest Practicable Date, we were in the process of applying for the production of specific disposable products and the expanded facility had not commenced commercial production.

We continue to strengthen our manufacturing capabilities and operational management through vertical integration, lean manufacturing, and intelligent production initiatives. These efforts have enabled us to establish comprehensive systems for quality management, lean production and smart manufacturing, ensuring consistent product quality, high efficiency and operational excellence across all production bases.

Manufacturing Capacity

The table below sets forth the production capacity utilization rates of our manufacturing facilities:

2024			2025		
Manufacturing capacity	**Manufacturing volume**	**Utilization rate**	**Manufacturing capacity**	**Manufacturing volume**	**Utilization rate**
(units)	*(units)*		*(units)*	*(units)*	
50	40	80%	50	36	72%

Notes:

(1) Manufacturing capacity is calculated based on the assumptions that our manufacturing facility operates (i) 8 hours a day, and (ii) 258 days a year.

(2) Utilization rate is calculated by dividing manufacturing volume by the manufacturing capacity for the same year.

Our actual production output is determined based on our forecast market demand, with an additional buffer of safety inventory maintained to address unexpected demands or contingencies. Our manufacturing capacity utilization rate decreased in 2025 as compared to 2024, primarily as (i) we were still at an early stage of commercialization and market development, resulting in relatively limited demand, and (ii) we took a prudent approach to prioritize the digestion of surplus inventory of surgical robots manufactured in 2024.

During the Track Record Period and up to the Latest Practicable Date, the Zhuhai manufacturing base operated two production lines for robotic products, one of which was used for commercial mass production, while the other was used for product validation, process optimization, trial production of new products and support of quality control activities and did not participate in routine mass production. As an increasing number of our products are commercialized and market acceptance and demand for our Core Product continue to grow, we expect that greater production capacity will be required to meet our manufacturing needs in the future. We plan to expand our production capacity by temporarily deploying the second production line into mass production and adding additional production lines as needed.

SALES AND MARKETING

As of the Latest Practicable Date, we had built a customer base spanning 23 key provinces in China, primarily consisting of domestic distributors. We maintain long-term and stable relationships with our customers and are dedicated to expanding our customer network through exhibitions, academic conferences, and strategic partnerships. Given the broad range of healthcare environments where our products can excel, we have developed a flexible and multi-channel sales and marketing strategy to target differentiated commercialization pathways, which in turn will accelerate our market penetration.

Sales Channel

We primarily sell our products to end customers through distributors in China. During the Track Record Period, all of our revenue from product sales was generated from sales to distributors. According to CIC, our sales model is in line with industry practice.

Sales to Distributors

We generally sell our products, including our surgical robots and disposables used in conjunction with our surgical robots, to distributors. The relationships between distributors and us are categorized as seller-buyer relationships — they buy our products from us and then resell the products to end customers, including hospitals and medical institutions. Our distributors maintain a "buy-out" model with us and they must hold valid medical device operation licenses and comply with applicable laws and regulations. We were at the initial stage of market promotion during the Track Record Period, during which it is difficult to achieve scaled sales. In order to achieve our long-term business objectives, it is necessary to engage customers at an early stage. Typically, with respect to innovative products like ours, after a two- to three-year cycle of market promotion can clinical demand be converted into actual sales orders. According to CIC, such marketing promotion cycle is consistent with industry norm. During this period, it is necessary for us to work jointly with distributors to conduct in-depth market development activities, including academic promotion, physician education, clinical department validation, hospital procurement application and inclusion in hospital budgets, as well as other preparatory work. In order to effectively develop the market, in line with industry practice, it is necessary to establish a distributor network in advance of project tenders, leveraging distributor channels to empower our sales efforts. As of the Latest Practicable Date, we had engaged and cooperated with a total of 27 distributors in China despite a small sales volume during the Track Record Period.

Movements of Distributors

The following table sets forth the movement in the number of our distributors during the years indicated:

	Year ended December 31,	
	2024	2025
Distributors at the beginning of year	8	19
Addition of new distributors	11	6
Termination of existing distributors	nil	nil
Distributors at the end of year	**19**	**25**

In 2024 and 2025, we engaged 11 and six new distributors, respectively. Fluctuations in the number of our distributors during the Track Record Period generally reflected the growing market demand and our expanding distribution network.

In 2024 and 2025, the revenue generated from our sales to distributors amounted to RMB1.8 million and RMB12.1 million, respectively, accounting for 100.0% and 100.0%, respectively, of our total revenue from product sales during the same years. Most of our distributors were specialized in the sales of medical devices with extensive local sales networks and professional after-sales capabilities.

We consider our distributors to be our customers because we sell products to them directly, and they take ownership upon purchase. Distributors are generally required to make the upfront payment prior to product delivery. We generally do not accept product returns except for quality issues confirmed by us. Each distributor is required to sign the project authorization agreement to specify the respective designated sales area and the scope of the authorized product under its distribution agreement.

In 2024 and 2025, four and five of our five largest customers of each year were distributors. See "—Our Customers" for details.

Our Contracts with Distributors

We typically grant project authorization letters and execute sales contracts with our distributors.

The salient terms of our standard project authorization letters and sales contracts are set out below:

- *Duration*. The duration of the authorization agreement is typically one year, subject to annual review and renewal upon expiration.
- *Authorization area*. We normally designate and authorize distribution areas, at provincial or municipal levels, or to end users, for our distributors. They are granted exclusive or non-exclusive rights to sell our products within their respective designated areas. Cross-regional sales without prior written consent are prohibited.
- *Pricing*. We determine product price and may adjust it in response to fluctuations in our costs, exchange rate or market environment.
- *Logistics*. We deliver products to distributors' licensed warehouses or designated customer sites. Title and risk transfer to the distributor upon delivery and acknowledgment of receipt.
- *Payment*. Distributors are generally required to pay an upfront payment via bank transfer before shipment.
- *Training and service*. We provide products, installation service and clinical service training to end users. We also provide after-sales services to end users in accordance with the sales contracts.

- *Compliance and confidentiality*. Distributors are required to comply with our anti-bribery, fair competition and confidentiality policies, and refrain from disclosing commercial terms or pricing to any third parties.

- *Exclusivity and competing products*. We do not allow distributors to sell or promote competing products without our authorization during the agreement term.

- *Return policy*. We generally do not accept product returns unless there is a quality issue attributable to us. As advised by CIC, such a return policy conforms with industry practice.

- *Termination*. We reserve the right to terminate agreements if distributors violate contract terms, including any unauthorized cross-regional sales, violation of quality requirements, or misrepresentation.

Distributor Management

We exercise full control over the commercialization strategy of our Core Product. Under our marketing center, the marketing department conducts market research on medical service institutions in each region and formulates regional business development objectives by taking into account factors such as population density, economic conditions, healthcare standards and specialty capabilities in different regions. The sales department under the marketing center establishes dedicated sales teams and, based on the relevant business development objectives, formulates customer development plans, evaluates and authorizes distributors with the requisite capabilities, and jointly conducts promotional activities targeting end-user customers. Our clinical technical support department maintains close engagement with end-user medical institutions and provides technical support down to the level of surgical case analysis, as well as on-site training services, thereby establishing our technical capability among customers.

We have established a rigorous and structured distributor management system, focusing on the following key aspects:

- *Rigorous selection*. We evaluate and select distributors through due diligence, qualification review and interviews. Our criteria for the selection of distributors primarily include: (1) possession and continued maintenance of valid business qualifications, including but not limited to business license, a medical device distribution license (where Class III medical devices are distributed), and filing certificate for the distribution of Class II medical devices (where Class II medical devices are distributed); (2) strong business development capabilities and ability to work in close coordination with our sales team to achieve effective market promotion, together with sound after-sales service capabilities (including the ability to provide independent on-site procedural support); (3) prior experience in the distribution of large medical equipment; and (4) a good social credit standing. We issue authorization letters to qualified distributors that meet our criteria. The term of the authorization letter is shorter than the validity period of the distributor's licenses. As a result, all our distributors held valid licenses during the Track Record Period and up to the Latest Practicable Date.

- *Regular observation*. We typically observe distributors' compliance with the project authorization letters and financial status from time to time and may review these indicators in accordance with our distribution policies.

- *Regional control*. We prohibit any unauthorized sales.

During the Track Record Period, all our sales of our Core Product was conducted through distributors. We strive to mitigate and prevent our over-reliance on certain distributors through the following measures:

- Developing or terminating distributor authorization based on the principle of actual contribution to our business development; and

- Strategically structuring the distributor network in each region. Depending on the scale of customer resources, we may establish business relationships with multiple distributors, with a combination of project-based distributors and regional distributors.

Inventory Control

We manage our distributors' procurement strictly adhering to the business needs from end users to ensure that distributor purchases are reflected by actual market demand and to avoid stock accumulation. Our sales and marketing personnel will communicate with distributors on inventory levels in accordance with the actual needs of end users. During the Track Record Period and up to the Latest Practicable Date, we had not observed any material inventory buildup among our distributors.

Anti-Cannibalization

We manage the risk of cannibalization between direct sales and sales through distributors and between distributors through the following measures:

- We do not engage in direct sales in general. The primary role of our in-house sales team is to establish and manage the distributor network by identifying and developing distributors, and oversee our sales channels;

- At all times, we ensure full-process management of each project. Our sales team records the basic information and progress of each project in the customer management system, enabling us to monitor all key milestones on a real-time basis;

- We issue project-specific authorization letters to our project-based distributors. The use of an authorization letter ensures that each project is assigned to a single authorized distributor, effectively preventing multiple distributors from promoting the same end user or channel conflicts between distributors and our in-house sales team in respect of the same project; and

- Designated regional distributors are also required to obtain project-specific authorization from us on a case-by-case basis, which also avoids multiple distributors from approaching the same end user.

Sub-distributors

To further extend our market reach and strengthen service coverage, we allow authorized distributors to engage sub-distributors within their designated territories. Sub-distributors must hold valid medical device operation licenses and comply with applicable local laws and regulations.

While the sub-distribution agreements shall be executed directly between the distributor and its sub-distributors and we will not be a contractual party, we will exercise indirect management to the sub-distributors through the project authorization agreement granted to our distributors. We require them to oversee their sub-distributors' sales practices, quality control and compliance performance, and to promptly report any irregularities. During the Track Record Period and up to the Latest Practicable Date, we did not have any sub-distributor.

Distributor Independence

We uphold strict principles of independence, fairness and transparency in distributor engagement. In accordance with our internal policies and the requirements, no distributor may be owned or controlled by any of our current employees or their immediate family members.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, all of our distributors were Independent Third Parties.

Compliance with the Two-Invoice System

According to the relevant regulations, the "two-invoice system" primarily applies to the circulation of pharmaceutical products, and only a limited number of provinces (including Fujian, Shaanxi, Shanxi and Anhui) have implemented the "two-invoice system" in respect of high-value medical consumables. See "Regulatory Overview—Laws and Regulations Relating to Medical Devices—Two-Invoice System". Our percutaneous puncture surgical robots are reusable medical devices, rather than pharmaceuticals or medical consumables, and therefore are not subject to the requirements of the "two-invoice system."

Although our single-use disposable products are classified as medical consumables, they were not designated by the relevant regulatory authorities as high-value medical consumables subject to the "two-invoice system" as of the Latest Practicable Date. In addition, as of the Latest Practicable Date, we had not sold any medical consumables in Fujian, Shaanxi, Shanxi or Anhui Provinces. Our PRC Legal Advisors are of the view that we had complied with the "two-invoice system" during the Track Record Period and up to the Latest Practicable Date.

Sales and Marketing Team

We had established an in-house sales and marketing team comprising 51 members as of the Latest Practicable Date to provide our end customers with dedicated support. Our sales and marketing team is divided into various functions covering different geographic regions and different channels. We provide our sales and marketing personnel with comprehensive training covering our corporate culture, product pipeline, medical theories, collaboration resources, price system and marketing system.

Pricing

Revenue from our surgical robots is one-off, while revenue from consumables is recurring. Along with the development of our surgical robots, we have designed device-specific, single-use sterile consumables that enable more precise puncture procedures and eliminate the need for repeated sterilization. This revenue model is in line with the revenue model adopted by leading players in the industry.

The pricing of our commercialized products, including our Core Product, takes into account a comprehensive set of factors, including production cost, target profit margins, our operational support and required maintenance services, as well as the clinical and economic value of our products. We maintain a nationwide unified pricing system to ensure fairness, transparency and brand consistency.

The various models of our Core Product are priced separately based on their respective positioning and application scenarios. As of the Latest Practicable Date, TH-S1, TH-S and TH-S Pro had all been involved in actual tender and bidding projects, which has validated the reasonableness of their respective pricing ranges. We review and adjust our prices periodically based on material cost fluctuations, exchange rate movements, new product launches or changes in procurement policies. Any material price adjustments must be approved internally, ensuring consistency with both our global pricing strategy and compliance requirements in different jurisdictions. With respect to our other product candidates, we expect to roll out a detailed pricing strategy as they advance towards commercialization.

As of the Latest Practicable Date, there was no nationwide medical insurance reimbursement list or uniform medical service fee schedule applicable to our products. Even if a national-level framework were to be established in the future, the inclusion of our products into medical insurance reimbursement programs would still be subject to separate determinations by individual provinces or regions, each of which would be required to formulate its own reimbursement scope and pricing arrangements. Accordingly, we cannot determine whether, or when, our products may be included in medical insurance reimbursement programs. Inclusion of our products in medical insurance reimbursement programs, if achieved, would be expected to significantly increase the volume of robotic-assisted surgeries by improving patient accessibility. While such inclusion may involve price negotiations and could result in downward pressure on hospital-charged fees, we believe the overall impact on

our business and financial performance would be favorable, given (i) the anticipated substantial increase in sales volume of our products, and (ii) limited decreases in ex-factory prices due to potential reduced reliance on distributors arising from direct sales to hospitals.

After-sales Service

To ensure and monitor the proper use of the products by our end customers, we offer after-sales services covering customer services and technical support with respect to our products. Our free after-sales services of our products are covered under product warranty, which generally last for one year. After the expiration of the relevant warranty, we are entitled to charge technical service fees pursuant to the service agreements, which will be recognized as revenue from technical services. Our after-sales services primarily comprise (i) the establishment of the standardized service process from product packaging, shipping, transportation, installation, to product debugging at end users' sites; (ii) curated and tailored customer training plans which empower end users with essential knowledge to the performance of products before commencing operations; and (iii) clinical guidance to end users to ensure all issues and feedback from the end users will be addressed in a timely and responsive manner. During the Track Record Period and up to the Latest Practicable Date, we did not receive any major customer complaints in connection with the use of our products. When we launch new products, we conduct extensive training for the personnel in our sales and marketing, clinical support and after-sales engineering departments to ensure that they provide accurate and exceptional after-sales support to our distributors and end customers.

Product Warranty, Return and Exchange

We generally provide a one-year warranty period from the delivery of our products, during which we will provide complementary repair services except for repairs for man-made damages or damages caused by force majeure events. In general, we do not accept product returns or exchanges unless there is a quality issue attributable to us. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material product return from our customers.

Tender and Bidding

The typical procurement process of our cooperating hospitals and medical institutions includes: identification of needs and project initiation — budgeting — establishment of a procurement working group — in-depth research and evaluation — tendering — bid evaluation and negotiation — selection of the supplier.

The procurement cycle typically spans two to three years. Hospitals and medical institutions usually adopt a comprehensive evaluation approach, which takes into account technical, commercial and pricing elements, each subject to specific requirements. During the Track Record Period, our products participated in six tender processes, comprising 3 for TH-S, 1 for TH-S Pro, 1 for TH-P, and 1 for TH-X MW; and were awarded five tenders, save for 1 bid for TH-S in 2025, representing a winning rate of 83.3%. Subsequent to the Track Record Period and up to the Latest Practicable Date, our products participated in three tender processes and were awarded two tenders, including one TH-S1 and one TH-S, with the result of the remaining one still pending. Due to the limited number of tender samples, such winning rate does not have statistical significance and may not indicate our future winning rates.

During the Track Record Period and up to the Latest Practicable Date, our bids were primarily submitted through our distributors. Six out of the seven successful bids have generated revenue. The total revenue generated from such successful bids during the Track Record Period and up to the Latest Practicable Date was RMB11.3 million. We have implemented comprehensive internal control measures encompassing the entire lifecycle of the tender process, including (i) strict authorization process for participating distributors to ensure they possess the requisite and lawful distributorship qualifications for the specific tender; (ii) strict oversight over the scope of use and circulation of our key qualification documents; (iii) centralized management and oversight on the bidding prices submitted by our distributors; and (iv) standardization of all technical parameters included in the tender documents.

CUSTOMERS

During the Track Record Period, our customers primarily consisted of distributors in China. We typically enter into sales agreements with our customers and grant credit terms on a case-by-case basis determined by our internal assessment. The credit terms we offer to different customers, which are distributors, vary significantly. Due to differences in hospital size, financial condition and geographic location, the commercial terms set out in contract templates adopted by different end-user hospitals vary significantly, which also results in material differences in credit terms to offer to our customers, which are distributors. In addition, sales of disposables are typically conducted on a delivery-upon-payment basis and generally do not involve any credit period.

In 2024 and 2025, the total revenue generated from our five largest customers in each year was RMB1.8 million and RMB11.7 million, respectively, accounting for 100.0% and 96.4%, respectively, of our total revenue for the same years. During the same years, revenue generated from our single largest customer of each year amounted to RMB1.6 million and RMB4.8 million, respectively, representing 88.9% and 39.2%, respectively, of our total revenue for the same years. See "Risk Factors—Risks Relating to Our Operations—A limited number of customers accounted for a substantial portion of our revenue during the Track Record Period, and any decreases in our future sales to them could adversely affect our financial condition and results of operations" for details.

The following table sets forth details of our five largest customers in each year during the Track Record Period:

For the year ended December 31, 2024

Customer	Product Provided	Commencement of Business Relationship	Credit Term	Revenue Contribution	Percentage of Total Revenue
				(RMB'000)	*(%)*
Customer A	Sales of medical devices	2024	0-180 days	1,593	88.9
Customer B	Sales of disposables	2024	Advance payment	120	6.7
Customer C	Sales of disposables	2024	Advance payments	73	4.1
Customer D	Sales of disposables	2022	Advance payments	5	0.3
Total				**1,791**	**100.0**

For the year ended December 31, 2025

Customer	Product Provided	Commencement of Business Relationship	Credit Term	Revenue Contribution	Percentage of Total Revenue
				(RMB'000)	*(%)*
Customer E	Sales of medical devices	2025	0-15 working days	4,779	39.2
Customer F	Sales of medical devices and disposables	2025	Advanced payment for disposables; 0-90 days for medical devices	3,024	24.8
Customer G	Sales of medical devices	2024	0-12 months	1,593	13.1
Customer B	Sales of medical devices	2024	0-30 working days	1,416	11.6
Customer H	Sales of medical devices	2025	0-5 days	929	7.7
Total				**11,741**	**96.4**

Notes:

Customer A is one of our distributors, a private company founded in China that engages in the provision of technical services, with a registered capital of RMB5 million and registered office in Beijing;

Customer B is one of our distributors, a private company founded in China that engages in the wholesale of pharmaceuticals and sales of devices, with a registered capital of RMB5 million and registered office in Yichun, Jiangxi Province;

Customer C is one of our distributors, a private company founded in China that engages in the wholesale of pharmaceuticals and sales of devices, with a registered capital of RMB5 million and registered office in Xinyu, Jiangxi Province;

Customer D is one of our distributors, a private company founded in China that engages in the sales of medical devices, with a registered capital of RMB2 million and registered office in Shangrao, Jiangxi Province;

Customer E is one of our distributors, a private company founded in China that engages in the sale of medical devices, among others, with a registered capital of RMB3 million and registered office in Guiyang, Guizhou Province;

Customer F is one of our distributors, a private company founded in China that engages in the provision of technical consultancy and sale of medical devices, among others, with a registered capital of RMB2 million and registered office in Guangzhou, Guangdong Province;

Customer G is one of our distributors, a private company founded in China that engages in the sale of specialized equipment and medical devices, among others, with a registered capital of RMB10 million and registered office in Guangzhou, Guangdong Province; and

Customer H is one of our distributors, a private company founded in China that engages in the provision of sale of chemicals and medical devices, among others, with a registered capital of RMB15 million and registered office in Guangzhou, Guangdong Province.

To the best knowledge of our Directors, each of our five largest customers for each year during the Track Record Period is an Independent Third Party. None of our Directors, their close associates or any Shareholder which, to the knowledge of our Directors, owns more than 5% of our share capital had any interest in any of our five largest customers in each year during the Track Record Period.

SEASONALITY

The sales of our products are not subject to significant seasonality.

OUR SUPPLIERS AND PROCUREMENT

Raw Materials and Supplier Selection

We procure raw materials from domestic suppliers according to our product development plans. Our raw materials for our products primarily include hardware components.

For the selection and management of raw material suppliers, we maintain a list of qualified suppliers and review their qualifications on an annual basis by taking into consideration their production capacity, production quality, product delivery and feedback efficiency, pricing, reputation and compliance with applicable regulations and industry standards. Our functional departments will initiate the purchase plan of raw materials based on the status of research and development activities and our inventory level. Our procurement department is primarily responsible for placing orders with qualified suppliers and managing suppliers. Our QA and QC teams are also involved in the procurement process and participate in raw material quality control. To monitor the quality of suppliers, we implemented a standardized operating system, setting out the procedures and guidelines for the procurement and acceptance of raw materials, quality control inspection, warehousing, testing and storage.

Our Suppliers

During the Track Record Period, our suppliers primarily consisted of (i) CROs; (ii) suppliers of raw materials in connection with our manufacturing; and (iii) providers of sales and marketing services. We have established stable relationships with many of our key suppliers.

In 2024 and 2025, the aggregate purchase amount from our five largest suppliers in each year was RMB23.3 million and RMB26.4 million, respectively, accounting for 30.8% and 34.9%, respectively, of our total purchases for the same years. During the same years, the purchase amount from our single largest supplier in each year amounted to RMB6.6 million and RMB9.0 million, respectively, representing 8.7% and 11.9%, respectively, of our total purchases for the same years.

The following table sets forth details of our five largest suppliers in each year during the Track Record Period:

For the year ended December 31, 2024

Supplier	Product/Service Supplied	Commencement of Business Relationship	Credit Term	Purchase Amount	Percentage of Total Purchases
				(RMB'000)	*(%)*
Supplier A	Raw materials	2023	Advanced payment or five days upon the invoice	6,581	8.7
Supplier B	Raw materials	2024	Upon invoice	5,562	7.3
Supplier C	Raw materials	2018	Advanced payment	4,464	5.9
Supplier D	Property rental	2021	Advanced payment	3,464	4.6
Supplier E	Sales and marketing activities	2022	Advanced payment	3,262	4.3
Total				**23,333**	**30.8**

For the year ended December 31, 2025

Supplier	Product/Service Supplied	Commencement of Business Relationship	Credit Term	Purchase Amount	Percentage of Total Purchases
				(RMB'000)	*(%)*
Supplier C	Raw materials	2018	Advanced payment	9,033	11.9
Supplier A	Raw materials	2023	Advanced payment or five days upon the invoice	7,349	9.7
Supplier F	Raw materials	2021	Advanced payment or 0-10 days	3,544	4.7
Supplier G	Clinical trial services	2020	0-10 working days	3,302	4.4
Supplier D	Property rental	2021	Advanced payment or 0-7 days	3,205	4.2
Total				**26,433**	**34.9**

Notes:

Supplier A is a private company founded in China that engages in the system integration of automated equipment and industrial robots for flexible manufacturing, with a registered capital of RMB5 million;

Supplier B is a private company founded in China that engages in the manufacturing of non-ferrous metal alloys, with a registered capital of RMB2 million;

Supplier C is a private company founded in China that engages in the technological development of medical devices, with a registered capital of RMB1 million;

Supplier D is a private company founded in China that engages in the property rental, with a registered capital of RMB10 million;

Supplier E is a private company founded in China that engages in the provision of tourism services, with a registered capital of RMB50 million;

Supplier F is a private company founded in China that engages in the manufacturing of Class I, Class II and Class III medical devices, with a registered capital of RMB1 million;

Supplier G is a private company founded in China that engages in technical services, sales of medical devices and clinical trial services, with a registered capital of RMB5 million.

To the best knowledge of our Directors, each of our five largest suppliers for each year during the Track Record Period is an Independent Third Party. To the best knowledge of our Directors, none of our Directors, their close associates or any Shareholder which, to the knowledge of our Directors, owns more than 5% of our share capital had any interest in any of our five largest suppliers in each year during the Track Record Period.

QUALITY CONTROL

We have established our own quality control system and devoted significant attention to quality control. We have set a strict and comprehensive quality control manual in accordance with the standards such as the GB/T 42061-2022, the ISO13485-2016, NMPA regulations and other applicable regulations and standards on the quality management system of medical devices covering designing, research and development, purchasing, manufacturing, sales and marketing, and transportation of our products and product candidates. Our management team is actively involved in setting quality control policies and managing our internal and external quality performance.

We have also established internal policies that require our employees to comply with all applicable anti-bribery and anti-kickback laws and regulations. Under our agreements with external business partners, our business partners are also required to comply with all applicable laws and regulations, such as anti-bribery and anti-kickback laws and regulations.

COMPETITION

We operate in a fast-growing market, resulting from increasing needs for, and prevalence of, surgical robots. While we believe our innovative platform provides us with competitive advantages, we face potential competition with international and domestic surgical robot companies. We compete primarily based on our R&D capabilities, the clinical performance of our products, our ability to commercialize products and brand recognition. Any products that we successfully develop and commercialize will face competition from novel products that may become available in the future. See "Industry Overview" for details.

INTELLECTUAL PROPERTY

Intellectual property rights are the basis for the success of our business, and we are committed to the development and protection of our intellectual property. Our success depends in part on our ability to obtain and maintain patents and other intellectual property and proprietary protections for commercially important technologies, inventions and know-how. Our success also depends in part on our ability to defend and enforce our patents, preserve the confidentiality of our trade secrets and operate without infringing, misappropriating or otherwise violating the valid, enforceable intellectual property rights of third parties.

As of the Latest Practicable Date, we owned (i) 206 issued patents in China, five in other jurisdictions, and (ii) 33 pending patent applications in China. See "Statutory and General Information—B. Further Information about Our Business—2. Our Material Intellectual Property Rights" for details.

As of the Latest Practicable Date, with respect to our Core Product, we owned 14 material issued patents in China. All of our material patents and patent applications are developed by our full-time employees in-house, who are the registered inventors of the relevant patents. We collaborate with universities from time to time on fundamental technologies, which are not directly related to any of our material patents and patent applications. The following table sets forth the portfolio of patents and patent applications material to our business operations as of the Latest Practicable Date:

Associated Product	Patent/Patent Application	Scope of Patent/Patent Application	Jurisdiction	Status	Application Date	Grant Date	Expiration Date	Owner
Developed for Core Product and applied in Core Product and key products	202111584355.6	Control Method, Control Device, and Auxiliary System for Robotic Arm Used in Puncture Surgery	China	Granted	December 23, 2021	March 8, 2022	December 23, 2041	our Company
Developed for Core Product and applied in Core Product and key products	202110977438.5	Registration Method for Body Surface Positioning Device, Puncture Guidance Method, and Equipment	China	Granted	August 24, 2021	April 15, 2022	August 24, 2041	our Company
Developed for Core Product and applied in Core Product and key products	202210024323.9	3D Reconstruction Methods and Systems for Medical Images	China	Granted	January 11, 2022	April 15, 2022	January 11, 2042	our Company
Developed for Core Product and applied in Core Product and key products	202210141016.9	End-effector Gripper and Puncture Robot	China	Granted	February 16, 2022	May 13, 2022	February 16, 2042	our Company
Developed for Core Product and applied in Core Product and key products	202210141129.9	Puncture Needle Holder and Puncture Robot	China	Granted	February 16, 2022	May 13, 2022	February 16, 2042	our Company
Developed for Core Product and applied in Core Product and key products	202210141124.6	Puncture Sleeve Holder and Puncture Robot	China	Granted	February 16, 2022	January 13, 2023	February 16, 2042	our Company
Developed for Core Product and applied in Core Product and key products	202210118435.0	Control Method, Control Device, and Auxiliary System for Robotic Arms in Percutaneous Procedures	China	Granted	December 23, 2021	September 5, 2023	December 23, 2041	our Company
Developed for Core Product and applied in Core Product and key products	202310808690.2	CT Image Segmentation Methods and Device	China	Granted	July 4, 2023	September 5, 2023	July 4, 2043	our Company

Associated Product	Patent/Patent Application	Scope of Patent/Patent Application	Jurisdiction	Status	Application Date	Grant Date	Expiration Date	Owner
Developed for Core Product and applied in Core Product and key products	202311268780.3	A Medical Image Registration Method and Device Based on a Body Surface Positioning Device	China	Granted	September 28, 2023	December 19, 2023	September 28, 2043	our Company
Developed for Core Product and applied in Core Product and key products	202311268808.3	Flexible Body Surface Positioning Device and Percutaneous Surgical Navigation System	China	Granted	September 28, 2023	December 26, 2023	September 28, 2043	our Company
Developed for Core Product and applied in Core Product and key products	202311710951.3	An End-effector for Percutaneous Surgical Robot	China	Granted	December 13, 2023	February 13, 2024	December 13, 2043	our Company
Developed for Core Product and applied in Core Product and key products	202311709017.X	A Method and Device for Segmenting Surface-Based Localization Markers	China	Granted	December 13, 2023	March 12, 2024	December 13, 2043	our Company
Developed for Core Product and applied in Core Product and key products	202410526257.4	Method for Identifying Surface Landmarks, Surgical Robot Navigation Method and Device	China	Granted	April 29, 2024	July 16, 2024	April 29, 2044	our Company
Developed for Core Product and applied in Core Product and key products	202411005271.6	A Medical Image Segmentation Method and Device	China	Granted	July 25, 2024	November 1, 2024	July 25, 2044	our Company

Note:

1. Patent expiration date does not include any applicable patent term extensions.

The actual protection afforded by a patent varies on a claim-by-claim and jurisdiction-by-jurisdiction basis and depends on many factors, including the type of patent, the scope of its coverage, the availability of any patent term extensions or adjustments, the availability of legal remedies in a particular jurisdiction, and the validity and enforceability of the patent. We cannot provide any assurance that patents will be issued with respect to any of our patent applications or any such patent applications that may be filed in the future, nor can we provide any assurance that any of our issued patents or any such patents that may be issued in the future will be commercially useful in protecting our product candidates and methods of manufacturing the same. See "Risk Factors—Risks Relating to Our Intellectual Property Rights" for a description of risks related to our intellectual property.

A freedom-to-operate search and analysis ("**FTO Analysis**") has been conducted in China in relation to our Core Product and our key products. Based on the FTO analysis, our Directors are of the view that there are no valid or enforceable patents of any third party in China covering the structures or indications comparable with our Core Product and key products.

During the Track Record Period and up to the Latest Practicable Date, (i) we were not involved in any legal, arbitral or administrative proceedings in respect of, and we had not received notice of any material claims of infringement, misappropriation or other violations of third-party intellectual property; and (ii) we were not involved in any proceedings in respect of any intellectual property rights that may be threatened or pending and that may have an influence on the research and development for any of our product candidates in which we may be a claimant or a respondent.

EMPLOYEES

As of the Latest Practicable Date, we had 156 full-time employees, among whom 148 were based in the Chinese Mainland and 8 were based in Macau. The following tables set forth the number of our employees by function:

Function	Number of employees	% of total employees
R&D	71	45.5
Sales and Marketing	51	32.7
Production	15	9.6
General and administration	19	12.2
Total	**156**	**100.0**

In compliance with the applicable labor laws, we enter into individual employment contracts with our employees covering matters such as wages, employee benefits, workplace safety and grounds for termination. Our standard employment contract also contains a confidentiality clause and an assignment clause, under which we own all the rights to all inventions, technologies, know-how and trade secrets derived during the course of our employee's work. We also enter into standard non-compete agreements with the key members of our management and R&D team.

To maintain a stable workforce and retain key personnel in our Company, we offer our employees competitive remuneration packages. We offer remuneration packages based on individuals' qualifications and experiences and generally match the market rate for salary to stay competitive in the labor market. We also take into consideration the long-term growth and advancement of our employees and offer opportunities for both job promotion and technical development. We have an internal training system, covering company, department and post-level policies, procedures and professional knowledge. We also provide opportunities for external training, such as industry forums/summits, special skills training, and various job qualification trainings. We contribute to social security/insurance and housing provident funds for or make pension or benefit payments to our employees in accordance with the applicable laws and regulations in the jurisdictions we operate.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any strikes or labor disputes that had a material effect on our business. None of our employees is currently represented by labor unions, and we consider our relations with our employees to be good. During the Track Record Period and as of the Latest Practicable Date, we had not engaged in any labor dispatch arrangements. We were in compliance with applicable laws and regulations related to employment in all material aspects during the Track Record Period and up to the Latest Practicable Date.

Contributions to Social Insurance and Housing Provident Funds through Third-party Agencies

During the Track Record Period and as of the Latest Practicable Date, we had engaged third-party agencies to make social insurance and housing provident fund contributions on behalf of certain employees. This arrangement was primarily adopted to meet the needs of certain employees to make such contributions in locations other than their place of employment, and we have obtained written confirmations from the relevant employees. As of December 31, 2025, a total of 14 employees had their social insurance and housing provident fund contributions made through third-party agencies. The contribution bases applied by such third-party agencies were consistent with the contribution bases applied by us for employees whose social insurance and housing provident fund contributions were made directly by us. Since May 2026, we have discontinued the use of third-party agencies for contributions and made such contributions directly for our employees.

According to the Social Insurance Law of the PRC, an employer is required to apply for social insurance registration for its employees with the social insurance administration agency within 30 days from the date of employment. Where social insurance registration has not been completed, the social insurance administration agency may determine the amount of social insurance contributions payable. Where an employer fails to complete social insurance registration, the social insurance administrative authority may order rectification within a prescribed period, and if rectification is not made within such period, impose a fine ranging from one to three times the amount of social insurance contributions payable. According to the Regulations on the Administration of Housing Provident Funds, an employer is required to complete housing provident fund contribution registration and establish or transfer housing provident fund accounts for its employees within 30 days from the date of employment. Where an employer fails to complete housing provident fund contribution registration or fails to establish housing provident fund accounts for its employees, the housing provident fund administration authority may order rectification within a prescribed period, and if rectification is not made within such period, impose a fine ranging from RMB10,000 to RMB50,000.

Given that (1) the risk of us and our PRC subsidiaries being subject to comprehensive retroactive collection, administrative penalties or compulsory enforcement by the competent authorities as a result of engaging third-party agencies to make social insurance and housing provident fund contributions is relatively low; (2) Ms. Cheong as our Controlling Shareholder has provided a written undertaking to unconditionally and fully make up for any underpaid social insurance and housing provident fund contributions, as well as any related fines, late payment fees and compensation liabilities, and to fully indemnify us and our PRC subsidiaries and branches against all economic losses incurred as a result thereof, so as to ensure that we and our PRC subsidiaries and branches do not suffer any losses; and (3) we have discontinued the use of third party agencies as of the Latest Practicable Date, our PRC Legal Advisors are of the view that such incident does not constitute a material violation of laws or regulations, does not have a material adverse effect on our business operations, and does not constitute a material legal impediment to the Listing.

Furthermore, during the Track Record Period and as of the Latest Practicable Date, we and our PRC subsidiaries and branches had certain instances where social insurance and housing provident fund contributions for some newly hired probationary employees were not completed within the month of commencement. Such contributions were duly commenced in the following month.

Save for the above-mentioned incidents, during the Track Record Period and as of the Latest Practicable Date, we had otherwise complied in all material respects with the relevant requirements relating to social insurance and housing provident fund contributions. Our PRC Legal Advisors are of the view that, given (1) the relatively low risk of comprehensive retroactive collection, administrative penalties or compulsory enforcement by the competent authorities arising from such incidents, (2) the above-mentioned written undertaking provided by Ms. Cheong and (3) the rectification or planned rectification of such incidents, such incidents do not constitute material violations of laws or regulations, do not have a material adverse effect on our business operations, and do not constitute a material legal impediment to the Listing.

INSURANCE

According to CIC, there is currently no specialized insurance product in the market that is specifically tailored to product liability risks for percutaneous puncture surgical robots or similar novel surgical robotic systems. This is primarily due to the fact that such products remain at a relatively early stage of commercialization, and industry practice and risk-sharing mechanisms are still evolving. In the absence of specialized product liability insurance for such novel products, the allocation of relevant liabilities may be determined primarily in accordance with applicable laws and regulations. According to applicable laws and regulations, we as the manufacturer shall be liable for liabilities arising from defects inherent in our product, except where the defect could not have been discovered based on the scientific and technological standards prevailing at the time the product was placed into market. Where damage is caused by medical personnel's failure to perform their duties, the relevant hospital shall bear the liability.

Our Directors are of the view that we maintain adequate insurance policies covering risks in line with industry standards. We purchase medical device clinical trial liability insurance. We do not maintain any liability insurance or property insurance policies covering our equipment and facilities for losses due to fire, earthquake or any other disaster. Consistent with industry norms, we do not maintain key-man life insurance for any member of our senior management or business disruption insurance. While our Directors are of the view that our existing insurance coverage is adequate and in line with the industry norms, it may, however, be insufficient to cover all claims for product liability, damage to our assets, facilities and equipment or employee injuries. See "Risk Factors—Risks Relating to Our Operations—Our insurance coverage may not completely cover the risks relating to our business and operations" for further details.

ENVIRONMENTAL, SOCIAL, HEALTH AND SAFETY MATTERS

Corporate and Sustainability Governance

The current nature of our business does not expose us to a substantial risk of environmental, health or work safety matters, including climate-related matters, and we do not expect the potential risks of such matters will have a material adverse impact on our business, strategy and financial performance.

We recognize that environmental, social and governance (ESG) matters and sustainability are fundamental to fostering growth and projecting our future success. We are dedicated to being a frontrunner of ESG matters and sustainability and strengthening our impact by alleviating environmental damage, embedding sustainability in operations and bringing high standards of corporate governance to the communities. We acknowledge our responsibilities on environmental protection, social responsibilities and are aware of the climate-related issues that may have an impact on our business. We are committed to complying with ESG reporting requirements upon Listing.

Our Board takes the overall responsibility for adopting and adjusting our overall ESG vision and principles and is responsible for assessing and managing our ESG-related risks and monitoring the compliance of our operations with environmental, health and safety laws and regulations. We have also established an ESG working group comprising the department managers of human resources and administration department, legal department, quality department, production department and finance department, which are responsible for formulating, coordinating, and promoting annual ESG and climate-related work, and required to report on ESG issues to the Board at least once a year.

Materiality Assessment

To identify the needs and expectations of stakeholders and clarify the priority of ESG issues to optimize resource allocation, we engaged an independent ESG consultant to assist us in conducting a materiality assessment with reference to the reporting principles and ESG issues set out in Appendix C2 to the Listing Rules. This materiality assessment primarily involves distributing questionnaires to collect stakeholders' concerns, analyzing and evaluating materiality along dual dimensions—stakeholder and corporate, and generating a materiality matrix through prioritization of key issues.

Based on the materiality assessment results, the highly material ESG issues are summarized as follows:

1. Compliant Operations. To ensure stable operation, we have formulated the Risk Assessment and Management System (《風險評估及管理制度》) to timely identify and assess risks, determine risk tolerance levels, and formulate risk response strategies.

2. Product Quality and Safety. We have established the Quality Manual (《質量手冊》) and implemented a quality management system that outlines the responsibilities of relevant departments, standardizes quality policies and product quality objectives, and carries out monitoring, measurement, analysis, and improvement processes to enhance the safety of medical devices.

3. Technology and Innovation. We have formulated the Design and Development Control Procedures (《設計開發控制程序》) to plan and control the design and development process, including procurement and document management, to ensure that the designed and developed products meet specified requirements.

4. Intellectual Property Protection. We have formulated relevant measures in the Quality Manual (《質量手冊》), clearly requiring that information related to customers' intellectual property, patented technologies, and trade secrets not be disclosed externally without customer approval.

5. Anti-Corruption and Business Ethics. We have formulated the Anti-Commercial Bribery Management System (《反商業賄賂管理制度》) and Anti-Money Laundering Management System (《反洗錢管理制度》), and continuously improve various processes to effectively reduce the possibility of commercial bribery. We have also set up a fraud reporting email and accept reports from employees and external third parties.

6. Information Security and Privacy Protection. We have formulated the Computer Software Management System (《計算機軟件管理制度》) and the Trade Secret Protection Management Policy (《商業秘密保護管理制度》) to regulate the internal use and management of computer software. Employees are required to operate according to software operation manuals and perform regular maintenance. We are also committed to protecting the privacy rights of all employees and safeguarding personal data shared by any customers and the company.

Compliant Employment

We strive to offer a fair and caring working environment for our employees. We have established transparent policies on recruitment, compensation, dismissal, equal opportunities, diversity and anti-discrimination to advance our goals. We hire employees based on their merits and it is our corporate vision to offer equal opportunities to our employees. We encourage our employees who encounter any discrimination to seek immediate assistance, which also allows us to conduct a timely investigation and follow up as needed. In addition, we provide training programs on industry and regulatory developments to our employees.

Occupational Health and Safety

We endeavor to provide a safe work environment by implementing company-wide safety production responsibility mechanisms spanning aspects of safety risk classification, safety production assessments, safety production education, provision and use of personal protective equipment, safety hazard identification, and education of emergency response plans. To the best knowledge of our Directors, during the Track Record Period and as of the Latest Practicable Date, we had not had any workplace accidents. During the Track Record Period and as of the Latest Practicable Date, we had not been subject to any significant penalties imposed by regulatory authorities related to environmental and workplace safety.

Supplier Management System

To identify and manage environmental and social risks in the supply chain and ensure suppliers operate in compliance, we have established the Supplier Code of Conduct for Social Responsibility (《供應商社會責任行為準則》). It covers areas such as labor rights, occupational health and safety, environmental protection, business ethics etc. We require that suppliers do not employ child labor or forced labor, ensure the well-being of their employees, and place emphasis on environmental protection. The code is issued to key material suppliers as part of our compliance efforts.

Environmental Matters

We fully recognize that sound environmental stewardship is essential to long-term value creation and have incorporated "green operations" into our corporate strategy. We have identified carbon emissions, waste management and resource consumption as priority environmental topics and begun systematically collecting and consolidating the relevant data.

Environmental Management

Our business nature is primarily engaged in the research, development, assembly, and testing of medical devices. These activities do not involve high-energy-consuming or high-emission production processes, and therefore have a limited environmental impact. We strictly abide by the Environmental Protection Law of the People's Republic of China and other environmental related laws and regulations. Based on our operational situation, we have developed and implemented internal documents, including the Environmental Management System (《環保管理制度》) and the Corporate ESG Management Manual (《企業環境、社會及管治管理手冊》), to systematically standardize and enhance our environmental management level.

During the Track Record Period and up to the Latest Practicable Date, we had not (i) violated any laws or regulations concerning emissions of exhaust gases and greenhouse gases, discharge of pollutants into water bodies and land, or generation of hazardous and non-hazardous waste; (ii) encountered any significant incidents affecting the environment and natural resources; or (iii) received any notices of environmental fines or litigation.

Energy and Emissions Management

Our primary source of energy consumption is electricity. Within the Environmental Management System (《環保管理制度》) and the Corporate ESG Management Manual (《企業環境、社會及管治管理手冊》), we have outlined specific management measures for energy conservation and emission reduction, including:

- Prioritizing the procurement and selection of equipment with environmental certification and high energy efficiency ratings;
- Establishing energy consumption records to monitor and analyze readings from electricity meters;
- Turning off computers, lighting, and all other office equipment before leaving.

Water Resources Management

Our main sources of water consumption are domestic office water usage. We encourage employees to conserve water and utilize water-efficient fixtures to enhance water usage efficiency. For wastewater treatment, all office and domestic wastewater is discharged into the municipal wastewater treatment system for centralized processing.

Waste Management

Our waste is categorized into two main types: non-hazardous waste and hazardous waste. According to our Environmental Management System (《環保管理制度》), we have installed segregated recycling bins for non-hazardous waste (such as wastepaper, plastics, and metals), which is then collectively processed by the property management. We also reduce waste generation at the source through paperless office practices.

Our hazardous waste primarily consists of used office ink cartridges and discarded computers, all of which are collected and handed over to qualified third-party disposal companies for treatment.

In 2024 and 2025, our amount of hazardous waste generated was 0.1 tons and 0.01 tons, respectively. The hazardous waste recorded in 2024 was primarily attributable to one-off disposal of electronic waste.

Metrics

We fully recognize the importance of ESG in supporting sustainable development. We adopt a set of metrics to evaluate the impact of our business on the environment to meet and surpass industry standards. We monitor such metrics, primarily including the amount of water and electricity consumption on a periodic basis and make continuous efforts to reduce water and electricity consumption by several means. We have also set various goals to reduce our environmental impact, and we continue to take meaningful steps to actively pursue these targets. The following table sets forth key metrics relating to our energy consumption and emissions during the Track Record Period.

	For the year ended December 31,	
	2024	**2025**
Greenhouse Gas Emissions		
Scope 2 (indirect emissions) (tonnes of CO_2 equivalent)	101.2[1]	136.06
Greenhouse gas emission intensity of Scopes 2 (tonnes of CO_2 equivalent/million RMB revenue)	56.5	11.17
Scope 3 (indirect emissions)[2] (tonnes of CO_2 equivalent)	5.06	6.21
Resource Consumption		
Electricity consumption (MWh)	188.6[1]	253.56
Electricity consumption intensity (MWh/million RMB revenue)	105.3	20.82
Water consumption (cubic meters)	1,201.5[1]	1,263.89
Water consumption intensity (cubic meters/million RMB revenue)	670.8	103.78

Notes:

(1) The increases in greenhouse gas emissions, electricity and water consumption in 2024 were primarily attributable to the expansion of the Group's business activities, which mainly constitutes of product assembling.

(2) Scope 3 greenhouse gas emissions disclosed herein include emissions arising from freshwater processing, wastewater treatment associated with the Group's water consumption, and the disposal of paper waste at landfills.

Targets

Referring to our existing operational model which is primarily assembly-based with limited environmental impact, and an analysis of our historical environmental data, and taking into account the practices of industry peers, we have set environmental targets aimed at controlling and sustainably reducing greenhouse gas emissions, electricity and water consumption while maintaining a comparable operational scale. To achieve these targets, our office areas currently utilize LED energy-saving lighting to enhance energy efficiency. We also post water and electricity conservation signs in our offices and staff dormitories. The specific targets are as follows:

- Greenhouse gas emissions: With 2025 as the base year, the target is to reduce greenhouse gas emissions (Scope 1 and Scope 2) intensity by 5% between 2028 and 2030. For specific measures to achieve this target, please refer to the "Energy and Emissions Management" section.

- Electricity consumption: With 2025 as the base year, the target is to reduce electricity consumption intensity by 5% between 2028 and 2030. For specific measures to achieve this target, please refer to the "Energy and Emissions Management" section.

- Water consumption: With 2025 as the base year, the target is to reduce water consumption intensity by 5% between 2028 and 2030. For specific measures to achieve this target, please refer to the "Water Resources Management" section.

We have not historically discharged hazardous waste or had material amounts of gas emissions. While we do not consume a large amount and variety of natural resources due to the nature of our business operations, we are mindful of and closely monitor the environmental impact that may be caused by our business operations.

Climate Change

We attach great importance to climate change-related management and recognize that physical and transition risks may impact our future operations. Accordingly, we have systematically identified and assessed climate-related risks across three time dimensions—short-term (within five years), medium-term (5 to 15 years), and long-term (over 15 years)—and have developed corresponding response measures.

Physical risks (short-term and long-term) and response measures

Floods and cyclones, as short-term extreme weather events, may cause power outages, potentially increasing our equipment maintenance costs and property damage risks, while also impacting employee commuting safety and supply chain stability, thereby disrupting business operations. To address these acute physical risks, we will monitor weather forecasts in advance; equip with flood-resistant supplies such as sandbags and insulated boots; and allow employees to work from home or adjust working hours during extreme weather conditions.

Extreme temperatures, identified as a chronic physical risk, may result in increased energy consumption of our cooling systems, reduced operational efficiency, power outages, and a higher incidence of fire accidents, thereby damaging facilities and equipment and causing property and data loss. Our response measures include regularly inspecting the temperature and aging of all electrical circuits, connection points, and switch contacts to prevent overheating caused by overload or excessive contact resistance; ensuring that automatic sprinkler systems, gas fire suppression systems, and fire alarm systems remain fully functional and effective; backing up local data to prevent loss due to high-temperature power outages or fire-damaged equipment; and providing safety education and training to employees, covering topics such as proper use of protective equipment and safe operational procedures.

Transition risks (medium- to long-term) and response measures

As climate regulations become increasingly stringent, we face dual challenges of rising policy compliance costs and reputational pressure. We need to closely monitor changes in climate-related regulations and policies, enhance the transparency of climate information

disclosure, regularly disclose our emission reduction efforts to stakeholders, and ensure that operational activities consistently comply with local laws and regulations. In addition, lagging low-carbon and energy-saving technologies may weaken our competitive advantage, while the low-carbon transitions will increase our capital expenditure. Therefore, in response to technological risks, we will examine the feasibility and benefits of applying low-carbon and energy-efficient technologies.

PROPERTIES

We operate from several facilities in Chinese Mainland and Macau that support our headquarters, research laboratories, and business operations. We currently do not own any land use rights or properties. As of the Latest Practicable Date, we leased 20 properties for business operations, showroom, and employee dormitory in Chinese Mainland, and one property for business operations in Macau, with an aggregate gross floor area of approximately 10,122.3 square meters and 76.7 square meters, respectively.

The following table sets forth the details of our material leased properties as of the same date:

No.	Location	Usage	GFA (sq.m.)	End of lease term
1	Zhuhai	Business operations	2,500.0	July 31, 2028
2	Guangzhou	Business operations	2,014.7	May 5, 2031
3	Zhuhai	Business operations	1,182.3	October 31, 2028
4	Beijing	Business operations	1,022.8	December 31, 2026
5	Zhuhai	Business operations	520.5	December 31, 2027
6	Macau	Business operations	76.7	January 31, 2029

Non-filing of Lease Agreements

As of the Latest Practicable Date, we had not completed the administrative filings of the lease agreement relating to 16 properties we leased for business operations, with an aggregate gross floor area of approximately 8,410.1 square meters. Such leased properties are primarily used for office, R&D and staff accommodation purposes. According to applicable PRC laws and regulations, the lessor and the lessee of a lease agreement are required to file the lease agreement with relevant governmental authorities within 30 days after the execution of the lease agreement. If the filing is not made, the governmental authorities may require that the filing be made within a stated period of time, failing which they may impose a fine ranging from RMB1,000 to RMB10,000 for each agreement that has not been properly filed. It is not clear under applicable PRC laws and regulations if the fine will be borne by the lessor or lessee.

We are unable to proceed with the filing of the 16 lease agreements, primarily due to (i) the failure of certain lessors to obtain real property ownership certificates, which prevents the completion of lease filings, and (ii) the lack of cooperation from certain lessors in handling the lease filing procedures, which are both out of our control. If any defects arising from the failure to complete lease filing procedures were to result in our existing leased properties becoming unavailable for continued use, we would promptly lease alternative properties and relocate our offices or staff dormitories accordingly. Further, when leasing new properties in the future, we will prioritize properties that satisfy the conditions for lease filing and will complete the relevant lease filing procedures in a timely manner.

Our PRC Legal Advisors are of the view that the above-mentioned defects relating to the failure to complete lease filing procedures do not have a material adverse effect on our business operations or financial condition, nor do they constitute a material legal impediment to the Listing, on the following bases: (1) the leased properties for which lease filing procedures have not been completed are mainly used for office or staff accommodation purposes and are highly substitutable, and relocation to alternative premises for office or staff accommodation purposes is relatively easy; (2) as of the Latest Practicable Date, we had not been subject to any penalties

arising from the non-filing of lease agreements, and the likelihood of our being subject to administrative penalties by the competent authorities due to defects in lease filing procedures is relatively low; and (3) Ms. Cheong as our Controlling Shareholder has provided a written undertaking that, if we, our PRC subsidiaries or branches are subject to fines, rectification orders or other legal liabilities imposed by relevant government authorities, or incur relocation costs or other losses as a result of lease agreements being deemed invalid or terminated due to the failure to complete lease filing procedures, Ms. Cheong will fully indemnify us and our PRC subsidiaries and branches for all related costs, losses and liabilities.

We had no single property with a carrying amount of 15% or more, and no single property interest that forms part of property activities has a carrying amount of 1% and the total carrying amount of such property interests does not exceed 10%, of our total assets as of the Latest Practicable Date and, therefore, we did not need to prepare a valuation report with respect to our property interests according to Chapter 5 of the Listing Rules and in reliance upon the exemption provided by section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

PERMITS, LICENSES AND OTHER APPROVALS

Major aspects of our operations, including product registration or filing, manufacturing, packaging, sales and distribution, pricing, environmental protection, among other things, are regulated by comprehensive local, regional and national regulatory regimes. Accordingly, we are required to obtain various licenses, permits, approvals and certifications with relevant regulatory authorities in the jurisdictions where we have operations.

The following sets forth a list of our material permits, licenses and other approvals:

Permit for Medical Device Production

No.	Holder of License	Registration/ filing number	Scope of Manufacturing	Issuing Authority	Date of Issuance	Expiration Date
1 . . .	True Health (Guangdong Hengqin)	Yue Yao Jian Xie Sheng Chan Xu [粵藥監械生產許] No. 20224892	Class II Medical Imaging Instruments (Category 06), Class III Active Surgical Instruments (Category 01) and Class II Medical Diagnostic and Monitoring Instruments (Category 07)	Guangdong Provincial Drug Administration	June 1, 2026	October 18, 2027

Business Operation License for Medical Devices

No.	Holder of License	Permit No.	Issuing Authority	Date of Grant/Approval	Expiration Date
1 . . .	Our Company	Yue Zhu Yao Jian Xie Jing Ying Xu [粵珠藥監械經營許] No. 20250284	Bureau of Commercial Services of the Guangdong-Macao Intensive Cooperation Zone in Hengqin	December 23, 2025	October 10, 2030

During the Track Record Period and up to the Latest Practicable Date, we had obtained all material licenses, permits, approvals and certificates necessary to conduct our actual business operations from, or made all necessary filings to, the relevant government authorities in the PRC, and such licenses, permits, approvals and certificates remained in full effect. We do not expect any material difficulties or legal obstacles in renewing our licenses, permits and approvals upon expiry.

LEGAL PROCEEDINGS AND COMPLIANCE

As of the Latest Practicable Date, there was no litigation, arbitration or administrative proceedings pending or threatened against the Company or any of our Directors which could have a material and adverse effect on the research and development of our product candidates, our financial condition or results of operations. Potential future litigation or any other legal or administrative proceeding, regardless of the merit or outcome, is likely to result in substantial costs, diversion of our resources, and have a negative impact on our reputation and brand image, which in turn would have a negative impact on our business, financial condition, and results of operations. For potential impact of legal or administrative proceedings on us, see "Risk Factors—Risks Relating to Manufacturing of Our Products—We may be subject to product liability lawsuits that could cause us to incur substantial liabilities."

During the Track Record Period and up to the Latest Practicable Date, we had complied, in all material aspects, with all applicable laws and regulations in the jurisdictions we operate in. We have not had any non-compliance incidents which our Directors believe would, individually or in the aggregate, have a material operational or financial impact on our Company as a whole.

AWARDS AND RECOGNITION

The following table sets forth a summary of the major awards and recognitions we have received.

Year	Award/Recognition	Awarding Institution/Authority
2025	The 11th Catalog of Excellent Domestic Medical Devices (第十一批優秀國產醫療設備產品)	China Association of Medical Equipment (中國醫學裝備協會)
	First Prize (Technological Invention) of the "China Machinery Industry Science and Technology Award" (年度"機械工業科學技術獎"（技術發明獎）一等獎)	China Machinery Industry Federation and China Mechanical Engineering Society (中國機械工業聯合會和中國機械工程學會)
	First Prize of the "2025 Invention and Entrepreneurship Award" (2025年發明創業獎成果獎一等獎)	China Association of Inventions (中國發明協會)
	"2025 High-end Medical Equipment Promotion and Application Projects" (2025年高端醫療裝備推廣應用項目)	MIIT, NHC, and NMPA
	"Guangdong High-Quality High-Tech Product" (廣東省名優高新技術產品)	Guangdong High-tech Enterprises Association (廣東省高新技術企業協會)
	Guangdong Province Catalog of Innovative Drugs and Medical Devices (廣東省創新藥械產品目錄))	Guangdong Provincial Department of Industry and Information Technology (廣東省工業和信息化廳), Guangdong Provincial Health Commission (廣東省衛生健康委員會), Guangdong Provincial Medical Security Bureau (廣東省醫療保障局), and Guangdong Provincial Drug Administration (廣東省藥品監督管理局)

Year	Award/Recognition	Awarding Institution/Authority
2024	"Specialized, Sophisticated, Distinctive, and Innovative ('Little Giant') Enterprise" (專精特新"小巨人"企業)	MIIT
	First Prize of the "3rd Hengqin International Sci-Tech Innovation Competition" (第三屆橫琴國際科技創新創業大賽一等獎)	Hengqin Guangdong-Macao In-Depth Cooperation Zone Economic Development Bureau (橫琴粵澳深度合作區經濟發展局)

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

We are subject to various risks during our operations. We have established a consolidated risk management system and relevant policies and procedures, which we consider suitable for our business operations. Our policies and procedures are aimed at managing and monitoring our business performance.

To monitor the continuous implementation of risk management policies and corporate governance measures after the Listing, we have adopted or will continue to adopt, among other things, the following risk management measures:

- establish an audit committee to review and supervise our financial reporting process and internal control system;
- adopt various policies to ensure compliance with the Listing Rules, including but not limited to policies in respect of risk management, connected transactions and information disclosure;
- provide anti-corruption and anti-bribery compliance training for senior management and employees in order to enhance their knowledge of and compliance with applicable laws and regulations; and
- arrange for our Directors and senior management to attend training seminars on Listing Rules requirements and the responsibilities as directors of a Hong Kong-listed company.

We consider that our Directors and members of our senior management possess the necessary knowledge and experience in providing good corporate governance oversight in connection with risk management and internal control.

Internal Control

Our Board is responsible for establishing our internal control system and reviewing its effectiveness. We have engaged an internal control consultant to review the effectiveness of our internal control measures related to our major business processes, to identify the deficiencies for improvement, advise on the rectification measures and review the implementation of such measures. During the review process of our internal control consultant, certain internal control matters were identified, and we have adopted corresponding internal control measures to improve these matters. We have adopted the recommendations made by the internal control consultant and our internal control consultant has completed the follow-up procedures on our internal control system and has no further recommendations.

BOARD OF DIRECTORS

Our Board of Directors comprises seven Directors, including three executive Directors, one non-executive Director and three independent non-executive Directors. Our Directors are appointed for a term of three years and shall be subject to re-election upon expiry of their term of office.

Our senior management consists of three members who are responsible for the day-to-day management of our Group's business.

The following table sets out information in respect of the Directors.

Name	Age	Date of joining our Group	Date of Appointment as Director	Position(s)	Role and Responsibility	Relationship with other Director(s) and/or senior management
Executive Directors						
Ms. Cheong Hou Iam (張昊任)	54	March 16, 2018	January 11, 2021	Executive Director, chairperson of our Board and general manager of our Company	Overseeing the overall strategic planning, business direction and R&D of our Group	Nil
Ms. Chen Miaoping (陳妙娉)	47	March 1, 2022	March 30, 2022	Executive Director, chief financial officer and one of the joint company secretaries of our Company	Managing the overall strategic planning, business operations, financial and operational management of our Group	Nil
Ms. Guo Jian (郭健)	52	January 1, 2022	October 26, 2023	Executive Director and vice general manager of our Company	Overseeing product registration, clinical affairs, legal compliance and quality management and assisting our general manager in overseeing daily management of our Company	Nil
Non-executive Director						
Ms. Mo Jinling (莫金玲)	43	August 25, 2025	August 25, 2025	Non-executive Director	Providing strategic advice and making recommendations on the operation and management of our Group	Nil
Independent non-executive Directors						
Dr. Liu Lianggang (劉良鋼)	65	November 11, 2025	November 11, 2025	Independent non-executive Director	Providing independent opinion and judgment to the Board	Nil
Mr. Ng Kun Seng Chris (吳冠誠)	41	November 11, 2025	November 11, 2025	Independent non-executive Director	Providing independent opinion and judgment to the Board	Nil
Mr. Ma Jianming (馬劍鳴)	43	November 11, 2025	November 11, 2025	Independent non-executive Director	Providing independent opinion and judgment to the Board	Nil

Executive Directors

Ms. Cheong Hou Iam (張昊任), aged 54, founded our Group in March 2018, was appointed as our Director and chairperson of our Board in January 2021, general manager of our Company in April 2022, and was redesignated as our executive Director on November 20, 2025, with effect from the Listing Date. She is primarily responsible for overseeing the overall strategic planning, business direction and R&D of our Group. She is also the chairperson of our Nomination Committee.

Ms. Cheong has served various roles in our subsidiaries, including (i) the executive director and general manager of True Health (Guangdong Hengqin) from July 2021 to October 2025; (ii) the director and general manager of True Health (Beijing) from December 2023 to July 2025; (iii) the executive director and general manager of True Health Jiesheng (Guangdong Hengqin) from December 2024 to October 2025; and (iv) the chairperson of the board and general manager of True Health (Macau) since January 2025. She was also the general manager of Beijing Weidao from June 2022 to November 2024.

Ms. Cheong has over 22 years of experience in the pharmaceutical and medical technology industry. Prior to founding our Group, Ms. Cheong worked in the Health Bureau of Macao (澳門衛生局). From December 2003 to February 2018, she served as the consultant of Guangdong Shimalong Pharmaceutical Co., Ltd.* (廣東獅馬龍藥業有限公司) (formerly known as Guangzhou Shimalong Pharmaceutical Co., Ltd.* (廣州獅馬龍藥業有限公司) ("**Shimalong Pharmaceutical**"), a company principally engaged in the sales of Shimalong medicated oil, and was responsible for providing advice on business development and operating policies.

Ms. Cheong obtained a bachelor's degree in pharmacy at Fudan University (復旦大學) (formerly known as Shanghai Medical University (上海醫科大學)) in the PRC in June 1994 and a master's degree in business administration at Tsinghua University (清華大學) in the PRC in July 2010. Ms. Cheong obtained the qualifications as a pharmacist by the Health Bureau of Macao in October 1998. In June 2025, Ms. Cheong (i) was recognized as the "Top Talent" (拔尖人才) in the second batch of "High-Level Talents" in Hengqin Guangdong-Hong Kong-Macao In-Depth Cooperation Zone in 2024 (橫琴粵港澳深度合作區2024年度第二批高層次人才) by the Hengqin Guangdong-Hong Kong-Macao In-Depth Cooperation Zone Economic Development Bureau (橫琴粵港澳深度合作區經濟發展局); and (ii) obtained the first prize in the Invention and Entrepreneurship Awards (發明創業獎成果獎一等獎) by China Association of Inventions (中國發明協會). In October 2025, Ms. Cheong obtained the first prize in the Technical Invention Award (機械工業科學技術獎一等獎) by China Machinery Industry Federation (中國機械工業聯合會) and China Mechanical Engineering Society (中國機械工程學會).

Ms. Chen Miaoping (陳妙娉), aged 47, joined our Group as our Director in March 2022 and was appointed as the chief financial officer of our Company in July 2024. Ms. Chen was appointed as one of our joint company secretaries and redesignated as our executive Director on November 20, 2025, with effect from the Listing Date. She is primarily responsible for overall strategic planning, business operations, financial and operational management of our Group.

Ms. Chen has been serving various roles in our subsidiaries, including (i) the executive director, general manager and chief financial officer of True Health (Hainan) since December 2023, December 2023 and July 2024, respectively; (ii) the executive director, general manager and chief financial officer of Zhenyida (Huzhou) since December 2023, December 2023 and July 2024, respectively; (iii) the director, general manager and chief financial officer of True Health (Beijing) since July 2025, July 2025 and July 2024, respectively; (iv) the director, general manager and chief financial officer of True Health Jiesheng (Guangdong Hengqin) since October 2025, October 2025 and December 2024, respectively; (v) the director of True Health (HK) since August 2025; (vi) the director and general manager of True Health (Guangdong Hengqin) since October 2025 and October 2025, respectively; and (vii) the director, general manager and chief financial officer of True Health (Guangzhou) since May 2026.

Furthermore, Ms. Chen previously served as the director, general manager and/or chief financial officer of several former subsidiaries, including (i) the executive director, general manager and chief financial officer of Zhenyida (Beijing) from December 2023, December

2023 and July 2024, respectively, to May 2025; (ii) the executive director and general manager of Zhuhai Jiansheng from December 2023 to November 2024; (iii) the executive director and general manager of Haikou Weidao from December 2023 to January 2024; and (iv) the executive director and general manager of Zhuhai Yudao from December 2023 to January 2024.

Ms. Chen has over 26 years of experience in pharmaceutical and medical technology industry. Prior to joining our Group, from July 1999 to March 2007, Ms. Chen successively served as the sales representative, regional manager and national supervisory manager of Guangdong Minglin Pharmaceutical Co., Ltd.* (廣東明林藥業有限公司), a company principally engaged in the wholesale of imported and domestic branded pharmaceutical products, and was responsible for formulating and implementing promotional strategies for national pharmacy chains. From March 2007 to August 2012, she successively served as the sales director and deputy general manager of Hainan Aihe Pharmaceutical Co., Ltd.* (海南艾合藥業有限公司) (formerly known as Hainan Jianyuan Pharmaceutical Co., Ltd.* (海南健元藥業有限公司)), a company principally engaged in the operation of Class III medical device and import and export of drugs, and was responsible for formulating and implementing sales targets of the company. She also served as the executive director and chief executive officer in China Biotech Services Holdings Limited (中國生物科技服務控股有限公司) (formerly known as Rui Kang Pharmaceutical Group Investments Limited (銳康藥業集團投資有限公司) and Longlife Group Holdings Limited (朗力福集團控股有限公司)), a company listed on GEM of the Stock Exchange (Stock Code: 8037) and principally engaged in the provision of medical and health related services from May 2013 to April 2017 and August 2013 to April 2017, respectively. From August 2012 to March 2022, she served as the general manager and sales director of Shimalong Pharmaceutical and was responsible for formulating and implementing business strategies.

In January 2012, Ms. Chen obtained a bachelor's degree in pharmacy at China Pharmaceutical University (中國藥科大學) in the PRC. In November 2016, she obtained a master's degree in pharmaceutical management at Shenyang Pharmaceutical University (瀋陽藥科大學) in the PRC. In November 2005, Ms. Chen obtained the qualification as a pharmacist by Guangdong Provincial Department of Human Resources and Social Security (廣東省人事廳).

Ms. Guo Jian (郭健), aged 52, joined our Group as the vice general manager in January 2022 and was appointed as our Director in October 2023. Ms. Guo was redesignated as our executive Director on November 20, 2025, with effect from the Listing Date, and is primarily responsible for overseeing product registration, clinical affairs, legal compliance and quality management and assisting our general manager in overseeing daily management of our Company. Ms. Guo is also a member of our Remuneration and Appraisal Committee.

Ms. Guo has over 21 years of experience in pharmaceutical research and development. From October 2004 to December 2021, Ms. Guo served as the technical director of Beijing Liushenghe Pharmaceutical Technology Co., Ltd.* (北京六盛合醫藥科技有限公司), a company principally engaged in pharmaceutical technology development and was primarily responsible for overseeing clinical R&D projects, patent and medical devices management.

Ms. Guo obtained a bachelor's degree in science from China Pharmaceutical University (中國藥科大學) in the PRC in July 1995 and a master's degree in medicine from Harbin Medical University (哈爾濱醫科大學) in the PRC in June 2002.

Non-executive Director

Ms. Mo Jinling (莫金玲), aged 43, joined our Group as our Director in August 2025 and was redesignated as our non-executive Director on November 20, 2025, with effect from the Listing Date. She is primarily responsible for providing strategic advice and making recommendations on the operation and management of our Group.

Prior to joining our Group, Ms. Mo successively served as the client manager, business manager and senior business manager of Guangzhou Yuexiu branch of CITIC Bank Limited (中信銀行股份有限公司廣州越秀支行) from March 2011 to July 2016. From October 2016 to August 2018, she served as the director of Investment Department II and the head of Risk Department of Guangdong Hengjian Asset Management Co., Ltd.* (廣東恒健資產管理有限公司). Since August 2018, Ms. Mo has successively served as the senior managerial staff,

assistant general manager, deputy general manager and general manager of Guangdong Guangdong-Macao Cooperation and Development Fund Management Co., Ltd.* (廣東粵澳合作發展基金管理有限公司), a company principally engaged in private equity investment. Since February 2024, Ms. Mo has been the director and general manager of Hengqin Guangdong-Macao Development and Investment Co., Ltd.* (橫琴粵澳開發投資有限公司), a company principally engaged in private equity investment. From March 2025 to April 2026, Ms. Mo was the director of Zhuhai Huafa Technology Industry Group Co., Ltd.* (珠海華發科技產業集團有限公司), a company principally engaged in investment and asset management.

Ms. Mo obtained a bachelor's degree in literature and management and a master's degree in economics from South China Agricultural University (華南農業大學) in the PRC in July 2005 and July 2008, respectively. In 2014, Ms. Mo obtained the qualification as an Intermediate Economist (中級經濟師) by Guangdong Provincial Department of Human Resources and Social Security (廣東省人力資源和社會保障廳).

Independent Non-executive Directors

Dr. Liu Lianggang (劉良鋼), aged 65, joined our Group as our independent Director in November 2025 and was redesignated as our independent non-executive Director on November 20, 2025, with effect from the Listing Date. He is primarily responsible for providing independent opinion and judgment to the Board. Dr. Liu is also a member of our Audit Committee, Remuneration and Appraisal Committee and Nomination Committee.

From 1989 to 1991, Dr. Liu was a postdoctoral researcher at the Institute of High Energy Physics, Chinese Academy of Sciences* (中國科學院高能物理研究所). He successively served as a lecturer, associate researcher and professor of the Department of Physics at Sun Yat-sen University (中山大學). Dr. Liu also served as a senior researcher at the External Cooperation and Development Department of the Macao Productivity and Technology Transfer Center* (澳門生產力暨科技轉移中心). He was a member of the Project Advisory Committee of the Macao Science and Technology Development Fund* (澳門科學技術發展基金). Dr. Liu was a professor at the Macau University of Science and Technology (澳門科技大學). From July 2008 to October 2025, he was a consultant to the Macao Science and Technology Development Fund* (澳門科學技術發展基金).

Dr. Liu obtained a bachelor's degree in nuclear physics and a master's degree in nuclear science from Fudan University in July 1982 and July 1985, respectively. He obtained a doctoral degree in science from the University of Tokyo in Japan in March 1989. Dr. Liu was a member of the American Association for the Advancement of Science in September 1994.

In October 1997 and December 1998, Dr. Liu was awarded the Second Prize and the First Prize of the Guangdong Provincial Higher Education Science and Technology Progress Award (廣東省高校科技進步獎) for his research publications on "Study of Collective Excitation Modes in Relativistic Nuclear Matter" (相對論核物質內集體激發模式的研究) and "Glueballs and Quark-Inclusive Lattice Quantum Chromodynamics" (膠球和帶誇克的格點量子色動力學), respectively. In 1998, he was also awarded the Second Prize of the Guangdong Provincial Natural Science Award (廣東省自然科學獎二等獎) for his research on "Glueballs and Quark-Inclusive Lattice Quantum Chromodynamics". In September 1998, Dr. Liu was recognized as the Outstanding Scientific Worker (先進科技工作者) from January 1992 to June 1997 by Sun Yat-sen University. In January 1999, he was awarded the certificate for Major Scientific and Academic Achievements for Chinese by the Evaluation and Appraisal Committee of Major Scientific and Academic Achievements for Chinese (世界華人重大學術成果評審委員會).

Mr. Ng Kun Seng Chris (吳冠誠), aged 41, joined our Group as our independent Director in November 2025 and was redesignated as our independent non-executive Director on November 20, 2025, with effect from the Listing Date. He is primarily responsible for providing independent opinion and judgment to the Board. Mr. Ng is also the chairperson of our Audit Committee.

Mr. Ng has over 17 years of experience in accounting, financial reporting and corporate secretarial field. From December 2007 to July 2011, Mr. Ng was a senior auditor in RSM Hong Kong (羅申美會計師事務所) (formerly known as RSM Nelson Wheeler Certified Public Accountants (中瑞岳華(香港)會計師事務所)). From July 2011 to April 2014, he served as the project finance manager of Prosperity International Holdings (H.K.) Limited, a company

formerly listed on the Stock Exchange up to February 2023 (former stock code: 803) and he was primarily responsible for financial reporting, financial analysis and merger and acquisition projects. From April 2014 to April 2015, he served as the finance manager of Macau Fisherman's Wharf International Investment Limited, a subsidiary of Macau Legend Development Limited (stock code: 1680) and he was primarily responsible for financial reporting, compliance and financial planning of the company. From May 2015 to January 2017, he was a senior manager of New Galaxy Entertainment Company Limited, a subsidiary of Galaxy Entertainment Group Limited (stock code: 0027) and he was primarily responsible for the financial operations of resort, retail, dining, and hotel sectors in Macau. From January 2019 to April 2020, Mr. Ng served as the financial controller of REF Holdings Limited, a company listed on the Stock Exchange (stock code: 1631) and was principally engaged in the provision of financial printing services. From September 2020 to October 2024, he was the chief financial officer and company secretary of Baird Medical Investment Holdings Limited, a company listed on the Nasdaq (Nasdaq stock ticker: BDMD) and was principally engaged in the manufacturing of microwave ablation medical devices in China. Since November 2024, Mr. Ng has been a financial consultant of Morton Professional Services Ltd, a consulting service provider of professional services including financial consulting, auditing and corporate advisory in Hong Kong.

Mr. Ng obtained a Bachelor of Arts degree with a major in accountancy from The Hong Kong Polytechnic University in December 2006. He is a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Ma Jianming (馬劍鳴), aged 43, joined our Group as our independent Director in November 2025 and was redesignated as our independent non-executive Director on November 20, 2025, with effect from the Listing Date. He is primarily responsible for providing independent opinion and judgment to the Board. Mr. Ma is also the chairperson of our Remuneration and Appraisal Committee and the member of our Audit Committee and Nomination Committee.

Mr. Ma has over 20 years of experience in legal advisory and corporate governance. From July 2005 to May 2006, Mr. Ma worked in the Shanghai office of Kaye Scholer LLP. From June 2006 July 2008 and from September 2009 to August 2012, he worked in the Shanghai office of Freshfields Bruckhaus Deringer LLP. From August 2012 to November 2014, he worked in the Shanghai office of Cooley LLP. From November 2014 to September 2016, Mr. Ma worked in Beijing Shiwei Starr Investment Consulting Co., Ltd.* (北京世威史帶投資顧問有限公司), a company principally engaged in private equity. Mr. Ma currently is the chairman of the board of CBC Group (上海康士橋私募基金管理有限公司), a company principally engaged in asset management and private equity investment consulting.

Mr. Ma obtained a bachelor's degree in law from Fudan University in July 2005 and a master's degree in corporation law from New York University in May 2009. He received an executive MBA from the Fanhai International School of Finance at Fudan University (復旦大學泛海國際金融學院) in June 2022. He obtained the legal professional qualification certificate in China in 2007 and the qualification to practice as an Attorney and Counselor at Law in New York in June 2010.

SENIOR MANAGEMENT

Our senior management consists of Ms. Cheong Hou Iam, Ms. Chen Miaoping and Ms. Guo Jian. For their biographical information, see "—Directors—Executive Directors" above.

DISCLOSURE REQUIRED PURSUANT TO RULE 13.51(2) OF THE LISTING RULES

Ms. Cheong was the general manager of the following company before its deregistration:

Name of company	Place of incorporation	Principal business activity prior to cessation of business	Date of dissolution	Position	Means for dissolution	Reasons for dissolution
Beijing Weidao . . .	The PRC	Dormant	November 8, 2024	General manager	Deregistered	Dormant

Ms. Cheong confirmed that (i) the above company was solvent and inactive, and had no outstanding claims or liabilities at the time of its deregistration; (ii) there was no wrongful act on her part leading to the deregistration of the above company; (iii) she is not aware of any actual or potential claim which has been or will be made against her as a result of the deregistration of the above company; and (iv) the above company had no material non-compliance prior to its deregistration.

Ms. Chen was the director, general manager and/or chief financial officer of the following companies before their respective deregistration:

Name of company	Place of incorporation	Principal business activity prior to cessation of business	Date of dissolution	Position	Means for dissolution	Reasons for dissolution
Zhenyida (Beijing) . .	The PRC	Dormant	May 29, 2025	Executive director, general manager and chief financial officer	Deregistered	Dormant
Zhuhai Jiansheng . .	The PRC	Dormant	November 15, 2024	Executive director and general manager	Deregistered	Dormant
Haikou Weidao . . .	The PRC	Dormant	January 4, 2024	Executive director and general manager	Deregistered	Dormant
Zhuhai Yudao	The PRC	Dormant	January 24, 2024	Executive director and general manager	Deregistered	Dormant

Ms. Chen confirmed that (i) each of the above companies was solvent and inactive, and had no outstanding claims or liabilities at the time of their respective deregistration; (ii) there was no wrongful act on her part leading to the deregistration of the above companies; (iii) she is not aware of any actual or potential claim which has been or will be made against her as a result of the respective deregistration of the above companies; and (iv) the above companies had no material non-compliance prior to their respective deregistration.

GENERAL

Save as disclosed above and in "Substantial Shareholders" and "Statutory and General Information—D. Disclosure of Interests" in Appendix VI to this prospectus, each of our Directors confirms with respect to him/her that he or she:

(i) does not hold other positions in our Company or other members of our Group as of the Latest Practicable Date;

(ii) did not hold other long positions or short positions in the Shares, underlying Shares, debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) as of the Latest Practicable Date;

(iii) had no other relationship with any Directors, senior management or substantial shareholders of our Company or our Controlling Shareholders as of the Latest Practicable Date;

(iv) did not hold any other directorships in the three years prior to the Latest Practicable Date in any public companies of which the securities are listed on any securities market in Hong Kong and/or overseas;

(v) does not have any interest in any business which competes or is likely to compete, directly or indirectly, with our Group, which is disclosable under the Listing Rules;

(vi) to the best knowledge, information and belief of our Directors, having made all reasonable enquiries, there are no other matters concerning our Director's appointment that need to be brought to the attention of our Shareholders and the Stock Exchange or shall be disclosed pursuant to Rule 13.51(2) of the Listing Rules as of the Latest Practicable Date; and

(vii) to the best of the knowledge, information and belief of our Directors, having made all reasonable enquiries, there are no other matters with respect to the appointment of our Directors that need to be brought to the attention of our Shareholders.

Each of our Directors confirmed that he or she (i) obtained the legal advice referred to under Rule 3.09D of the Listing Rules on November 21, 2025; and (ii) understood his or her obligations as a director of a listed issuer under the Listing Rules.

JOINT COMPANY SECRETARIES

Ms. Chen Miaoping (陳妙娉), see "—Directors—Executive Directors" above.

Ms. Lam Wai Yee Sophie (林慧怡) was appointed as one of our joint company secretaries in November 2025, with effect from the Listing Date. She has over 20 years of experience in company secretarial and corporate governance professions. She has served as the company secretary of several companies listed on the Main Board of the Stock Exchange and as a vice president at a leading company secretarial and compliance services firm in Hong Kong.

Ms. Lam holds a Bachelor of Arts (Honours) in Translation and a Postgraduate Diploma in Corporate Administration. She is a Chartered Secretary, a Chartered Governance Professional and a Fellow of The Chartered Governance Institute in the United Kingdom and The Hong Kong Chartered Governance Institute, and holds a Practitioner's Endorsement from The Hong Kong Chartered Governance Institute.

BOARD COMMITTEES

Our Board delegates certain responsibilities to various committees. In accordance with the relevant PRC laws and regulations and the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, our Company has formed three Board committees, namely the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee.

Audit Committee

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of Part 2 of the Corporate Governance Code. The Audit Committee consists of three Directors, namely Mr. Ng Kun Seng Chris (吳冠誠), Dr. Liu Lianggang (劉良鋼) and Mr. Ma Jianming (馬劍鳴). Mr. Ng Kun Seng Chris, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules, serves as the chairperson of the Audit Committee. The primary duties of the Audit Committee include, but are not limited to, the following:

- proposing the appointment or change of external auditors to our Board, and monitoring the independence of external auditors and evaluating their performance;
- guiding internal audit work;
- examining the financial information of our Company, reviewing financial reports and statements of our Company and giving comments on relevant matters;
- assessing the effectiveness of internal control;
- coordinating the communication among management, the internal audit department, related departments and external audit agency; and
- dealing with other matters that are authorized by the Board or involved in relevant laws and regulations.

Remuneration and Appraisal Committee

We have established a Remuneration and Appraisal Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of Part 2 of the Corporate Governance Code. The Remuneration and Appraisal Committee consists of three

Directors, namely Mr. Ma Jianming (馬劍鳴), Ms. Guo Jian (郭健) and Dr. Liu Lianggang (劉良鋼). Mr. Ma Jianming serves as the chairperson of the Remuneration and Appraisal Committee. The primary duties of the Remuneration and Appraisal Committee include, but are not limited to, the following:

- formulating individual remuneration plans for Directors and members of the senior management in accordance with the terms of reference of the job responsibilities, the importance of their positions as well as the remuneration benchmarks for the relevant positions in other comparable companies;
- examining the criteria of performance evaluation of Directors and the senior management of our Company, and conducting annual performance evaluation;
- supervising the implementation of the remuneration plan of our Company;
- reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules; and
- dealing with other matters that are authorized by the Board.

Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and paragraph B.3 of Part 2 of the Corporate Governance Code. The Nomination Committee consists of three Directors, namely Ms. Cheong Hou Iam (張昊任), Dr. Liu Lianggang (劉良鋼) and Mr. Ma Jianming (馬劍鳴). Ms. Cheong Hou Iam serves as the chairperson of the Nomination Committee. The primary duties of the Nomination Committee include, but are not limited to, the following:

- making recommendations to our Board with regards to the size and composition of our Board based on our Company's business operation, asset scale and equity structure;
- researching and developing standards and procedures for the election of our Board members, general managers and members of the senior management, and making recommendations to our Board;
- conducting extensive search and providing to our Board suitable candidates for Directors, general managers and other members of the senior management;
- examining our Board candidates, general manager and members of the senior management and making recommendations to our Board;
- assessing and reviewing the independence of independent non-executive Directors; and
- dealing with other matters that are authorized by our Board.

REMUNERATION POLICY

Our Directors and senior management receive their remuneration in the form of Directors' fees, salary and other benefits, contribution to social insurance and housing fund and share-based payment expense.

The total remuneration (including, salaries, allowances and benefits in kind, performance related bonuses and pension scheme contributions) for our Directors (including remuneration for services as Directors prior to becoming Directors) and former supervisor was approximately RMB7.2 million and RMB8.4 million for the years ended December 31, 2024 and 2025, respectively.

For the year ended December 31, 2024 and 2025, the five highest paid individuals of our Company included four and three Directors and former supervisor, respectively. The aggregate remuneration (including salaries, allowances and benefits in kind, performance related bonuses and pension scheme contributions) paid to our Group's five highest paid individuals were approximately RMB8.2 million and RMB9.9 million, respectively.

Under the arrangements currently in force, we estimate the aggregate amounts of remuneration, excluding dividends, of our Directors for the year ending December 31, 2026 to be RMB6.8 million. The actual remuneration of Directors in 2026 may be different from the expected remuneration.

CORPORATE GOVERNANCE CODE

Our Group considers that appointing Ms. Cheong as both the chairperson of our Board and the general manager of our Company will ensure strong and consistent leadership, thereby enhancing the effectiveness of our strategic planning and overall management. Pursuant to C.2.1 of Appendix C1 to the Listing Rules, the roles of chairperson and chief executive should be separate and should not be performed by the same individual. However, in view of Ms. Cheong's extensive industry experience, personal profile and her pivotal role in our Group's historical development, we believe that it would be beneficial for our Group's business prospects if Ms. Cheong continues to act as both the chairperson of our Board and the general manager of our Company upon Listing.

Save as disclosed above, we are in compliance with all applicable code provisions as set out in the Corporate Governance Code as contained in Appendix C1 to the Listing Rules.

BOARD DIVERSITY POLICY

In order to enhance the effectiveness of our Board, to maintain the high standard of corporate governance and to achieve the goal of a sustainable and balanced development of our Company, we have adopted the board diversity policy which sets out the objective and approach to achieve and maintain diversity of our Board. Pursuant to the board diversity policy, we seek to achieve board diversity through the consideration of a number of factors when selecting the candidates to our Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural background, and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to our Board.

Our Directors have a balanced mix of knowledge and skills, including overall management and strategic development, medicine, chemistry, biology, biochemistry, pharmacology and accounting. We have three independent non-executive Directors with different industry backgrounds, representing more than one-third of the members of our Board. Our Company has evaluated the structure, size and composition of our Board, and is of the opinion that the structure of our Board is reasonable, and the experience and skills of the Directors in various aspects and fields can enable our Company to maintain a high standard of operations.

Furthermore, we particularly recognize the importance of gender diversity. Our Board currently consists of four female Directors and three male Directors. We have taken, and will continue to take, steps to promote gender diversity at all levels of our Company. Going forward, we will continue to work to enhance gender diversity of our Board when selecting and recommending suitable candidates for Board appointments. Our Company also intends to promote gender diversity at the mid to senior level so that our Company can maintain a balanced gender ratio at different levels. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of our Board satisfies our board diversity policy.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After the Listing, our Nomination Committee will examine the board diversity policy from time to time to ensure its continued effectiveness and in particular use its efforts to identify and recommend suitable female candidates for the Board's consideration in the future, and we will disclose in our corporate governance report about the implementation of the board diversity policy on an annual basis.

COMPLIANCE ADVISOR

We have appointed Maxa Capital Limited as our compliance advisor (the "**Compliance Advisor**") pursuant to Rules 3A.19 and 3A.23 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will advise our Company in certain circumstances including:

(a) before the publication of any regulatory announcement, circular or financial report;

(b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;

(c) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this Prospectus or where our business activities, developments or results deviate from any forecast, estimate or other information in this Prospectus; and

(d) where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Advisor will, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules that are announced by the Hong Kong Stock Exchange. The Compliance Advisor will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the continuing requirements under the Listing Rules and applicable laws and regulations.

The term of the appointment will commence on the Listing Date and is expected to end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing.

OUR CONTROLLING SHAREHOLDERS

Immediately prior to the Global Offering, our Company was owned as to approximately 10.47%, 9.35%, 7.48%, 7.15%, 6.46%, 5.61% and 0.10% by Renyang Biotechnology[(1)], Chengzhen Health[(1)], Jiarun Tongchuang[(1)], Jiarun Hechuang[(2)], Zhuhai Meijirui[(3)], Jiarun Xinchuang[(4)] and Xinhui Runkang[(5)], respectively. Renxiang Biotechnology[(6)] which was held as to 99.99% by Ms. Cheong, is the sole general partner of, and is, pursuant to the relevant partnership agreements, entitled to exercise all voting rights in, each of Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang.

Each of Renyang Biotechnology, Chengzhen Health and Jiarun Tongchuang was owned as to 99% by China True Health Medical[(7)] as their sole limited partner, and Jiarun Hechuang was owned as to 99.00% by Shuimu Medical Technology[(7)] as its sole limited partner. Each of China True Health Medical and Shuimu Medical Technology was owned as to 96.67% by Ms. Cheong.

As such, (i) Ms. Cheong is the ultimate beneficial owner of each of Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang; and (ii) Ms. Cheong, Renxiang Biotechnology, China True Health Medical, Shuimu Medical Technology, Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang are considered to be a group of Controlling Shareholders, who collectively held 46.63% of our total issued Shares as of the Latest Practicable Date.

Immediately following the completion of the Global Offering (assuming that the Over-allotment Option is not exercised), Ms. Cheong, Renxiang Biotechnology, China True Health Medical, Shuimu Medical Technology, Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang will collectively hold approximately 41.96% of our total issued Shares. Accordingly, they will remain as a group of Controlling Shareholders upon Listing.

Notes:

(1) As of the Latest Practicable Date, each of Renyang Biotechnology, Chengzhen Health and Jiarun Tongchuang was owned as to (i) 99% by China True Health Medical as its limited partner; and (ii) 1% by Renxiang Biotechnology as its general partner.

(2) As of the Latest Practicable Date, Jiarun Hechuang was owned as to (i) 99% by Shuimu Medical Technology as its limited partner; and (ii) 1% by Renxiang Biotechnology as its general partner.

(3) As of the Latest Practicable Date, Zhuhai Meijirui was owned as to (i) 97%, 1% and 1% by Ms. Cheong, Ms. Guo Jian (郭健) (our executive Director and vice general manager of our Company) and Mr. Shi Jipeng (史紀鵬) (our R&D director) as its limited partners, respectively; and (ii) 1% by Renxiang Biotechnology as its general partner. Ms. Cheong, being the largest limited partner controlling 97% of equity interests in Zhuhai Meijirui, controls the voting power of the Shares held by Zhuhai Meijirui.

(4) As of the Latest Practicable Date, Jiarun Xinchuang was owned as to (i) 66.67% and 32.33% by Ms. Xu Yan (徐岩), who is our full-time external consultant experienced in mechanical engineering field, responsible for providing advice on our product R&D and is an Independent Third Party, and Ms. Cheong as its limited partners, respectively; and (ii) 1% by Renxiang Biotechnology as its general partner.

(5) Xinhui Runkang subscribed for registered capital of our Company of RMB33,650 in the Series Post A+ financing in September 2021 on normal commercial terms and at the same consideration as the other investors in the Series Post A+ financing. For details, see "Corporate Development — Our Company — Series Post A+ financing in September 2021" above. Since the subscription of our Company's equity interest by Xinhui Runkang in September 2021 and up to the Latest Practicable Date, Xinhui Runkang was owned as to (i) 26%, 25%, 10% and 9% by Ji Caixia (季彩霞), Li Yi (李毅), Huang Yin (黃茵) and Zhang Dongwu (張東武), as its limited partners, respectively. These limited partners are passive investors who are not holding the equity interest in Xinhui Runkang as nominees, and are acquaintances of Ms. Cheong by way of introduction by an alumni at Fudan University, are neither current nor former employees of our Group and are Independent Third Parties; and (ii) 30% by Renxiang Biotechnology as its general partner.

(6) As of the Latest Practicable Date, Renxiang Biotechnology was owned as to (i) 99.99% by Ms. Cheong; and (ii) 0.01% by Ms. Yu Lili (于莉莉), an Independent Third Party.

(7) As of the Latest Practicable Date, each of China True Health Medical and Shuimu Medical Technology was owned as to (i) 96.67% by Ms. Cheong; and (ii) 3.33% by Mr. Cheong Kam Leng (張錦鈴), father of Ms. Cheong.

Ms. Cheong is our executive Director, chairperson of our Board and general manager of our Company. For biographical details of Ms. Cheong, see "Directors and Senior Management—Directors".

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independently of our Controlling Shareholders and their respective close associates after Listing.

Management Independence

Our Board is composed of three executive Directors, one non-executive Director and three independent non-executive Directors. Ms. Cheong, who is our Controlling Shareholder, also serves as our executive Director, the chairperson of our Board and the general manager of our Company. Together with the support of our senior management, our Directors are responsible for overseeing and managing the day-to-day operations of our business. For details, see "Directors and Senior Management".

Our Directors consider that our Board and senior management are capable of managing our Group independently of our Controlling Shareholders for the following reasons:

(a) each Director is aware of his/her fiduciary duties as a Director, which include, amongst others, acting for the benefit and in the best interests of our Company and avoiding any conflicts between his/her duties as a Director and his/her personal interests;

(b) in the event that any Director or any of his/her close associates has a material interest or potential conflict of interest in connection with any transaction or arrangement to be entered into between our Group and any of our Directors or their respective associates, such Director(s) shall fully disclose such matters to our Board and abstain from voting at the relevant meeting of our Board in respect of such transactions and shall not be counted in the quorum. Additionally, our Group has implemented certain corporate governance measures for situations involving conflicts of interests, see "—Corporate Governance Measures" in this section for further details;

(c) three out of seven Directors are independent non-executive Directors with extensive experience in various professions who are appointed pursuant to the requirements of the Listing Rules, and will bring independent judgment to the decision-making process of our Board;

(d) any connected transactions between our Group and our Controlling Shareholders are subject to the Listing Rules, which stipulate the requirements in relation to annual reporting, review, announcement, circular and independent shareholders' approval (where applicable); and

(e) the main functions of our Board include approving our Group's overall business plans and strategies, monitoring the implementation of such business plans, strategies and policies, and managing our Company's day-to-day affairs. Our Board acts collectively by majority decisions in accordance with the Articles and the applicable laws, and no single Director has any decision-making power unless otherwise authorized by our Board.

Operational Independence

We have established our own organizational structure consisting of individual departments, such as the finance department, human resources and administration department, technology center, project management department, R&D center, manufacturing center and marketing center. Each department is assigned specific areas of responsibility. We have implemented a set of internal control mechanisms to enhance the efficiency of our business

operations. In addition to our sufficient assets, capital and employees, we have obtained and possess all relevant licenses, permits, approvals and intellectual properties required to conduct our business independently. Furthermore, we have independent access to our suppliers and customers.

Based on the above, our Directors are of the view that our Group can operate independently of our Controlling Shareholders and their close associates upon Listing.

Financial Independence

Our finance department is responsible for handling the major finance operations of our Group and is capable of making financial decisions independently according to our own business needs. We manage our bank accounts independently, and do not share any bank accounts with our Controlling Shareholders or their close associates. In addition, we have sufficient capital to operate our business independently and have adequate internal resources to support our daily operations.

During the Track Record Period, we had (i) an unutilized bank facility of RMB15,000,000, which was guaranteed by Ms. Cheong and (ii) two loans of MOP1,000,000 and MOP300,000 from Ms. Cheong and Mr. Cheong Kam Leng (張錦鈴), the father of Ms. Cheong, respectively, both at an interest rate of 12% per annum, which was higher than the market interest rates at the relevant time, which was primarily attributable to the relatively short borrowing term, the unsecured nature of the loan and the urgent funding needs at the time. All the aforementioned guarantee and loans had been settled as of the Latest Practicable Date.

As of the Latest Practicable Date, our Group does not rely on our Controlling Shareholders and/or their respective close associates for any provision of financial assistance. Our Directors confirm that as of the Latest Practicable Date, on one hand, none of the Controlling Shareholders or their respective close associates provided any loans, guarantees or pledges to our Group and, on the other hand, our Group did not provide any loans, guarantees or pledges to our Controlling Shareholders.

Based on the above, our Directors are of the view that our Group is able to operate with financial independence from our Controlling Shareholders and their close associates upon Listing.

RULE 8.10 OF THE LISTING RULES

Our Controlling Shareholders, our Directors and their respective close associates confirm that they do not have any interest in a business apart from our Group's business which competes or is likely to compete, directly or indirectly, with our Group's business and would require disclosure under Rule 8.10 of the Listing Rules.

CORPORATE GOVERNANCE MEASURES

Our Company will comply with the provisions of the Corporate Governance Code set out in Appendix C1 to the Listing Rules, which sets out principles of good corporate governance. Our Directors believe that there are adequate corporate governance measures in place to manage the potential conflicts of interests between our Controlling Shareholders and our Group and to safeguard the interests of our Shareholders taken as a whole for the following reasons:

(a) where a Shareholders' meeting is to be held for considering proposed transactions in which our Controlling Shareholders or any of his/its associates has a material interest, our Controlling Shareholders will not vote on the resolutions and shall not be counted towards the quorum in the voting;

(b) our Group has established internal control mechanisms to identify connected transactions. Our Company will comply with the requirements in relation to connected transactions under the Listing Rules upon Listing;

(c) we are committed to ensuring that our Board should include a balanced composition of executive, non-executive and independent non-executive Directors. We have appointed three independent non-executive Directors whom we believe possess sufficient experience and are free of any business and/or other relationship which could interfere in any material manner with the exercise of their independent

judgment. Our independent non-executive Directors will be able to provide an impartial and external opinion to protect the interests of our public Shareholders. For details of our independent non-executive Directors, see "Directors and Senior Management—Directors";

(d) our Directors will operate in accordance with the Articles which require the interested Director not to vote (nor be counted in the quorum) on any resolution of our Board approving any contract or arrangement or other proposal in which he/she or any of his/her close associates is materially interested except as permitted by the Articles;

(e) where our Directors reasonably request the advice of independent professionals, such as financial advisor, the appointment of such independent professionals will be made at our Company's expense; and

(f) we have appointed Maxa Capital Limited as our compliance advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules, including various requirements relating to directors' duties and internal controls.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest that may arise between our Group and our Controlling Shareholders, and to protect our minority Shareholders' interests after the Listing.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the Global Offering and without taking into account any H Shares which may be issued pursuant to the exercise of the Over-allotment Option, the following person will have an interest or short position in the H Shares or underlying Shares which will be required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company or any of our subsidiaries:

		As of the Latest Practicable Date[1]		Immediately following the completion of the Global Offering (assuming that the Over-allotment Option is not exercised)[1]	
Name of Shareholder	Capacity/Nature of interest	Number of Shares	Approximate percentage of interest in our Company	Number of H Shares	Approximate percentage of interest in our Company
Ms. Cheong	Interested in controlled corporation[2]	14,959,232(L)	46.63%	14,959,232(L)	41.96%
Renxiang Biotechnology	Interested in controlled corporation[2]	14,959,232(L)	46.63%	14,959,232(L)	41.96%
China True Health Medical	Interested in controlled corporation[3]	8,760,000(L)	27.30%	8,760,000(L)	24.57%
Renyang Biotechnology	Beneficial interest[2 & 3]	3,360,000(L)	10.47%	3,360,000(L)	9.43%
Chengzhen Health	Beneficial interest[2 & 3]	3,000,000(L)	9.35%	3,000,000(L)	8.42%
Guangdong-Macao Cooperation & Development Fund (廣東粵澳合作發展基金(有限合夥)) ("**Guangdong-Macao Development Fund**")	Interested in controlled corporation[4]	2,877,337(L)	8.97%	2,877,337(L)	8.07%
Hengqin Guangdong-Macao Development & Investment Co., Ltd.* (橫琴粵澳開發投資有限公司) ("**Guangdong-Macao Investment**")	Beneficial interest[4]	2,877,337(L)	8.97%	2,877,337(L)	8.07%
Jiarun Tongchuang	Beneficial interest[2 & 3]	2,400,000(L)	7.48%	2,400,000(L)	6.73%
Shuimu Medical Technology	Interested in controlled corporation[5]	2,293,900(L)	7.15%	2,293,900(L)	6.44%
Jiarun Hechuang	Beneficial interest[2 & 5]	2,293,900(L)	7.15%	2,293,900(L)	6.44%
Zhuhai Meijirui	Beneficial interest[2]	2,071,682(L)	6.46%	2,071,682(L)	5.81%
China International Capital Corporation Limited (中國國際金融股份有限公司) ("**CICC**")	Interested in controlled corporation[6]	2,014,137 (L)	6.28%	2,014,137(L)	5.65%
Beijing Jinke Junchuang Investment Management Co., Ltd.* (北京金科君創投資管理有限公司) ("**Jinke Junchuang**")	Interest in controlled corporation[7]	1,955,547(L)	6.10%	1,955,547(L)	5.49%

Name of Shareholder	Capacity/Nature of interest	As of the Latest Practicable Date[1]		Immediately following the completion of the Global Offering (assuming that the Over-allotment Option is not exercised)[1]	
		Number of Shares	Approximate percentage of interest in our Company	Number of H Shares	Approximate percentage of interest in our Company
Beijing Jinke Huiyu Venture Capital Partnership (Limited Partnership)* (北京金科匯鈺創業投資合夥企業(有限合夥)) ("**Jinke Huiyu**")	Beneficial interest[7]	1,955,547(L)	6.10%	1,955,547(L)	5.49%
Jiarun Xinchuang	Beneficial interest[2]	1,800,000(L)	5.61%	1,800,000(L)	5.05%

Notes:

1. The letter "L" denotes the entity/person's long position (as defined under Part XV of the SFO) in such Shares.

2. As of the Latest Practicable Date, Renxiang Biotechnology is the general partner of each of Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang and Renxiang Biotechnology is held as to 99.99% by Ms. Cheong and 0.01% by Ms. Yu Lili (于莉莉). As such, each of Ms. Cheong and Renxiang Biotechnology is deemed to be interested in the Shares held by Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang under the SFO.

3. As of the Latest Practicable Date, Renyang Biotechnology, Chengzhen Health and Jiarun Tongchuang were owned as to 99% by China True Health Medical as their sole limited partner. As such, China True Health Medical is deemed to be interested in the Shares held by Renyang Biotechnology, Chengzhen Health and Jiarun Tongchuang under the SFO.

4. As of the Latest Practicable Date, Guangdong-Macao Investment was owned as to 50% by Guangdong-Macao Development Fund. As such, Guangdong-Macao Development Fund is deemed to be interested in the Shares held by Guangdong-Macao Investment under the SFO.

5. As of the Latest Practicable Date, Jiarun Hechuang was owned as to 99% by Shuimu Medical Technology as its sole limited partner. As such, Shuimu Medical Technology is deemed to be interested in the Shares held by Jiarun Hechuang under the SFO.

6. As of the Latest Practicable Date, our Company was owned as to 1.35%, 0.45% and 4.48% by Huzhou CICC Qihe Equity Investment Partnership (Limited Partnership)* (湖州中金啟合股權投資合夥企業(有限合夥)) ("**CICC Qihe**"), Dongrong No. 1 (Zhuhai Hengqin) Equity Investment Partnership (Limited Partnership)* (東融壹號(珠海橫琴)股權投資合夥企業(有限合夥)) ("**Dongrong No. 1**") and Hengqin Guangdong Macao Deep Cooperation Zone Industrial Investment Fund (Limited Partnership)* (橫琴粵澳深度合作區產業投資基金(有限合夥)) ("**Hengqin Industrial**"), respectively. As of the Latest Practicable Date, (i) CICC Private Equity Management Co., Ltd.* (中金私募股權投資管理有限公司), a wholly-owned subsidiary of CICC, is the general partner of CICC Qihe; (ii) CICC Capital Management Co., Ltd.* (中金資本運營有限公司) ("**CICC Capital**"), a wholly-owned subsidiary of CICC, is the general partner of Dongrong No. 1; and (iii) CICC Capital is the general partner of Hengqin Industrial. As such, CICC is deemed to be interested in the Shares held by CICC Qihe, Dongrong No. 1 and Hengqin Industrial under the SFO.

7. As of the Latest Practicable Date, Jinke Huiyu was owned as to 1.83% by Beijing Jinke Junlian Technology Development Center (Limited Partnership)* (北京金科君聯科技發展中心(有限合夥)) ("**Jinke Junlian**") as its general partner, and Jinke Junlian was owned as to 50% by Jinke Junchuang as its general partner. As such, Jinke Junchuang is deemed to be interested in the Shares held by Jinke Huiyu.

Save as disclosed herein, our Directors are not aware of any persons who will, immediately following the completion of the Global Offering and without taking into account any H Shares which may be issued pursuant to the exercise of the Over-allotment Option, have an interest or short position in the Shares or underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company or any other member of our Group. Our Directors are not aware of any arrangement which may at a subsequent date result in a change of control of our Company.

SHARE CAPITAL

As of the Latest Practicable Date, the registered capital of our Company is RMB32,082,303 divided into 32,082,303 Domestic Unlisted Shares with a nominal value of RMB1.00 each.

Assuming that the Over-allotment Option is not exercised, the share capital of our Company immediately following the Global Offering will be increased to RMB35,647,003 and set out as follows:

Number of Shares	Description of Shares	Approximate % of the Enlarged Share Capital after the Global Offering
32,082,303	H Shares to be converted from Domestic Unlisted Shares	90.00%
3,564,700	H Shares to be issued under the Global Offering	10.00%
35,647,003		100.00%

Assuming that the Over-allotment Option is exercised in full, the share capital of our Company immediately following the Global Offering will be increased to RMB36,181,703 and set out as follows:

Number of Shares	Description of Shares	Approximate % of the Enlarged Share Capital after the Global Offering
32,082,303	H Shares to be converted from Domestic Unlisted Shares	88.67%
3,564,700	H Shares to be issued under the Global Offering	9.85%
534,700	H Shares to be issued upon full exercise of the Over-allotment Option	1.48%
36,181,703		100.00%

OUR SHARES

The H Shares in issue following the completion of the Global Offering and the Domestic Unlisted Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares. However, apart from certain qualified domestic institutional investors in the PRC, qualified PRC investors under the Shanghai-Hong Kong Stock Connect, the Shenzhen-Hong Kong Stock Connect or other persons who are entitled to hold our H Shares pursuant to the relevant PRC laws and regulations or upon approvals of any competent authorities, including our existing Shareholders who may convert their Domestic Unlisted Shares into H Shares upon completion of filing with the CSRC, H Shares generally may not be subscribed for by or traded between legal or natural persons of the PRC.

The Domestic Unlisted Shares and H Shares will rank *pari passu* with each other in all respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this prospectus. Dividends in respect of our Shares may be paid by us in Hong Kong dollars or Renminbi. In addition to cash, dividends may be distributed in the form of Shares.

CONVERSION OF OUR DOMESTIC UNLISTED SHARES INTO H SHARES

On December 10, 2025, our Company has filed for a "full circulation" of all the existing 32,082,303 Domestic Unlisted Shares into H Shares on a one-for-one basis, and submitted the application reports, authorization documents of the shareholders of Domestic Unlisted Shares for which H-share "full circulation" is applied, explanation about the compliance of share acquisition and other documents in accordance with the requirements of the CSRC.

The relevant filings of the conversion of the existing 32,082,303 Domestic Unlisted Shares held by the existing Shareholders into H Shares on a one-for-one basis have been completed on May 19, 2026.

Upon completion of the Global Offering, if any of our Shares are not listed or traded on any stock exchange, the holders of our Domestic Unlisted Shares may convert their Shares into H Shares provided such conversion shall have gone through any requisite internal approval processes and complied with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the overseas stock exchange(s) and have completed the required filing with the securities regulatory authorities of the State Council, including the CSRC. The listing of such converted Shares on the Stock Exchange will also require the approval of the Stock Exchange.

Based on the procedures for the conversion of our Domestic Unlisted Shares into H Shares as disclosed in this section, we can apply for the listing of all or any portion of our Domestic Unlisted Shares on the Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of Shares for entry on the H Share register. As any listing of additional Shares after our initial listing on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it will not require such prior application for listing at the time of our initial listing in Hong Kong.

No class Shareholder voting is required for the listing and trading of the converted Shares on the Stock Exchange. Any application for listing of the converted Shares on the Stock Exchange after our initial listing is subject to prior notification by way of announcement to inform Shareholders and the public of such proposed conversion.

After all the requisite approvals have been obtained, the following procedures will need to be completed: the relevant Domestic Unlisted Shares will be withdrawn from the Share register and we will re-register such Shares on our H Share register maintained in Hong Kong and instruct the H Share Registrar to issue H Share certificates. Registration on our H Share register will be on the condition that (a) our H Share Registrar lodges with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register of members and the due dispatch of H Share certificates and (b) the admission of the H Shares to trade on the Stock Exchange will comply with the Listing Rules and the General Rules of HKSCC and the HKSCC Operational Procedures in force from time to time. Until the converted Shares are re-registered on our H Share register, such Shares would not be listed as H Shares.

RESTRICTIONS ON SHARE TRANSFER

In accordance with the PRC Company Law, the shares issued prior to any public offering of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. As such, the Shares issued by our Company prior to the issue of H Shares will be subject to such statutory restriction on transfer within a period of one year from the Listing Date.

Our Directors and members of the senior management of our Company shall declare their shareholdings in our Company and any changes in their shareholdings. Shares transferred by our Directors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company. The Shares that the aforementioned persons held in our Company cannot be transferred within one year from the

date on which the shares are listed and traded, nor within half a year after they leave their positions in our Company. The Articles of Association may contain other restrictions on the transfer of the Shares held by our Directors and members of senior management and certain employees of our Company.

For more information on the lock-up undertaking given by our Controlling Shareholders pursuant to Rule 10.07 of the Listing Rules, see "Underwriting—Underwriting Arrangements and Expenses—Undertakings to the Stock Exchange Pursuant to the Listing Rules—(B) Undertakings by our Controlling Shareholders."

INCREASE IN SHARE CAPITAL

As advised by our PRC Legal Advisors, pursuant to the Articles of Association and subject to the requirements of the relevant PRC laws and regulations, our Company, upon the Listing of our H Shares, is eligible to enlarge its share capital by issuing either new H Shares or new Domestic Unlisted Shares on condition that such proposed issuance shall be approved by a special resolution of Shareholders in general meeting conducted in accordance with the provisions of the Articles of Association and that such issuance complies with the Listing Rules and other relevant laws and regulations of Hong Kong. To adopt a special resolution of Shareholders in general meeting, more than the two-thirds of the votes represented by the Shareholders (including proxies) present at the general meeting must be exercised in favor of the resolution.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

For more information on circumstances under which our Shareholders' general meetings are required, see "Appendix V—Summary of Articles of Association."

DOMESTIC UNLISTED SHARE TRANSFER REGISTRATION SERVICES

According to the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (H股公司境內未上市股份申請"全流通"業務指引) announced by the CSRC, the domestic shareholders of unlisted shares shall handle share transfer registration business in accordance with the relevant business rules of the CSDC. Further, H-share companies should submit the relevant status reports to the CSRC within 15 days after the transfer registration with the CSDC of the shares involved in the application is completed.

You should read the following discussion and analysis in conjunction with our audited consolidated financial statements included in the Accountants' Report set out in Appendix I to this prospectus, together with the accompanying notes. Our consolidated financial information has been prepared in accordance with IFRS. You should read the entire Accountants' Report and not merely rely on the information contained in this section.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance that involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical events, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. In evaluating our business, you should carefully consider all the information provided in this prospectus.

OVERVIEW

Founded in 2018, we are engaged in developing and commercializing percutaneous puncture and ablation surgical robots in China. We have one Core Product, a percutaneous puncture surgical robot available in four models, namely, TH-S1, TH-S, TH-S Pro and TH-SA. Beyond our Core Product, our pipeline also includes two key products, the percutaneous microwave ablation surgical robot TH-X MW approved for the treatment of liver and lung tumors and the percutaneous microwave ablation surgical robot TH-X HMW approved for the treatment of liver tumors, and five additional product candidates, including the TH-P series of compact percutaneous puncture surgical robots which are approved for lung and abdominal puncture, the MW150 microwave ablation device, the TH-X Cryo cryoablation robot, the TH-LS KI300 and TH-LS LU100 *ex vivo* organ preservation and assessment systems and a full range of dedicated disposables compatible with our surgical robots and organ preservation and assessment systems.

Following the receipt of our first commercialization approval in China in 2022, we commenced the commercialization of our Core Product in China in 2023. During the Track Record Period, we generated limited revenue from sales of two models of our Core Product, namely TH-S and TH-S Pro, our key products and other products, as well as medical disposables on a small scale. Our revenue amounted to RMB1.8 million and RMB12.2 million in 2024 and 2025, respectively. Given our early stage of commercialization, we incurred loss for the year of RMB92.2 million and RMB90.1 million in 2024 and 2025, respectively, mainly resulting from significant research and development expenses, as well as selling and distribution expenses and administrative expenses incurred to support our product development and initial commercialization.

We expect to continue to incur net losses in the near future. As we continue to advance our R&D efforts with an aim to expanding indications of our Core Product, continuing the development of, and seeking approval for our key products and other product pipelines, and further strengthen manufacturing and commercialization capabilities, we anticipate incurring significant amounts of research and development expenses and other operating costs. Meanwhile, we expect our revenue streams to evolve as commercialization of our Core Product progresses in the near future. We believe the expanding revenue streams will set the stage for a steady approach towards profitability.

BASIS OF PRESENTATION

Our historical financial information has been prepared in accordance with all applicable IFRS as issued by the International Accounting Standards Board (the "**IASB**"). All IFRS effective for the accounting period commencing from January 1, 2025 together with the relevant transitional provisions, have been early adopted by our Company in the preparation of the historical financial information throughout the Track Record Period.

Pursuant to the supplemental agreements entered into between our Company and the Pre-IPO Investors in relation to the termination of certain of special rights granted by us, including redemption rights and joint and several liability assumed by our Company pertaining

to redemption obligation of controlling shareholders which are void *ab initio* as described in note 27 to the Accountants' Report set out in Appendix I to this prospectus, and having taken into account the applicable legal and regulatory framework of our Company's jurisdiction and the governing law of the supplementary agreements, our Directors considered it appropriate to present the Pre-IPO Investments as equity throughout the Track Record Period in respect of the ordinary shares issued to Pre-IPO investors. For details, see note 27 of the Accountants' Report set out in Appendix I to this prospectus.

The historical financial information has been prepared under the historical cost basis, except for financial assets at fair value through profit or loss, which have been measured at fair value.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We believe our results of operations and financial conditions are mainly affected by a number of general factors that impact our ability to capitalize on the growth of target markets, including but not limited to (i) the overall economic growth and conditions; (ii) technological advancement in the sectors in which we operate; and (iii) regulatory environment.

In addition, our results of operations are also primarily affected by the following company-specific factors:

Growth and Competitive Landscape of the Global Medical Robot Market

Our financial performance and growth depend on the overall growth of the global, in particular, China's medical robot market. Supported by sustained technological innovation, rising clinical demand for precision and standardized care, and digital transformation across healthcare systems, the global and China's medical robotic market is expected to continue to grow. According to CIC, the global medical robot market has entered a period of rapid growth and is expected to reach US$70.0 billion by 2031. Meanwhile, China is expected to be a major contributor, with market size growing from US$3.6 billion in 2025 to US$16.4 billion by 2031, implying a CAGR of 29.9% from 2026 to 2031, underpinned by policy support, accelerating hospital automation, local manufacturing capacity and cost advantages.

In addition, changes in competitive landscape in the medical robot market in China and globally will also affect our results of operations. Globally, the percutaneous puncture surgical robot market is transitioning into a new phase defined by tighter convergence of imaging navigation, intelligent planning and robotic execution. China's percutaneous puncture surgical robot market is still at an early stage, with a limited pool of approved products and new entrants emerging. As of the Latest Practicable Date, a total of 21 percutaneous puncture surgical robots had obtained NMPA approvals in China (including 5 from us), comprising 19 domestic products and two imported products. Among them, our systems recorded the highest number of shipments nationwide in 2025, while the company also ranked first nationwide in overall market share by revenue in 2025. Going forward, as more market participants enter and contribute to medical robot industry, we expect the overall development of the market to accelerate, thereby fueling its growth. In September 2024, our percutaneous microwave ablation surgical robot, TH-X MW, obtained NMPA approval.

We believe that by leveraging our leadership in percutaneous and ablation surgical robots in China, together with our proven track record in clinical applications and strong support of government initiatives promoting the development of innovative enterprises, we are well-positioned to capture expected growth of the market with our robust product portfolio and improve our financial performance and results of operations in the near future as we advance through commercialization.

Development and Commercialization of our Pipeline Products

Our business and results of operations depend on our ability to successfully advance the development of our pipeline products. As of the Latest Practicable Date, we had obtained eight NMPA Class III medical device registration certificates (including two under the innovative device program, comprising one domestic first and one global first, and excluding disposables) and two NMPA Class II registration certificates (excluding disposables). As of the same date, the flagship model of our Core Product, TH-S1 was under development for other indications in addition to the commercialized indication. Beyond our Core Product, our pipeline also includes two key products, TH-X MW and TH-X HMW, both percutaneous microwave ablation surgical robots approved for the treatment of liver tumors with TH-X MW also approved for

the treatment of lung tumors, and additional product candidates, including the TH-P series of compact percutaneous puncture surgical robots which are approved for lung and abdominal puncture, the MW150 microwave ablation device, the TH-X Cryo cryoablation robot, the TH-LS KI300 and TH-LS LU100 *ex vivo* organ preservation and assessment systems and a full range of dedicated disposables compatible with our surgical robots and organ preservation and assessment systems. For more information on the development status of our pipeline products, see "Business—Our Product Portfolio." As a result, our ability to sustain an innovative, safe and efficient pipeline accepted by the physicians and hospital community is crucial for our business and results of operations.

Our Ability to Successfully Ramp up Sales of Approved Product

Our business and results of operations depend on our ability to commercialize our pipeline candidates, if they are approved, for marketing. During the Track Record Period, we sold two models of our Core Product, namely TH-S and TH-S Pro, our key products and other products, as well as medical disposables on a small scale. As we generate revenue primarily from product sales, pricing and sales volume of our commercialized products has a significant impact on our results of operations. Currently, we are still in the early stage of commercialization and we are in the process of promoting market acceptance of our products by the physician and hospital communities. Although percutaneous puncture and ablation surgical robots address key challenges in traditional percutaneous procedures, the market adoption of the Core Product has faced various difficulties and challenges, including (i) these systems target soft tissue organs in the lung and abdomen that move with respiration, which is more technically and clinically demanding than earlier orthopedic robots that use rigid registration. This requires time for physician training and adoption; (ii) the systems replace freehand puncture, so early commercialization depends on academic engagement, strong clinical outcomes, and peer reviewed evidence—work that can take years; (iii) initial users are top tier public hospitals with long procurement cycles. The process typically spans about three years, moving from promotion and trial use to clinical evaluation, departmental requests, hospital approvals, inclusion in the annual government budget, and tendering in the following year; and (iv) the difficulties and challenges in the market adoption of the Core Product are partially due to the historical lack of unified medical service fee items and standardized charging codes at the national level. Although a dedicated national billing code for procedures assisted by these products recently became available in January 2026, according to CIC, it takes two to three years for hospitals to finalize the pricing. In addition, we plan to expand our international footprint and build global presence. For example, we submitted the CE marking application for TH-S1 in January 2026. Our ability to do so, however, depends on the successful commercialization of such product and whether we are able to effectively implement our marketing strategies. Our key products and other pipeline products, after obtaining relevant regulatory approvals, may also require significant marketing efforts to improve market acceptance before we generate any revenue from product sales.

Our Ability to Improve Operating Efficiency

Our profitability will depend upon our ability to effectively control our cost of sales and improve operating efficiency. Our cost of sales primarily consists of (i) raw material costs; (ii) manufacturing costs, including depreciation and amortization, utility costs, and repair and maintenance expenses; and (iii) labor costs. Our cost of sales as a percentage of revenue was 26.9% and 23.7% in 2024 and 2025, respectively. Currently, we are still in an early stage of commercializing our products. As our production volume and revenue grow, we expect our cost of sales as a percentage of revenue may decrease, which will drive our future business growth. For details, see "—Principal Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income."

In addition, our business and results of operations are significantly affected by our operating cost structure, which primarily consisted of research and development expenses, administrative expenses and selling and distribution expenses during the Track Record Period.

Research and development activities are central to our business. Our R&D efforts are guided by unmet needs evidenced in the surgical robot market, and we strive to address these clinical needs by advancing surgical robots to benefit both physicians and patients on a wider scale. See "Business—Research and Development." In 2024 and 2025, our research and development expenses amounted to RMB50.8 million and RMB56.9 million, respectively,

representing 40.4% and 39.7% of our total operating expenses (being research and development expenses, administrative expenses and selling and distribution expenses), respectively. We expect that our research and development costs will continue to contribute to a large proportion of our total operating expenses for the foreseeable future as we move pipeline products currently at earlier clinical stage into more advanced clinical trials and advance preclinical programs into clinical trials, as well as our continued clinical development of our pipeline products.

We had established an in-house sales and marketing team comprising 51 members as of the Latest Practicable Date to provide our end customers with dedicated support. In 2024 and 2025, we incurred selling and distribution expenses of RMB40.1 million and RMB38.0 million, respectively. As we expect to ramp up sales of our commercialized products and receive marketing approvals for more pipeline products, we will further expand our sales and marketing efforts and our in-house sales and marketing team, and our selling and distribution expenses will increase accordingly. In 2024 and 2025, we incurred administrative expenses of RMB34.9 million and RMB48.2 million, respectively. We expect our administrative expenses to increase in the future to support our business expansion. We also anticipate increasing legal, compliance, accounting, insurance and investor and public relations expenses associated with being a public company.

We expect our cost structure to evolve as our business expands and as we develop and launch new products in the future. Going forward, we will continue to endeavor to further improve operating efficiency and to achieve economies of scale to enhance our profit margin.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

We have identified certain accounting policies that are material to the preparation of our consolidated financial statements. Some of our accounting policies involve subjective estimates and assumptions, as well as complex judgments related to accounting items. In each case, the determination of these items requires management judgments based on information and financial data that may change in future periods. There has not been any material deviation from our management's estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes to these estimates and assumptions in the foreseeable future. When reviewing our financial information, you should consider: (i) our selection of accounting policies; and (ii) the results to changes in conditions and assumptions.

We believe that the (i) material accounting information in relation to research and development costs, revenue recognition, fair value measurement, investments and other financial assets and classification as equity and financial liabilities, as detailed in note 2.3 to the Accountants' Report in Appendix I to this prospectus; and (ii) accounting judgments and estimates including research and development expenses, recognition of income taxes and deferred tax assets, impairment of non-financial assets, among others, as set forth in details in note 3 to the Accountants' Report in Appendix I to this prospectus are critical and/or involve the most important estimates and judgments we used in preparing our financial statements.

Impairment of Non-financial Assets

We assess whether there are any indicators of impairment for all of our non-financial assets (including right-of-use assets) at the end of year during the Track Record Period. We test for impairment of our non-financial assets when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, our management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

As of December 31, 2024 and 2025, we did not identify any indicators of impairment for our non-financial assets, given that, during the Track Record Period, (i) the right-of-use assets and leasehold improvements were in use in the normal course of our operations, and no adverse

changes affecting the leased properties had taken place during the Track Record Period or are expected to take place in the near future in the technological, market, economic or legal environment in which we operate; (ii) all equipment and intellectual property including laboratory equipment and computer software remained in use in the normal course of our operations, and no obsolescence or physical damage to these property and equipment, right-of-use assets and intangible assets had taken place during the Track Record Period, or is expected to take place in the near future.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth our consolidated statements of profit or loss and other comprehensive income for the years indicated:

	Year ended December 31,	
	2024	2025
	(RMB'000)	
Revenue	**1,791**	**12,178**
Cost of sales	(481)	(2,884)
Gross profit	**1,310**	**9,294**
Other income and gains	33,264	45,479
Selling and distribution expenses	(40,094)	(38,044)
Administrative expenses	(34,851)	(48,244)
Research and development expenses	(50,846)	(56,874)
Impairment loss of financial assets and contract assets, net	(34)	(123)
Other expenses	(308)	(1,041)
Finance costs	(594)	(398)
Share of loss of an associate	–	(161)
Loss before tax	**(92,153)**	**(90,112)**
Income tax expense	(3)	(1)
Loss for the year	**(92,156)**	**(90,113)**
Other comprehensive loss		
Other comprehensive expense that may be reclassified into profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	–	(111)
Total comprehensive loss for the year	**(92,156)**	**(90,224)**
Attributable to:		
Owners of the parent	(92,156)	(90,224)
Non-controlling interests	–	–

For details on the accounting treatment of redemption rights of Pre-IPO investments, see "—Share Capital and Total Equity" and note 27 to the Accountants' Report set out in Appendix I to this prospectus.

PRINCIPAL COMPONENTS OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Revenue

During the Track Record Period, we remained in an early stage of commercialization of our products and we generated limited revenue from sales of two models of Core Product, namely TH-S, and TH-S Pro, key products and other products, as well as medical disposables, which are single-use consumables compatible with our surgical robots, supporting their continued use and functionality. The following table sets forth a breakdown of our revenue by type, both in absolute amount and as a percentage of total, for the years indicated:

	Year ended December 31,			
	2024		2025	
	RMB'000	*% of total*	*RMB'000*	*% of total*
Sales of surgical robots	1,593	88.9	10,745	88.2
Sales of disposables	198	11.1	1,358	11.2
Sales of products – subtotal	**1,791**	**100.0**	**12,103**	**99.4**
Technical services	–	–	75	0.6
Total	**1,791**	**100.0**	**12,178**	**100.0**

Our revenue increased significantly from RMB1.8 million in 2024 to RMB12.2 million in 2025, primarily attributable to higher revenue recognized from the sale of our surgical robots as a result of increased deliveries during the year. In particular, we delivered one TH-S in 2024, compared with a total of six systems in 2025, comprising two TH-S systems, one TH-P system, one TH-S Pro system and two TH-X MW systems. In addition, the increase in delivered systems supported broader clinical utilization and contributed to higher sales of disposables. In 2025, we also recorded revenue from provision of technical services amounting to RMB75,000, representing research and development services provided by us to an associate in relation to the development of limb perfusion systems.

We derived all of our revenue from the PRC during the Track Record Period. The following table sets forth a breakdown of our revenue from sales of products, including our surgical robots and disposables, by geographical locations based on the locations of delivery for the years indicated:

	Year ended December 31,			
	2024		2025	
	RMB'000	*% of total*	*RMB'000*	*% of total*
Southern China region[(1)]	198	11.1	6,385	52.7
Western China region[(2)]	–	–	5,708	47.2
Beijing region[(3)]	1,593	88.9	10	0.1
Total	**1,791**	**100.0**	**12,103**	**100.0**

Notes:

(1) Including Guangdong.

(2) Including Guizhou and Yunnan.

(3) Including Beijing and Tianjin.

Cost of Sales

Our cost of sales primarily consists of (i) raw material costs; (ii) manufacturing costs, mainly including depreciation and amortization, utility costs and repair and maintenance expenses; and (iii) labor costs. The following table sets forth a breakdown of our cost of sales by nature for the years indicated:

	Year ended December 31,			
	2024		2025	
	RMB'000	*% of total*	*RMB'000*	*% of total*
Raw material costs	450	93.6	2,737	94.9
Manufacturing costs	22	4.6	63	2.2
Labor costs	9	1.9	84	2.9
Total	**481**	**100.0**	**2,884**	**100.0**

Our cost of sales increased significantly from RMB0.5 million in 2024 to RMB2.9 million in 2025, primarily due to (i) higher raw material costs resulting from an increase in sales volume of our surgical robots; and (ii) increased labor costs attributable to the expansion of our production activities.

Gross Profit and Gross Profit Margin

Our gross profit was RMB1.3 million and RMB9.3 million in 2024 and 2025, respectively. We achieved a gross profit margin of 73.1% and 76.3% in 2024 and 2025, respectively.

The following table sets forth the gross profit and gross profit margin for the years indicated:

	Year ended December 31,			
	2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	*%*	*RMB'000*	*%*
Sales of surgical robots	1,216	76.3	8,236	76.6
Sales of disposables	94	47.5	1,046	77.0
Technical services	–	–	12	16.0
Total/overall	**1,310**	**73.1**	**9,294**	**76.3**

Our gross profit margin is influenced by a number of interrelated factors. These include variations in the mix of products sold/services provided, the pricing of our products/services and the scale of our manufacturing operations. Additionally, products in early stages of development may incur higher initial costs, which can impact our profit margins. Fluctuations in raw material prices, labor costs and overall operational efficiency may further contribute to changes in our gross profit margin.

Our gross profit margin increased from 73.1% in 2024 to 76.3% in 2025, primarily driven by an increase in the gross profit margin from the sales of disposables from 47.5% in 2024 to 77.0% in 2025. The increase in gross profit margin from the sales of disposables was mainly attributable to economies of scale from higher sales volume and the use of domestically sourced substitute materials in 2025, which reduced unit costs. The gross profit margin from the sales of surgical robots remained relatively stable at 76.3% and 76.6% in 2024 and 2025, respectively. In 2025, we recorded gross profit margin of 16.0% for technical services provided to an associate, Guangdong Kangyuan Hesheng Medical Technology Co., Ltd. ("**Kangyuan Hesheng**"). As of December 31, 2025, we held 40% of the voting rights of Kangyuan Hesheng and exercised significant influence over it. Kangyuan Hesheng is a technology company principally engaged in research, development and sales of medical devices.

Other Income and Gains

The following table sets forth a breakdown of our other income and gains for the years indicated:

	Year ended December 31,	
	2024	2025
	(RMB'000)	
Other income		
Government grants	31,904	42,560
Bank interest income	623	473
Investment income from financial products	695	2,377
Interest income arising from loan to a related party	–	4
Interest income arising from revenue contracts containing financing component	–	12
Others	11	49

	Year ended December 31,	
	2024	2025
	(RMB'000)	
Gains		
Gain on termination of a lease contract	31	4
Total	**33,264**	**45,479**

Our other income and gains increased by 36.7% from RMB33.3 million in 2024 to RMB45.5 million in 2025, primarily due to (i) an increase in government grants. During the Track Record Period, our government grants were primarily attributable to industry development funds provided to support our research and development activities and one-off incentives awarded under the Hengqin International Sci-Tech Innovation Competition (橫琴國際科技創新創業大賽), both of which were granted by the relevant local government authorities and were non-recurring in nature. From time to time, we received subsidies, incentives and awards in recognition of our research and development efforts and contributions. We have benefited from the continued implementation of certain local government R&D expense subsidy policies, and based on the relevant policy documents currently in force, such policies have been implemented on an ongoing basis in recent years. The receipt of such subsidies remains subject to the applicable government policies from time to time; and (ii) an increase in investment income from financial products, as part of our treasury management to generate income from surplus cash after we received capital contribution from our Pre-IPO investors in early 2025.

From time to time, we hold certain financial assets measured at fair value through profit or loss in accordance with applicable accounting standards, primarily reflecting our investments in wealth management products, which we utilized as part of our treasury management to generate returns on surplus cash while maintaining liquidity for our operating needs.

Our investments in wealth management products are made in accordance with our internal treasury management policies with a focus on capital preservation, liquidity management and risk control. During the Track Record Period, we generally invested in low-risk wealth management products issued by reputable financial institutions, with short tenors ranging from one to six months.

We have established internal control procedures governing such investments. All proposed investments in wealth management products are prepared and submitted by our finance department, which is responsible for, among others, (i) assessing the nature, risk profile, expected returns and maturity of the relevant products, (ii) monitoring our cash position and anticipated operating cash flow requirements, and (iii) ensuring that such investments are consistent with our internal policies and do not adversely affect our liquidity position. Such investment proposals are subject to review and approval by our general manager prior to execution.

Our management team has experience in financial and treasury management, and actively monitors the performance and risk profile of our investments in wealth management products on an ongoing basis. In evaluating and approving such investments, our management takes into account our anticipated operational funding needs, capital expenditure requirements and working capital commitments to ensure that sufficient liquidity is maintained for the Group's business operations.

Our Board exercises overall supervision over our treasury management activities, including our investments in wealth management products. Our Board is regularly informed of our treasury position and the status of our investments in wealth management products. Under our internal policies, material investments in wealth management products that meet the prescribed threshold are required to be reviewed by our Board. During the Track Record Period, our investments were made within the scope authorized under our internal policies.

Following the Listing, any investment in wealth management products will be conducted in compliance with the Listing Rules, including the applicable requirements under Chapter 14 of the Listing Rules, where relevant.

Selling and Distribution Expenses

Our selling and distribution expenses consisted of (i) staff costs, including salaries, bonus and welfare for our sales personnel; (ii) office and business expenses, mainly representing expenses incurred for business development activities, traveling expenses for our sales personnel and other office expenses; (iii) marketing expenses, mainly representing costs incurred in relation to marketing campaigns targeting our distributors and trainings provided to hospitals; (iv) depreciation and amortization, mainly arising from surgical robots for trial uses; and (v) others. The following table sets forth a breakdown of our selling and distribution expenses by nature for the years indicated:

	Year ended December 31,			
	2024		2025	
	RMB'000	*% of total*	*RMB'000*	*% of total*
Staff costs	20,950	52.3	19,199	50.5
Office and business expenses	7,854	19.6	9,563	25.1
Marketing expenses	7,306	18.2	5,461	14.4
Depreciation and amortization	2,482	6.2	2,610	6.9
Others	1,502	3.7	1,211	3.1
Total	**40,094**	**100.0**	**38,044**	**100.0**

Our selling and distribution expenses decreased by 5.1% from RMB40.1 million in 2024 to RMB38.0 million in 2025, primarily due to (i) a decrease in marketing expenses as a result of fewer channel expansion agreements entered into during the year, and enhanced cost control and optimization of our marketing and promotion strategies during the year; (ii) a decrease in staff costs as a result of our adjustment to our sales team structure, leading to a decrease in headcount. Such decreases were partially offset by an increase in office and business expenses as a result of increased business traveling for our sales team during the year.

Administrative Expenses

Our administrative expenses consisted of (i) listing expenses, representing professional fees incurred in relation to the Global Offering; (ii) staff costs, including salaries, bonus and welfare for administrative personnel and our management; (iii) professional service fees, in relation to market studies on local policies and routine legal, valuation and auditing services; (iv) office and traveling expenses; (v) business development expenses; (vi) depreciation and amortization; and (vii) others. The following table sets forth a breakdown of our administrative expenses by nature for the years indicated:

	Year ended December 31,			
	2024		2025	
	RMB'000	*% of total*	*RMB'000*	*% of total*
Listing expenses	–	–	16,045	33.3
Staff costs	12,390	35.6	11,946	24.8
Professional service fees	6,311	18.1	6,016	12.5
Office and traveling expenses	5,701	16.4	4,768	9.9
Business development expenses	5,287	15.2	4,747	9.8
Depreciation and amortization	5,057	14.5	4,617	9.6
Others	105	0.2	105	0.1
Total	**34,851**	**100.0**	**48,244**	**100.0**

Our administrative expenses increased by 38.4% from RMB34.9 million in 2024 to RMB48.2 million in 2025, primarily due to (i) the increase in listing expenses. Such increase was partially offset by savings in other administrative expense categories as a result of cost control measures.

Research and Development Expenses

Our research and development expenses consist of (i) staff costs, including salaries, bonus and welfare for research and development employees; (ii) raw material costs; (iii) depreciation and amortization, mainly attributable to our machinery and equipment used for R&D purposes; (iv) clinical trial and testing expenses primarily including payments to CROs and other medical institutions and testing fees incurred during the research and development of our pipeline products; (v) third-party contracting costs, primarily including technical service fees; (vi) office expenses; and (vii) others. The following table sets forth a breakdown of our research and development expenses for the years indicated:

	Year ended December 31,			
	2024		2025	
	RMB'000	*% of total*	*RMB'000*	*% of total*
Staff costs	27,856	54.8	31,518	55.4
Raw material costs	7,963	15.7	6,859	12.1
Depreciation and amortization	5,656	11.1	6,191	10.9
Clinical trial and testing expenses	3,588	7.1	5,620	9.9
Third-party contracting costs	4,281	8.4	4,774	8.4
Office expenses	1,380	2.7	1,905	3.3
Others	122	0.2	7	0.0
Total	**50,846**	**100.0**	**56,874**	**100.0**

Our research and development expenses attributable to our Core Product were RMB11.9 million and RMB25.4 million in 2024 and 2025, respectively, accounting for 9.4% and 17.7% of our total operating expenses (i.e. research and development costs, selling and distribution expenses and administrative expenses collectively) in the respective years. While we have been primarily engaged in the R&D of our Core Product since 2018, the R&D expenses attributable to our Core Product may fluctuate from year to year depending on the R&D progress and commercialization efforts. The R&D expenses attributable to our Core Product were relatively low in 2024, primarily for the following reasons: (i) as the TH-S1 model's commercialization process commenced in May 2022 and the TH-S model's commercialization process commenced in June 2023, following their respective registration approval from the NMPA, the R&D expenses for these models decreased in 2024 as compared to 2023, and our operational focus shifted, to a certain extent, to cultivating the market and driving further commercialization for these models; and (ii) Research on localized, miniaturized robotic arms commenced. Although the R&D expenses incurred on such research were not accounted as R&D expenses attributable to our Core Product, such research was related to the Core Product as it is a research on fundamental technology. Our research and development costs attributable to our Core Product increased from RMB11.9 million in 2024 to RMB25.4 million in 2025, primarily attributable to the increase in costs incurred for the development for indication expansion of TH-S1 and the development of TH-SA. We expect to continue to incur research and development costs for our Core Product as we continue our R&D to expand its indication and to pursue product iteration.

Our research and development expenses increased by 11.9% from RMB50.8 million in 2024 to RMB56.9 million in 2025, primarily attributable to (i) an increase in staff costs, reflecting the expansion of our research and development personnel to support ongoing product development initiatives; and (ii) an increase in clinical trial and testing expenses as certain products in our research and development pipeline progressed into stages requiring clinical trials and related testing. Such increases were partially offset by a decrease in raw material costs, reflecting reduced material consumption at particular stages of product development. Lower material usage was generally incurred during development phases requiring fewer prototype build and testing activities.

Impairment Loss of Financial Assets and Contract Assets, net

Our impairment losses on financial assets and contract assets mainly arose from our other receivables in relation to our rental deposits. In 2024 and 2025, we incurred provision for impairment losses on financial assets and contract assets of RMB34,000 and RMB0.1 million, respectively.

Other Expenses

Our other expenses mainly consisted of donations and write-off of certain electronic equipment. In 2024 and 2025, we incurred other expenses of RMB0.3 million and RMB1.0 million, respectively.

Finance Costs

Our finance costs consisted of (i) interest on bank and other loans; and (ii) interest on lease liabilities. In 2024 and 2025, we incurred finance costs of RMB0.6 million and RMB0.4 million, respectively.

Our finance costs decreased from RMB0.6 million in 2024 to RMB0.4 million in 2025, primarily due to a decrease in interest on lease liabilities as we settled lease payments in accordance with the lease terms.

Share of Loss of an Associate

In 2025, we recognized share of loss of an associate of RMB0.2 million, which was primarily attributable to our associate 40% held by us and established in April 2025. The associate incurred net losses mainly due to significant research and development activities undertaken for product development during its early stage of operations.

Income Tax

Our income tax primarily consisted of income tax payable by us at the applicable tax rates in accordance with the relevant laws and regulations in each tax jurisdiction in which we operate or are domiciled.

During the Track Record Period and up to the Latest Practicable Date, we paid all relevant taxes that were due and applicable to us and had no material disputes or unresolved tax issues with the relevant tax authorities. The following sets forth our principal applicable tax rates in different jurisdictions:

Chinese Mainland

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the Enterprise Income Tax ("EIT") rate of the PRC subsidiaries was 25% during the Track Record Period except for our Company which was subject to tax concession set out below. A preferential tax treatment is available to our Company, which was recognized as a High and New Technology Enterprise in 2023, and a lower corporate income tax of 15% has been applied since then. Our Company is also entitled to enterprise income tax at a reduced rate of 15% as an eligible industrial enterprises established in the Hengqin Guangdong—Macau In-Depth Cooperation Zone, pursuant to the Notice on the Preferential Enterprise Income Tax Policies for Enterprises in the Hengqin Guangdong—Macau In-Depth Cooperation Zone (Cai Shui [2022] No. 19) jointly issued by the Ministry of Finance and the State Taxation Administration on May 25, 2022. A preferential tax treatment is available to True Health (Guangdong Hengqin) and True Health (Beijing), which were recognized as a High and New Technology Enterprise in 2024, and a lower corporate income tax of 15% has been applied since then. The certificate of High and New Technology Enterprise must be renewed every three years.

Macau

Our subsidiary incorporated in Macau is subject to Macau profits tax at the rate of 12% on the estimated assessable profits arising in Macau. No provision for Macau profits tax has been made as we had no assessable profits derived from or earned in Macau during the Track Record Period.

In 2024 and 2025, we incurred tax expense of RMB3,000 and RMB1,000, respectively, resulting from the assessable profits arising from investment gains of wealth management products in our subsidiary.

DISCUSSION OF CERTAIN KEY ITEMS IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Property, Plant and Equipment

The following table sets forth a breakdown of the net carrying amount of our property, plant and equipment as of the dates indicated:

	As of December 31,	
	2024	2025
	(RMB'000)	
Machinery and equipment	14,145	12,165
Leasehold improvements	1,723	877
Electronic equipment	633	862
Motor vehicles	90	53
Office equipment	68	25
Total	**16,659**	**13,982**

Our property, plant and equipment decreased from RMB16.7 million as of December 31, 2024 to RMB14.0 million as of December 31, 2025, primarily attributable to the depreciation charged during the year.

Intangible Assets

Our intangible assets comprised the software and intellectual property used in our operations. Our intangible assets decreased from RMB1.4 million as of December 31, 2024 to RMB0.8 million as of December 31, 2025, mainly due to the amortization of our software and intellectual property during the year.

Inventories

The following table sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,	
	2024	2025
	(RMB'000)	
Raw materials	8,921	18,183
Finished goods	12,767	22,436
Total	**21,688**	**40,619**

Our inventories increased significantly from RMB21.7 million as of December 31, 2024 to RMB40.6 million as of December 31, 2025, primarily due to the increase in raw materials and finished goods as we scaled up production activities in line with our transition from the research and development phase to the early commercialization stage of our business.

Our raw materials increased significantly from RMB8.9 million as of December 31, 2024 to RMB18.2 million as of December 31, 2025, primarily attributable to (i) our procurement of components and materials in advance to secure favorable pricing and ensure stable supply chain arrangements, particularly given the specialized nature of components used in our surgical robot manufacturing and the lead times required for procurement of such components; (ii) our strategic decision to build up safety stock of raw materials to mitigate potential supply chain disruptions and to support our anticipated production schedule; and (iii) the expansion of our production pipeline to support expected orders and the growing market demand for our products as we progressed further into commercialization. Our finished goods increased significantly from RMB12.8 million as of December 31, 2024 to RMB22.4 million as of December 31, 2025, reflecting our advance production carried out in 2024 based on our management's assessment of demand with reference to project resource schedules, in anticipation of expected orders and to ensure timely delivery. Given the nature of surgical robot products, which typically involve extended sales cycles encompassing product demonstrations, procurement budgetary process and procedures, our management considered it prudent to maintain an adequate level of finished goods to ensure timely delivery upon order confirmation and to demonstrate our fulfillment capability to prospective customers. However, certain anticipated orders had not been placed as originally projected by the year end, resulting in higher finished goods inventory. Notwithstanding the above, based on our management assessment of market conditions supported by favorable government policy and the expected execution of our sales and commercialization plans, our Directors believe that the underlying demand for the relevant products and projects remains, and we will continue to promote project execution and order conversion. As of December 31, 2025, our finished goods mainly comprised surgical robots, accounting for 97.6% of our finished goods by inventory value as of December 31, 2025. All of these surgical robots are our Core Product and key products approved for commercialization. Our Directors have considered the shelf life and technological relevance of our inventory and are of the view that our finished goods inventory does not face material risk of obsolescence, as our products incorporate our latest approved technology and remain aligned with current clinical requirements.

We calculate the inventory turnover days using the average of the opening and ending inventory balances for the year, divided by total purchases for the relevant year, multiplied by the number of days in the relevant year (i.e. 365 days for each of the years ended December 31, 2024 and 2025). The following table sets forth our inventory turnover days for the years indicated:

	Year ended December 31,	
	2024	**2025**
Inventory turnover days	72	136

The significant increase in inventory turnover days from 72 days in 2024 to 136 days in 2025 was primarily due to the substantial build-up of inventories, in particular finished goods and raw materials. This increase was mainly driven by our advance production carried out in 2024 based on management's assessment of anticipated demand, with reference to project resource schedules, in order to prepare for expected orders and ensure timely delivery. However, certain anticipated orders were not placed as originally projected by the end of 2025, resulting in a higher level of unsold finished goods. As a result, inventory remained on hand for a longer period before being converted into sales, thereby increasing inventory turnover days. In addition, the increase in raw materials procured to support planned production further contributed to the higher overall inventory balance and slower inventory turnover.

The following table sets forth the aging analysis of our inventories as of the dates indicated:

	As of December 31,			
	2024		**2025**	
	RMB'000	*%*	*RMB'000*	*%*
Within 1 year	21,432	98.8	28,329	69.7
1-2 years	256	1.2	12,241	30.2
Over 2 years	–	–	49	0.1
	21,688	**100.0**	**40,619**	**100.0**

As of December 31, 2024 and 2025, we had inventories aged over one year of RMB0.3 million and RMB12.3 million, respectively, accounting for 1.2% and 30.3% of our total inventories as of the respective dates. Such increase was primarily attributable to (i) the gradual roll out of our products into the market as we obtained approvals for commercializing of products, including TH-S1 in May 2022, TH-S in June 2023 and several other models in 2024; (ii) the timing difference between production cycles and customer procurement schedules; and (iii) our practice of maintaining a certain level of inventory to support potential customer orders and shorten delivery lead times.

As of December 31, 2025, we recorded write-down of inventories amounting to RMB22,000 in relation to our raw materials, where the net realizable value is assessed to be lower than cost. We had not made any write-down of inventories in respect of our finished goods during the Track Record Period. Given that (i) our inventories were produced based on our management's assessment of demand, based on current market conditions supported by favorable government policy, our existing sales pipeline, the expected execution of our sales and commercialization plans and (ii) that we did not experience any material inventory obsolescence or write-offs in respect of inventories aged over one year as our products incorporate our latest approved technology and remain aligned with current clinical requirements, notwithstanding that we remained at an early stage of commercialization with relatively lower sales during the Track Record Period, the Directors are of the view that sufficient impairment provision has been made for our inventories as at the end of each year during the Track Record Period, that the carrying amounts of such inventories are recoverable, and that no material impairment or recoverability issue has arisen in respect of inventories based on their subsequent utilization, sales or settlement.

We will continue to review our inventory aging profile on a regular basis and we had established internal controls and procedures to monitor inventory turnover and identify slow-moving items. Our management will continue to closely monitor sales progress and market demand, and adjust our production and inventory management strategies accordingly, with a view to mitigating the risk of inventory impairment and excessive stock accumulation.

As of April 30, 2026, RMB4.3 million, or approximately 10.5%, of our inventories as of December 31, 2025 had been utilized or sold. The relatively low level of subsequent utilization is primarily attributable to the extended sales cycles inherent in our business, which typically encompass product demonstrations and hospital procurement budgetary processes, as well as the timing difference between our advance production and the pace of customer order placement, as discussed above. Having considered the confirmed sales orders, the favorable government policy environment, our existing sales pipeline and commercialization plans, and that our products incorporate our latest approved technology without material risk of obsolescence, our Directors are of the view that the level of inventories as of December 31, 2025, although significant relative to our revenue given our early-stage commercialization, is consistent with the operational requirements of our business and does not give rise to material recoverability issue.

Trade Receivables and Contract Assets

Our trade receivables represented amounts due from our customers for sales of our products. Our contract assets represented revenue that had been recognized from the sales and delivery of our products but for which the right to consideration is conditional upon the expiry of the applicable warranty periods. Upon satisfaction of such warranty conditions, the related contract assets will be reclassified to trade receivables.

As of December 31, 2024 and 2025, we recorded trade receivables of nil and RMB4.7 million, respectively; and contract assets of nil and RMB0.4 million, respectively. We recorded small amount of trade receivables and contract assets during the Track Record Period, as we are still at an early stage of commercialization with a limited number of customers and sales transactions. All of our trade receivables as of December 31, 2025 were aged within six months.

We calculate the trade receivable and contract asset turnover days using the average of the opening and ending trade receivable and contract asset balances for the year, divided by total revenue for the relevant year, multiplied by the number of days in the relevant year (i.e. 365 days for each of the years ended December 31, 2024 and 2025). The following table sets forth our trade receivable and contract asset turnover days for the years indicated:

	Year ended December 31,	
	2024	2025
Trade receivable and contract asset turnover days	N/A	77

Having considered the aging profile, our on-going engagement with our customers, the credit quality of our customers and the subsequent settlement patterns, our Directors consider that a substantial portion of our trade receivables are recoverable and sufficient impairment provisions have been made for our trade receivables.

As of April 30, 2026, RMB1.7 million, or approximately 36.4%, of our trade receivables as of December 31, 2025 had been subsequently settled; and none of our contract assets as of December 31, 2025 had been reclassified to trade receivables.

Prepayments, Deposits and Other Receivables

The following table sets forth our prepayments, deposits and other receivables as of the dates indicated:

	As of December 31,	
	2024	2025
	(RMB'000)	
Non-current		
Prepayments for purchase of equipment	–	228
Deposits[(1)]	1,201	577
Value-added tax recoverable	10,442	16,282
	11,643	17,087
Impairment allowance	(10)	(5)
Subtotal	11,633	17,082
Current		
Prepayments[(2)]	3,330	5,987
Deposits[(1)]	799	1,085
Deferred listing expenses	–	3,665
Loans receivable from related parties	–	1,004
Other receivables	4,031	2
	8,160	11,743
Impairment allowance	(41)	(18)
Subtotal	8,119	11,725
Total	**19,752**	**28,807**

Notes:

(1) Mainly including rental deposits, which were classified into current and non-current assets depending on terms of the underlying leases.

(2) Mainly including prepayments for purchase of inventories and other services.

Our prepayments, deposits and other receivables as recognized under non-current assets increased from RMB11.6 million as of December 31, 2024 to RMB17.1 million as of December 31, 2025, primarily due to the accumulation of unutilized input VAT credits, as the output VAT generated from sales during the year was insufficient to fully offset the input VAT incurred on the procurement of goods, fixed assets, services and lease rentals.

Our prepayments, deposits and other receivables as recognized under current assets increased from RMB8.1 million as of December 31, 2024 to RMB11.7 million as of December 31, 2025, primarily due to (i) an increase in deferred listing expenses of RMB3.7 million; (ii) prepayments for purchases of inventories; and (iii) the recognition of loans receivables from related parties of RMB1.0 million, reflecting the loans we provided to our associate for working capital purpose.

Trade Payables

Our trade payables primarily represented outstanding amounts due to our suppliers, which are mainly suppliers for raw materials and research and development services. The following table sets forth the aging analysis of our trade payables, based on the invoice date, as of the dates indicated:

	As of December 31,	
	2024	2025
	(RMB'000)	
Within 3 months	884	2,783
3 to 6 months	–	–
6 to 12 months	–	–
Over 1 year	1	1
Total trade payables	**885**	**2,784**

Our trade payables increased significantly from RMB0.9 million as of December 31, 2024 to RMB2.8 million as of December 31, 2025, primarily due to the increase in purchases to support our production and R&D activities.

We calculate the trade payable turnover days using the average of the opening and ending trade payables balances for the year, divided by total purchases for the relevant year, multiplied by the number of days in the relevant year (i.e. 365 days for each of the years ended December 31, 2024 and 2025). The following table sets forth our trade payable turnover days for the years indicated:

	Year ended December 31,	
	2024	2025
Trade payable turnover days	2	8

During the Track Record Period, we recorded a relatively low trade payable turnover days as certain of our purchases required advance payments.

As of April 30, 2026, RMB1.6 million, or approximately 56.4%, of our trade payables as of December 31, 2025 were subsequently settled.

Other Payables and Accruals

The following table sets forth our other payables and accruals as of the dates indicated:

	As of December 31,	
	2024	2025
	(RMB'000)	
Payroll payables	9,282	11,356
Loan from a Director[(1)]	976	–
Loan from a Director's family member	273	–
Other payables[(2)]	954	1,203
Accrued listing expenses	–	3,508
Other tax payables	3,649	1,003
Total other payables and accruals	**15,134**	**17,070**

Notes:

(1) Representing a loan from Ms. Cheong amounting to MOP1,000,000 at an interest rate of 12% per annum, which had been settled in 2025.

(2) Mainly including finance service fee payable and other miscellaneous payables.

Our other payables and accruals increased slightly from RMB15.1 million as of December 31, 2024 to RMB17.1 million as of December 31, 2025, primarily due to (i) accrued listing expenses incurred but not yet settled as of December 31, 2025; and (ii) an increase in payroll payables, mainly due to the increase in staff headcount and the amount of bonuses accrued during the year. Such increases were partially offset by a decrease in other tax payables as a result of settlement made to tax.

Deferred Income

Our deferred income arose from subsidies received from the government in relation to our research and capital investments. The relevant grant is recognized as other income in profit or loss as the underlying project progresses upon the fulfillment of certain conditions.

Our deferred income increased from RMB6,000 as of December 31, 2024 to RMB8.2 million as of December 31, 2025, primarily as we received more government subsidies. As of December 31, 2025, our deferred income were mainly associated with innovation and entrepreneurship team project management initiatives.

As of April 30, 2026, none of our deferred income as of December 31, 2025 were subsequently recognized in the profit or loss.

Share Capital and Total Equity

Our paid-in capital/share capital amounted to RMB24.7 million and RMB32.1 million as of December 31, 2024 and December 31, 2025, respectively. On October 29, 2025, our Company converted into a joint stock company with limited liability under the Company Law of the PRC.

Pursuant to the shareholder's agreements entered into between our Company and certain of the Pre-IPO Investors (collectively the "Agreements"), our Company issued 13,388,227 ordinary shares, representing the number of shares after the conversion into a joint stock company, to certain Pre-IPO Investors for a total net cash proceeds of RMB640.0 million. Pursuant to the Agreements, we granted the Pre-IPO Investors with special rights ("Special Rights") including, among others, redemption rights.

During the Track Record Period, there was no exercise of Special Rights.

From May 2025 to November 2025, our Company and the Pre-IPO Investors subsequently entered into supplemental agreements, pursuant to which we had irrevocably terminated certain of the Special Rights to Pre-IPO investors, including redemption rights and joint and several liability assumed by our Company pertaining to redemption obligation of controlling shareholders and such special rights were considered *void ab initio*. Taking into account the legal and regulatory framework of our Company's jurisdiction and the governing law of the supplemental agreements, our Directors considered that it is appropriate to present the Pre-IPO Investments as equity throughout the Track Record Period.

For illustrative purpose, had the Special Rights granted to the Pre-IPO Investors been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the supplemental agreements, (i) the redemption financial liabilities, net current liabilities/assets and net deficits/assets; and (ii) the finance costs associated with the redemption financial liabilities, the total net losses and the basic and dilutive loss per share would have been:

	As of December 31,	
	2024	2025
	(RMB'000)	
Redemption financial liabilities	499,590	–
Total current liabilities	524,202	30,116
Net current (liabilities)/assets	(410,487)	208,588
Net (deficits)/assets	(374,140)	239,566

	Year ended December 31,	
	2024	2025
	(RMB'000)	
Finance costs associated with the redemption financial liabilities	35,605	45,316
Total net losses	(127,761)	(135,429)
Basic and dilutive loss per share (RMB per share)	(5.30)	(4.43)

NET CURRENT ASSETS

The table below sets forth our current assets, current liabilities and net current assets as of the dates indicated:

	As of December 31,		As of April 30, 2026
	2024	2025	
	(RMB'000)		*(unaudited)*
Current assets			
Inventories	21,688	40,619	44,063
Trade receivables	–	3,580	1,967
Contract assets	–	386	386
Prepayments, deposits and other receivables	8,119	11,725	18,902
Financial assets at fair value through profit or loss	–	–	70,000
Cash and cash equivalents	83,908	182,394	82,895
Total current assets	**113,715**	**238,704**	**218,213**
Current liabilities			
Trade payables	885	2,784	5,746
Other payables and accruals	15,134	17,070	12,671
Contract liabilities	2,230	4,141	5,737
Lease liabilities	6,361	6,120	5,209
Tax payable	2	1	–
Interest-bearing bank loans	–	–	8,805
Total current liabilities	**24,612**	**30,116**	**38,168**
Net current assets	**89,103**	**208,588**	**180,045**

For details on the accounting treatment of redemption rights of Pre-IPO investments, see "—Share Capital and Total Equity" in this section and note 27 to the Accountants' Report set out in Appendix I to this prospectus.

We had net current assets of RMB89.1 million, RMB208.6 million and RMB180.0 million as of December 31, 2024, 2025 and April 30, 2026, respectively.

Our net current assets increased significantly from RMB89.1 million as of December 31, 2024 to RMB208.6 million as of December 31, 2025, primarily due to the cash and cash equivalents as we received cash from contribution by Pre-IPO Investors. Our net current assets decreased from RMB208.6 million as of December 31, 2025 to RMB180.0 million as of April 30, 2026, primarily due to cash consumed in our operations during the four months ended April 30, 2026.

LIQUIDITY AND CAPITAL RESOURCES

Overview

Our use of cash was primarily related to research and development activities, operating activities and capital expenditure. Historically, we financed our operations mainly through funds from our investors, cash generated from our operating activities and financing activities. As of December 31, 2024 and 2025, we had cash and cash equivalents of RMB83.9 million and RMB182.4 million, respectively. As of April 30, 2026, we had committed unutilized banking facilities of RMB20.0 million.

Going forward, we believe that our liquidity requirements will be satisfied with a combination of our internal resources, cash flows generated from our operating activities, financing activities, and net proceeds from the Global Offering.

Cash Flows Analysis

The following table sets forth a summary of our cash flows during the Track Record Period:

	Year ended December 31,	
	2024	2025
	(RMB'000)	
Net cash flows used in operating activities	(97,045)	(91,895)
Net cash flows used in investing activities	(6,658)	(2,287)
Net cash flows from financing activities	65,133	192,817
Net (decrease)/increase in cash and cash equivalents	(38,570)	98,635
Cash and cash equivalents at the beginning of the year	122,484	83,908
Effect of foreign exchange rate changes, net	(6)	(149)
Cash and cash equivalents at the end of the year	83,908	182,394

Operating Activities

Cash flows from operating activities consist of our loss before tax adjusted for (i) certain non-cash or non-operating activities related items, primarily including finance costs, interest income, depreciation of property, plant and equipment and right-of-use assets, amortization of intangible assets, investment income from financial assets and impairment losses on financial assets and contract assets, among others; (ii) the effects of movement in working capital such as inventories, prepayments, deposits and other receivables and other payables and accruals and deferred income, among others, and (iii) income tax paid. Cash flows from operating activities can be significantly affected by factors such as fluctuations of loss before tax across periods, and the amount of payment of trade payables to suppliers or other counterparties during the ordinary course of our business, which also primarily accounted for the difference in the net cash flows generated from operating activities across periods during the Track Record Period.

We recorded net operating cash outflow throughout the Track Record Period as our business was still at early stage of development with only a limited number of commercialized products. We plan to improve our operating cash flows through a combination of measures, including (i) further increasing the market penetration of our currently commercialized products by expanding hospital coverage, strengthening distributor and sales channel execution and deepening engagement with existing customers, with a view to driving sales growth and converting existing demand into operating cash inflows; (ii) accelerating the commercialization of our pipeline products by prioritizing products that have obtained or are approaching regulatory approval and focusing our commercialization resources on products with clearer market demand and revenue potential, thereby generating incremental product revenues and corresponding cash inflows; and (iii) enhancing capital management efficiency through strengthened cash flow forecasting and internal budgeting, tighter working capital management (including stricter inventory turnover controls, order-driven production planning and enhanced receivables collection policies), disciplined capital expenditure planning aligned with production and sales needs, and prudent treasury management, with a view to improving cash conversion efficiency and optimizing the utilization of financial resources.

Our net cash used in operating activities was RMB91.9 million in 2025. This net cash outflow was attributable to loss before tax of RMB90.1 million, as adjusted to reflect non-cash or non-operating items, which primarily consisted of (i) depreciation of right-of-use assets of RMB7.3 million; and (ii) depreciation of property, plant and equipment of RMB5.5 million. This amount was further adjusted for the negative effect in working capital. The negative effect of changes in working capital primarily represents (i) an increase in inventories of RMB19.0 million; (ii) an increase in deferred income of RMB8.2 million; (iii) an increase in trade receivables of RMB4.9 million; and (iv) an increase in prepayments, deposits and other receivables of RMB4.1 million.

Our net cash used in operating activities was RMB97.0 million in 2024. This net cash outflow was attributable to loss before tax of RMB92.2 million, as adjusted to reflect non-cash or non-operating items, which primarily consisted of (i) depreciation of right-of-use assets of RMB6.9 million; and (ii) depreciation of property, plant and equipment of RMB4.9 million. This amount was further adjusted for the negative effect in working capital. The negative effect of changes in working capital primarily represents (i) an increase in inventories of RMB13.5 million; and (ii) an increase in prepayments, deposits and other receivables of RMB10.5 million, partially offset by (iii) an increase in other payables and accruals of RMB5.1 million.

Investing Activities

Our net cash used in investing activities was RMB2.3 million in 2025. This net cash outflow was primarily due to (i) purchases of wealth management products of RMB464.8 million, partially offset by (ii) proceeds from disposal of wealth management products of RMB467.2 million.

Our net cash used in investing activities was RMB6.7 million in 2024. This net cash outflow was primarily due to (i) purchases of wealth management products of RMB238.5 million; and (ii) purchases of property, plant and equipment of RMB7.9 million. This net cash outflow was partially offset by proceeds from disposal of wealth management products of RMB239.2 million.

Financing Activities

Our net cash from financing activities was RMB192.8 million in 2025. This net cash inflow was primarily due to capital contribution by shareholders of RMB204.3 million, partially offset by a repayment of lease payments of RMB7.2 million.

Our net cash from financing activities was RMB65.1 million in 2024. This net cash inflow was primarily due to capital contribution by shareholders of RMB71.9 million. This net cash inflow was offset by the repayment of lease payments of RMB7.9 million.

Working Capital Sufficiency

Taking into account the estimated net proceeds from the Global Offering and the financial resources available to us, including cash and bank balances and considering our cash burn rate, our Directors are of the view that we have available sufficient working capital to cover at least 125% of our costs, including administrative and operating expenses (including any production costs), research and development expenses, and selling and distribution expenses, for at least the next 12 months from the date of this prospectus.

Cash Burn

Our cash burn rate refers to our average monthly (i) net cash used in operating activities, which includes payments for research and development expenses, selling and distribution expenses and administrative expenses; and (ii) capital expenditures. Taking into account our cash and cash equivalents, financial assets at fair value through profit or loss as of April 30, 2026 and assuming average monthly net cash used in operating activities and capital expenditures going forward of 1.8 times the average level in 2025, based on the underlying assumptions that (i) we will increase our investment in research and development by recruiting more R&D talents and conducting more clinical trials related to the upgrade and innovation of our products; (ii) we will increase our selling and distribution spending by recruiting more experienced sales and marketing staff; (iii) we do not expect a significant increase in capital expenditure; and (iv) we do not expect significant acquisition of any assets, we estimate we will be able to maintain our financial viability for 10 months from May 2026 without considering proceeds from the Global Offering; or, if we also take into account the net proceeds from Global Offering, assuming an Offer Price of HK$119.3 per Offer Share (being the low end of the indicative Offer Price range), we estimate we will be able to maintain our financial viability for 30 months from May 2026. Our Directors and our management team will continue to monitor our working capital, cash flows and our business development status.

We currently have no immediate plan for future financing after the Listing taking into account our available cash, proceeds from the Global Offering and based on our cash burn rate. However, with the continuing expansion of our business and development of our products, we could not exclude the possibility to require further funding through public or private equity offerings, debt financing and other sources. We will comply with applicable laws and regulations, including requirements under the Listing Rules, when we proceed with such financings.

INDEBTEDNESS AND CONTINGENT LIABILITIES

Indebtedness

During the Track Record Period, our indebtedness primarily comprises lease liabilities and amounts due to related parties, which included loans from a Director and a Director's family member as recorded under other payables and accruals. There had not been any material change in our indebtedness since April 30, 2026 and up to the Latest Practicable Date. The following table sets forth a breakdown of our indebtedness as of the dates indicated:

	As of December 31,		As of April 30, 2026
	2024	2025	
		(RMB'000)	
			(unaudited)
Included in current liabilities			
Lease liabilities	6,361	6,120	5,209
Amount due to related parties	1,249	–	–
Interest-bearing bank loans	–	–	8,805
	7,610	6,120	14,014
Included in non-current liabilities			
Lease liabilities	5,307	2,938	2,472
	5,307	2,938	2,472

Lease Liabilities

Our lease liabilities mainly represent the amount to be paid by us as the lessee for the leases of office buildings and vehicles.

Our lease liabilities decreased from RMB11.7 million as of December 31, 2024 to RMB9.1 million as of December 31, 2025 and further to RMB7.7 million as of April 30, 2026, primarily as we made lease payments.

For a maturity analysis of our lease liabilities, see note 35 to the Accountants' Report included in Appendix I to this prospectus.

Interest-bearing Bank Loans

We had interest-bearing bank loans of RMB8.8 million as of April 30, 2026, all of which were unsecured and unguaranteed.

During the Track Record Period, we did not experience any difficulty in obtaining bank loans and other borrowings. We had not defaulted in any of the repayment of bank loans and other borrowings or breached any of the covenants during the Track Record Period and up to the Latest Practicable Date.

Contingent Liabilities

As of April 30, 2026, we did not have any material outstanding debt securities, mortgage, charges, debentures or other loan capital (issued or agreed to be issued), bank overdrafts, loans, liabilities under acceptance or acceptance credits, or other similar indebtedness, leasing and financial leasing commitments, hire purchase commitments, guarantees or other material contingent liabilities.

CASH OPERATING COSTS

The following table sets forth key information relating to our cash operating costs for the years indicated:

	Year ended December 31,	
	2024	2025
	(RMB'000)	
R&D Costs	43,606	48,419
R&D Costs for Core Product	9,875	22,823
Staff costs	7,800	10,171
Raw material costs	1,331	3,062
Clinical trial and testing expenses	437	4,112
Third-party contracting costs	177	4,447
Others	130	1,031
R&D Costs for Other Product and Product Candidates	33,731	25,596
Staff costs	19,541	18,495
Raw material costs	6,624	3,605
Third-party contracting costs	3,132	867
Clinical trial and testing expenses	3,064	1,119
Others	1,370	1,510
Workforce employment	33,340	30,450
Product marketing	5,146	2,595
Total	**82,092**	**81,464**

CAPITAL EXPENDITURES AND CONTRACTUAL COMMITMENTS

Capital Expenditures

Our capital expenditures during the Track Record Period primarily consisted of expenditures on (i) property, plant and equipment; and (ii) intangible assets. The following table sets forth our capital expenditures for the years indicated:

	Year ended December 31,	
	2024	2025
	(RMB'000)	
Property, plant and equipment	7,868	3,045
Intangible assets	123	219
Total	**7,991**	**3,264**

We expect to incur capital expenditure for purchase of machinery and equipment. We intend to fund our planned capital expenditures through a combination of cash and cash equivalents and the net proceeds from the Global Offering. For more details, see "Future Plans and Use of Proceeds" in this prospectus. We may reallocate the funds to be utilized on capital expenditures based on our ongoing business needs.

Contractual Commitments

We did not have significant contractual commitment as of the end of each year during the Track Record Period.

OFF-BALANCE SHEET ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

MATERIAL RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time during our ordinary course of business and on terms comparable to the terms of transactions with other entities that are not our related parties and the market price during the relevant period. Upon the completion of this Global Offering, we will comply with the relevant Listing Rules and adopt a more prudent approach when reviewing and engaging related party transactions.

Transactions with Related Parties

During the Track Record Period, our transactions with related parties mainly included provision of certain research and development services to our associate company, guarantee provided by Ms. Cheong in respect of certain loan facility, guarantee provided by our Company in respect of repurchase obligation of Ms. Cheong pursuant to the shareholders' agreement under Series B Financing, which had been terminated and considered *void ab initio*, and compensation paid to our key management personnel. See note 32 to the Accountants' Report in Appendix I to this prospectus for details of transactions carried out with our related parties during the Track Record Period.

It is the view of our Directors that each of the related party transactions set out in note 32 of the Accountants' Report in Appendix I to this prospectus (i) were conducted on normal commercial terms and/or on terms not less favorable than terms available from Independent Third Parties, which are considered fair, reasonable and in the interest of our Shareholders as a whole; and (ii) do not distort our Track Record Period results or make our historical results not reflective of future performance.

KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios as of the dates indicated:

	As of December 31,	
	2024	2025
Liquidity ratios		
Current ratio *(times)*[(1)]	4.6	7.9

Note:

(1) Current ratio is calculated based on total current assets divided by total current liabilities.

Our current ratio increased from 4.6 times as of December 31, 2024 to 7.9 times as of December 31, 2025, primarily due to the increase in cash and cash equivalents as we received cash from contribution by shareholders.

FINANCIAL RISKS

We are exposed to a variety of financial risks, including credit risk and liquidity risk. We manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner. As of the Latest Practicable Date, we did not hedge or consider necessary to hedge any of these risks. For further details, see note 35 in the Accountants' Report set out in Appendix I to this prospectus.

DIVIDENDS

We do not have a formal dividend policy, a pre-determined dividend pay-out ratio, or a numerical threshold for determining dividend distributions. We did not declare or pay any dividend during the Track Record Period. We are incorporated under the laws of the PRC. Any dividends we pay will be at the discretion of our Directors and will depend on our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors which our Directors consider relevant. Our shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board.

Under the applicable PRC laws and regulations, a PRC incorporated company is required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, to contribute to certain statutory reserve funds until the aggregate amount contributed to such funds reaches 50% of its registered capital. The company may pay dividends out of after-tax profits after making up for accumulated losses and contributing to statutory reserve funds as mentioned above. As advised by our PRC Legal Advisors, our PRC companies cannot pay dividends if such companies are in an accumulated loss position.

No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Our Directors have the absolute discretion to recommend any dividend subject to our constitutional documents and the relevant laws. We cannot assure you that our Company will be able to declare dividends of any amount each year or in any year.

DISTRIBUTABLE RESERVES

As of December 31, 2025, our Company did not have any retained profit, which could be distributed under the current articles of association of the Company and the PRC Company Law.

LISTING EXPENSES

Our listing expenses mainly include underwriting commissions, professional fees paid to legal advisors, the Reporting Accountants and other professional parties for their services rendered in relation to the Listing and the Global Offering.

Based on the mid-point Offer Price of HK$127.40 per Share, the total estimated listing expenses in relation to the Global Offering are RMB57.4 million (HK$66.1 million), assuming the Over-allotment Option is not exercised, which constitute approximately 14.5% of the gross proceeds. Our total listing expenses consist of (i) underwriting-related expenses and fees (including underwriting commissions, Stock Exchange trading fee, SFC and AFRC transaction levy) of RMB21.7 million (HK$25.0 million); and (ii) non-underwriting-related expenses of RMB35.7 million (HK$41.1 million), including (a) fees payable to the legal advisors and Reporting Accountants of RMB20.7 million (HK$23.8 million) and (b) other fees and expenses of RMB15.0 million (HK$17.3 million). Among the total listing expenses, approximately HK$18.5 million had been charged to profit or loss for the year ended December 31, 2025 and HK$19.1 million is expected to be charged to profit or loss for the year ending December 31, 2026, and approximately HK$28.5 million directly attributable to the issue of the Shares is expected to be deducted from equity upon the completion of the Global Offering. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

See "Appendix II—Unaudited Pro Forma Financial Information."

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this prospectus, (i) there has been no material adverse change in our business, the industry where we operate, or market or regulatory environment to which we are subject; (ii) there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the date of the latest audited consolidated financial position of our Group as set out in the Accountants' Report in Appendix I to this prospectus; or (iii) there has been no event since December 31, 2025 that would materially affect the information shown in the Accountants' Report set forth in Appendix I to this prospectus.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

We confirm that, as of the Latest Practicable Date, there were no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 in Chapter 13 of the Listing Rules upon the Listing of the Shares on the Stock Exchange.

FUTURE PLANS

See "Business—Our Strategies" for details of our future plans.

USE OF PROCEEDS

Assuming an Offer Price of HK$127.40, being the mid-point of the indicative Offer Price range, and after deducting estimated underwriting fees and the estimated offering expenses in connection with the Hong Kong Public Offering and International Offering, assuming the Over-allotment Option is not exercised, we estimate that the aggregate net proceeds from the Global Offering will be approximately HK$388.1 million.

In line with our strategies, we intend to use the net proceeds we will receive from the Global Offering for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

(a) Approximately HK$289.1 million (representing 74.5% of net proceeds) to fund our research and development activities and commercialization of our Core Product, among which:

(i) approximately HK$266.6 million (representing 68.7% of net proceeds) to fund the continuous R&D of our Core Product, including the Indication Expansion, for which we commenced the registrational clinical trial in November 2025 and plan to submit registration application to the NMPA in the fourth quarter in 2026; completion of clinical trials for our 5G remote-surgery module with a planned registration submission in the second half of 2028; alongside finalization of CT/MRI-ultra ultrasound multimodal image fusion capabilities targeted for staged approvals and rollouts in the second half of 2030; ongoing enhancement of product performance and functionality, localization of critical components, and advancement of intelligent control system research; and expansion and protection of our intellectual property through continued patent filings and portfolio development.

Although all models of the Core Product have obtained NMPA registrations, the lifecycle of surgical robots extends beyond regulatory approval and requires continuous iteration and upgrading. Accordingly, a significant portion of the net proceeds from the Global Offering will be allocated to ongoing R&D of our products, which we believe is both technically necessary and commercially justified, for example:

- Development of the 5G remote-surgery module aligns with China's *14th Five-Year Plan for the Medical Equipment Industry* and is expected to support the penetration of our products into lower-tier and underserved markets to improve the capacity of primary-level healthcare institutions;

- Development of CT/MRI-ultra ultrasound multimodal image fusion capabilities enables our products to handle complex clinical scenarios and progress toward more intelligent, precise, and broadly applicable solutions; and

- Localization of critical components supports cost control, aligns with national policy, and lays a foundation for our future participation in centralized public procurement and medical insurance negotiations.

In terms of nature of expenses, this portion of the net proceeds will be used for:

- Clinical Trials: HK$107.5 million, including HK$41.4 million for the 5G remote-surgery module, HK$27.6 million for the CT/MRI-ultra ultrasound multi-modal imaging fusion capabilities, HK$31.0 million for intelligent software, HK$4.3 million for clinical trials related to functional upgrades, and HK$3.2 million for the trial for the Indication

Expansion. We expect that our clinical trials in the future will be conducted through CROs, and accordingly, all expenses incurred for our clinical trials will be in the form of payments to the CROs.

Our Core Product is not included in the NMPA's Catalog of Medical Devices Exempt from Clinical Evaluation (《免於臨床評價醫療器械目錄》), and accordingly, it does not qualify for the "clinical evaluation exemption" pathway. Currently, no approved device with 5G remote-surgery module or CT/MRI-ultra ultrasound multi-modal image fusion capabilities is available for same-type comparison. Accordingly, under the current regulatory framework, including the Technical Guiding Principles for Equivalence Assessment in Medical Device Clinical Evaluation (《醫療器械臨床評價等同性論證技術指導原則》) and the Technical Guideline on the Decision Whether to Conduct Medical Device Clinical Trials (《決策是否開展醫療器械臨床試驗技術指導原則》) issued by the NMPA, and as confirmed by the NMPA during an interview, such R&D projects for our Core Product require clinical trials instead of clinical evaluation.

Expenses for these proposed clinical trials are expected to be higher than our expenses incurred for registrational clinical trial for TH-S1, primarily due to expected larger sample sizes combined with increased service fee rates and procurement prices over the years. As confirmed by CIC, our expected sample sizes, fee rates and prices for the proposed clinical trials, and accordingly our allocation of the net proceeds we will receive from the Global Offering for these clinical trials, are in line with the prevailing industry norm.

The table below sets forth information and a breakdown of costs by nature for the clinical trials of material upgrades:

	Clinical trial items	Number of cases	Unit cost	Total amount
			RMB'000	*RMB'000*
Core Product . . .	Multi-modal imaging	160	150	24,000
	Posterior peritoneal puncture	30	233	7,000
	5G remote-surgery module	200	180	36,000
	AI software	180	150	27,000
	Upgraded automatic puncturing	5	200	1,000
	CBCT/CT	18	150	2,700

- Compensation for R&D Personnel: HK$113.2 million, including future salary increments for existing R&D personnel and the compensation for planned hires at various levels, including 1 senior, three senior mid-levels and five mid-levels in the next five years;

- R&D Materials: HK$20.7 million, primarily including raw materials, tools and consumables required for product upgrade and iteration research;

- Fixed Assets: HK$10.6 million, including rent, utilities for R&D premises, and depreciation expenses related to R&D equipment; and

- Others: HK$14.6 million, primarily including third-party testing/verification, technical services, office expenses and travel expenses.

(ii) approximately HK$0.8 million (representing 0.2% of net proceeds) to fund CE certification for TH-S1, followed by phased overseas registrations for TH-S1 in Saudi Arabia, Brazil, and other target markets, ensuring compliance with local regulatory requirements, among other things. The indications of TH-S1 in these jurisdictions are expected to be the same as those approved in the PRC.

The table below sets forth information about our expected overseas registrations:

Jurisdiction	R&D required	Actual/Expected time for commencement of registration process	Expected time for approval	Addressable market
CE marking	Any R&D that may be required during the assessment of our application	January 2026	Q4 of 2026	market: US$83.4 million in 2025 and US$443.8 million (expected) in 2031
Saudi Arabia	Local quality management certifications; all research and technical documentation to be prepared in accordance with local requirements; mandatory certifications if required by the relevant authorities	Second half of 2027	First half of 2028	Middle East market: US$2.9 million in 2025 and US$29.8 million (expected) in 2031
Brazil	Local quality management certifications; all research and technical documentation to be prepared in accordance with local requirements; mandatory certifications if required by the relevant authorities	Second half of 2026	Second half of 2027	South America market: US$3.0 million in 2025 and US$44.3 million (expected) in 2031

For the highly sophisticated European market, we believe that our adherence to high standards and product quality is conducive to our entry into such market. Favorable policies and regulatory developments also support our surgical robotics entering the European market. The EU supports the development of medical robotics and AI-enabled medical devices through research funding programmes such as Horizon Europe. We have submitted the application for CE marking in January 2026 and expect to receive approval by the end of 2026. We believe that our efforts to adhere to the highest global standards will enable our entry into the premium European market. Following successful precedents for the promotion of Chinese medical products (including surgical robots), we plan to retain established commercial local distributors in the European market to rapidly build marketing networks, engage local hospitals and key opinion leaders, secure partnerships with top clinical experts, and establish local show sites to progressively cultivate long-term customer trust in the market.

In terms of the Brazilian market, Brazil's decision to incorporate robot-assisted radical prostatectomy into the Brazilian Unified Health System (SUS), signals growing public reimbursement support for selected robot-assisted procedures. We plan to leverage such policy benefits and our Macau presence as a China-Portuguese link for smoother regulatory alignment and easier market access to the European Union and Portuguese-speaking countries. We are continuously making efforts to establish Macau as our center for technology showcases and clinical training, paving the way for entry into Lusophone markets, including Brazil.

In terms of the Saudi Arabia market, Saudi Arabia possesses robust economic capital and is deploying significant investments to modernize its healthcare infrastructure, positioning itself as a regional medical hub. Its high-income demographic drives strong demand for premium healthcare services and cutting-edge oncological technologies. The precise diagnostic and therapeutic intervention capabilities of our biopsy and ablation robotic systems directly address local clinical needs for lung nodule detection and early-stage lung cancer management. This clinical offering directly aligns with Saudi Arabia's national healthcare premiumization strategy.

Overall, we will continue to closely monitor the political, safety and regulatory developments in these regions and will comprehensively assess and dynamically adjust our market entry and expansion strategy globally; and

(iii) approximately HK$21.7 million (representing 5.6% of net proceeds) to fund the commercialization of our Core Product. We plan to continue to advance hospital advancement, targeting installations in a number of reputable hospitals in China by 2028. We expect to (1) strategically recruit all levels of talent, from junior and senior specialists to managers and marketing directors, and build a sales and marketing, clinical and after-sales service team; (2) continuously build and expand our sales market network through establishing marketing centers in key cities in China; and (3) set up training programs with hospitals on the implementation of our percutaneous puncture robots.

Additionally, we plan to establish marketing centers in the following cities with abundant medical institution resources to cover surrounding regions, and to gradually achieve nationwide coverage through our network:

- Beijing Center: covering Northern China and Northeastern China;
- Shanghai Center: covering the Yangtze River Delta region and surrounding areas;
- Guangzhou Center: covering Southern China, Guangxi and surrounding areas;
- Wuhan Center: covering Central China; and
- Chengdu Center: covering Western China.

Depending on the development of our business, we may consider establishing additional marketing centers in the future.

(b) Approximately HK$38.4 million (representing 9.9% of net proceeds) to fund research and development activities and commercialization of our key products, among which:

(i) approximately HK$25.6 million (representing 6.6% of net proceeds) to fund the continuous R&D of TH-X MW, including real-world evidence clinical study to generate insights that will guide future product upgrades and iterations continuous research and development to enhance product performance and functionality; and ongoing patent filings and portfolio development; and

(ii) approximately HK$12.8 million (representing 3.3% of net proceeds) to accelerate the commercialization of our key products. To achieve the aforementioned commercialization plans, we expect to (1) strategically recruit all levels of talent, from junior and senior specialists to managers and marketing directors, and build a sales and marketing, clinical and after-sales service team; (2) continuously build and expand our sales market network through establishing marketing centers in key cities in China; and (3) conduct advanced function verification and clinical feedback collection with hospitals with respect to our microwave ablation robots; and

(c) Approximately HK$23.3 million (representing 6.0% of net proceeds) to fund research and development activities of other product candidates and related patent filings and portfolio expansion, among which:

(i) approximately HK$12.0 million (representing 3.1% of net proceeds) to fund the research and development of cryoablation robot. We plan to complete research and verification of the cryoablation robot in the second half of 2027, and submit the registration application to the NMPA in the second half of 2027, which we expect to obtain a registration approval in the first half of 2028; and

(ii) approximately HK$11.3 million (representing 2.9% of net proceeds) to fund the research and development of organ preservation and assessment systems. We plan to continue the development of organ preservation and assessment devices based on normothermic continuous mechanical perfusion.

(d) Approximately HK$7.8 million (representing 2.0% of net proceeds) to fund the expansion of our manufacturing capacity and enhance our production capability, among which:

(i) approximately HK$1.2 million (representing 0.3% of net proceeds) to fund the acquisition of equipment.

The equipment and machines we intend to procure including: 6 articulated arm coordinate measuring machines (CMM), 1 dedicated production testing equipment for ablation needles, 1 purified water system, and 4 customized molds for disposables; and

(ii) approximately HK$6.6 million (representing 1.7% of net proceeds) to fund the expansion of our production team. We plan to recruit production and quality management staff including manager, technical specialists and workers;

In expanding our Zhuhai site, we have secured rental properties with relatively low rental costs, thereby minimizing our rental expenses for facilities.

Our proposed capacity expansion is designed to further ramp up our in-house production capacity. In particular, such expansion effectively expands our in-house production lines for the Core Product, supports the in-house production line for our related disposables, while reserving space for our pilot production of other pipeline products and disposables. The capacity expansion will be implemented in phases and is expected to be completed by 2030, with facilities brought into operation progressively. Upon full completion of the capacity expansion, the designed annual production capacity for surgical robots will increase from the current 50 units to 400 units. In addition, the expansion will establish full-category in-house production capacity for core supporting consumables, sufficient to meet the consumables demand arising from the commercialization of our products; and

(e) Approximately HK$29.5 million (representing 7.6% of net proceeds) to fund our working capital and other general corporate purposes.

We believe our expansion plans will be supported by sufficient market demand, including a steadily growing target customer base, robust national and regional support policies, high clinical value of our products, widespread and validated clinical recognition, supported by our broad marketing and support network with strong capabilities and taking into account our leading market position.

We are currently at an early stage of commercialization, and product sales may surge in the future. Our existing manufacturing facility has a designed annual manufacturing capacity of 50 units. In 2025, actual production was 36 units. Our manufacturing capacity utilization is expected to approach saturation in 2026. To support future growth, we plan to expand our manufacturing capacity.

If the Offer Price is set at the high point or the low point of the indicative Offer Price range (assuming the Over-allotment Option is not exercised), the net proceeds will increase or decrease by approximately HK$27.0 million. We will apply the additional or reduced net proceeds to the above purposes on a pro-rata basis.

If the Over-allotment Option is exercised in full, we will receive additional net proceeds of approximately HK$68.1 million, assuming an Offer Price of HK$127.40 per Share, being the mid-point of the indicative Offer Price range.

If the net proceeds are not immediately applied to the above purpose, we will only deposit those net proceeds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions).

We currently have no specific plans as to how the net proceeds from this Global Offering will be allocated beyond the uses specified above, and therefore management will retain discretion to allocate the remainder of the net proceeds of this Global Offering among these uses.

We will issue an appropriate announcement if there is any material change in the abovementioned use of proceeds.

HONG KONG UNDERWRITERS

China International Capital Corporation Hong Kong Securities Limited
DBS Asia Capital Limited
ABCI Securities Company Limited
Funde Securities Limited
CMBC Securities Company Limited
Livermore Holdings Limited
Open Securities Limited
South China Securities Limited
SPDB International Capital Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company has agreed to offer the Hong Kong Offer Shares for subscription by the public in Hong Kong on and subject to the terms and conditions of the Hong Kong Underwriting Agreement and this prospectus.

Subject to (a) the Stock Exchange granting approval for the listing of, and permission to deal in, our H Shares in issue and to be issued pursuant to the Global Offering on the Main Board as mentioned in this prospectus (including any additional H Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option) and such approval not having been withdrawn; and (b) certain other conditions set out in the Hong Kong Underwriting Agreement (including, among others, the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, agreeing upon the Offer Price), the Hong Kong Underwriters have agreed, severally but not jointly, to subscribe, or procure subscribers to subscribe, for the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering on the terms and subject to the conditions set out in this prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on and subject to, among other things, the International Underwriting Agreement having been executed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination by written notice from the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), at any time prior to 8:00 a.m. on the Listing Date if:

(1) there develops, occurs, exists or comes into force:

(a) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent Authority in or affecting Hong Kong, the PRC, Macau, the United States, the United Kingdom, the European Union (or any member thereof), Japan, Singapore, or other jurisdictions relevant to our Group or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); or

(b) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, taxation, equity securities or currency

exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or

(c) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed)) in or affecting any of the Relevant Jurisdictions; or

(d) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (i) the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or (ii) the trading in any securities of our Company listed or quoted on a stock exchange or an over-the-counter market; or

(e) the imposition or declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(f) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by our Company of a supplement or amendment to this prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or

(g) the commencement by any authority or other regulatory or political body or organization of any public action or investigation against a Group company or a director or a senior management member of any Group company or announcing an intention to take any such action; or

(h) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any Group company or any of our Controlling Shareholders or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(i) any valid demand by creditors for payment or repayment of indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or

(j) any non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the CSRC filings or any aspect of the Global Offering with the Listing Rules or any other applicable laws; or

(k) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of our Group or any Controlling Shareholder or any Director or senior management members as named in this prospectus; or

(l) any contravention by any Group company or any Director of the Listing Rules or applicable laws; or

(m) any change or prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in this prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters):

(A) has or will or may have a material adverse effect, whether directly or indirectly, on the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of our Company or our Group as a whole;

(B) has or will or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or

(C) makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering, or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents (as defined in the Hong Kong Underwriting Agreement); or

(D) has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(2) there has come to the notice of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:

(a) any statement contained in any of the Offering Documents (as defined in the Hong Kong Underwriting Agreement), the CSRC filings and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) (the "**Global Offering Documents**") was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

(b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission or misstatement in any Global Offering Document; or

(c) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by our Company or our Controlling Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(d) any event, act or omission which gives rise or is likely to give rise to any liability of any of the indemnifying parties pursuant to the indemnities in the Hong Kong Underwriting Agreement; or

(e) any breach of any of the obligations or undertakings imposed upon our Company or any member of our Controlling Shareholders to the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(f) there is any change or development involving a prospective change, constituting or having a material adverse effect; or

(g) that the chairperson of our Board, any Director or any member of senior management of our Company named in this prospectus seeks to retire, or is removed from office or vacating his/her office; or

(h) any Director or any member of senior management of our Company named in this prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or

(i) our Company withdraws this prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or

(j) that the approval by the Listing Committee of the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering (including pursuant to any exercise of the Over-allotment Option) is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(k) any expert named in this prospectus (other than any of the Joint Sponsors) has withdrawn its consent to the issue of this prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(l) any prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares (including any additional H Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option) pursuant to the terms of the Global Offering; or

(m) any expert named in this prospectus (other than the Joint Sponsors and the Overall Coordinators) has withdrawn or sought to withdraw its consent to being named in any of the Offering Documents (as defined in the Hong Kong Underwriting Agreement) or to the issue of any of the Offering Documents (as defined in the Hong Kong Underwriting Agreement); or

(n) an order or petition is presented for the winding-up or liquidation of any member of our Group, or any member of our Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of any member of our Group; or

(o) (A) the notice of acceptance of the CSRC filings issued by the CSRC and/or the results of the CSRC filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by our Company of a supplement or amendment to the CSRC filings pursuant to the CSRC rules or upon any requirement or request of the CSRC; or (C) any non-compliance of the CSRC filings with the CSRC rules or any other applicable laws; or

(p) that (i) a material portion of the orders placed or confirmed in the bookbuilding process have been withdrawn, terminated or cancelled, or with respect to which the payment of the relevant orders and/or investment commitment has not been received or settled in the stipulated time and manner or otherwise; or (ii) the Joint Sponsors and the Overall Coordinators are not satisfied in their sole and absolute opinion, with the results of the due diligence on any investors who have indicated interest in placing orders in the bookbuilding process; or (iii) there is any disagreement between the Joint Sponsors and the Overall Coordinators, on the one hand, and our Company, on the other hand, in connection with the bookbuilding process and the allocation and issue of the Offer Shares,

then, in each case, the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) may, in their sole and absolute discretion and upon giving notice in writing to our Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

Undertakings to the Stock Exchange Pursuant to the Listing Rules

(A) Undertakings by our Company

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange, that no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) may be issued or sold or transferred out of treasury or form the subject of any agreement to such an issue, or sale or transfer out of treasury by our Company within six months from the Listing Date (whether or not such issue of Shares or securities of our Company, or sale or transfer of shares out of treasury will be completed within six months from the Listing Date), except (a) pursuant to the Global Offering and the exercise of the Over-allotment Option; or (b) under any of the circumstances provided under Rule 10.08 of the Listing Rules.

(B) Undertakings by our Controlling Shareholders

By virtue of Rule 10.07 of the Listing Rules, each of our Controlling Shareholders has undertaken to the Stock Exchange and to our Company that, except pursuant to the Global Offering and the Over-allotment Option, she/it will not and will procure that the relevant registered holder(s) (if any) of our Shares in which any of them has a beneficial interest will not, without the prior written consent of the Stock Exchange or unless otherwise in compliance with the requirements of the Listing Rules:

(i) in the period commencing from the date by reference to which disclosure of its shareholdings in our Company is made in this prospectus and ending on the date which is six months from the Listing Date (the "**First Six-Month Period**"), either directly or indirectly, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which she/it is shown to be the beneficial owner in this prospectus (the "**Relevant Shares**"); and

(ii) in the period of six months commencing from the expiry of the First Six-Month Period, either directly or indirectly, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Relevant Shares to such extent that, immediately following such disposal, or upon the exercise or enforcement of such options, rights, interests or encumbrances, she/it will cease to be a controlling shareholder (as defined in the

Listing Rules) of our Company or a member of a group of our Controlling Shareholders or would together with the other Controlling Shareholders cease to be a controlling shareholder (as defined in the Listing Rules).

Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, each of our Controlling Shareholders has undertaken to the Stock Exchange and to our Company that within the period commencing from the date by reference to which disclosure of her/its shareholdings in our Company is made in this prospectus and ending on the date which is 12 months from the Listing Date, she/it will:

(i) when she/it pledges or charges any Relevant Shares or interests in any of the Relevant Shares, whether directly or indirectly, in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform our Company in writing of such pledge or charge together with the number of Relevant Shares so pledged or charged; and

(ii) when she/it receives indications, either verbal or written, from the pledgee or chargee of any Shares that any of the pledge or charged Relevant Shares will be disposed of, immediately inform our Company in writing of such indications.

Our Company will inform the Stock Exchange in writing as soon as we have been informed of matters referred in above by any of our Controlling Shareholders and disclose such matters by way of announcement pursuant to the requirements under the Listing Rules as soon as possible.

Undertakings pursuant to the Hong Kong Underwriting Agreement

(A) Undertakings by our Company

Our Company has undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Hong Kong Underwriters that except pursuant to the Global Offering (including pursuant to the Over-allotment Option), at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the "**First Six Month Period**"), it will not, without the prior written consent of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(i) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other securities of our Company, as applicable), or deposit any share capital or other securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the Shares or any other securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares); or

(iii) enter into any transaction with the same economic effect as any transaction described in (i) or (ii) above; or

(iv) offer to or agree to do any of the foregoing specified in (i), (ii) or (iii) or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise (whether or not the issue of such share capital or other securities will be completed within the First Six Month Period).

Our Company has further agreed that, in the event our Company is allowed to enter into any of the transactions described in (i), (ii) or (iii) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six Month Period expires (the "**Second Six Month Period**"), it will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of our Company will, create a disorderly or false market for any Shares or other securities of our Company.

(B) Undertakings by our Controlling Shareholders

Each of our Controlling Shareholders has undertaken to each of our Company, the Joint Sponsors, the Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Hong Kong Underwriters that, except as pursuant to the Global Offering and the exercise of the Over-allotment Option and the issue of H Shares thereof, without the prior written consent of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(i) it/she will not, and will procure that the relevant registered holder(s), any nominee or trustee holding on trust for it/her and the companies controlled by it/her will not, at any time during the First Six Month Period, (a) sell, offer to sell, accept subscription for, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing), or deposit any Shares or other securities of our Company with a depositary in connection with the issue of depositary receipts, or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing), or (c) enter into any transaction with the same economic effect as any transaction specified in (a) or (b) above, or (d) offer to or agree to or announce any intention to effect any transaction specified in (a), (b) or (c) above, in each case, whether any of the transactions specified in (a), (b) or (c) above is to be settled by delivery of Shares or other securities of our Company or in cash or otherwise, and whether or not the transactions will be completed within the First Six Month Period; and

(ii) it/she will not, during the Second Six Month Period, enter into any of the transactions specified in (a), (b) or (c) above or offer to or agree to contract to or publicly announce any intention to effect any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or encumbrance pursuant to such transaction, it will cease to be a Controlling Shareholder of our Company or a member of a group of our Controlling Shareholders of our Company or would together with the other Controlling Shareholders cease to be "Controlling Shareholders" (as defined in the Listing Rules) of our Company; and

(iii) until the expiry of the Second Six Month Period, in the event that it enters into any of the transactions specified in or (a), (b) or (c) or offer to or agrees to or contract to or publicly announce any intention to effect any such transaction, it/she will take all reasonable steps to ensure that such a disposal will not create a disorderly or false market in the securities of our Company.

Subject to compliance with applicable requirements under the Listing Rules, the above restrictions shall not prevent our Controlling Shareholders from (i) purchasing additional H Shares or other securities of our Company and disposing of such additional H Shares or securities of our Company in accordance with the Listing Rules, provided that any such purchase or disposal does not contravene the lock-up arrangements with our Controlling Shareholders referred above or the compliance by our Company with the minimum public float requirement, and (ii) using the H Shares or other securities of our Company or any interest therein beneficially owned by them as security (including a charge or a pledge) in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan, provided that (a) the relevant Controlling Shareholder will immediately inform our Company and the Overall Coordinators in writing of such pledge or charge together with the number of H Shares or other securities of our Company so pledged or charged if and when it/she or the relevant registered holder(s) pledges or charges any Shares or other securities of our Company beneficially owned by it/her, and (b) when the relevant Controlling Shareholder receives indications, either verbal or written, from the pledgee or chargee of any H Shares that any of the pledged or charged Shares or other securities of our Company will be disposed of, it/she will immediately inform our Company and the Overall Coordinators of such indications.

Indemnity

We and our Controlling Shareholders have agreed to indemnify, among others, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Hong Kong Underwriters for certain losses which they may suffer, including, among others, losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement and any breach by our Company and our Controlling Shareholders of the Hong Kong Underwriting Agreement.

The International Offering

International Underwriting Agreement

In connection with the International Offering, it is expected that our Company and our Controlling Shareholders will enter into the International Underwriting Agreement with the Joint Sponsors, the Overall Coordinators and the International Underwriters. Under the International Underwriting Agreement, subject to the conditions set forth therein, the International Underwriters would severally and not jointly agree to purchase, or procure purchasers to purchase, the Offer Shares being offered pursuant to the International Offering (subject to, among others, any reallocation between the International Offering and the Hong Kong Public Offering). It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors are reminded that in the event that the International Underwriting Agreement is not entered into, or is terminated, the Global Offering will not proceed.

It is expected that each of our Controlling Shareholders will undertake to the International Underwriters not to dispose of, or enter into any agreement to dispose of, or otherwise create any options, rights, interest or encumbrances in respect of any of the H Shares held by it in our Company for a period similar to such undertakings given by them pursuant to the Hong Kong Underwriting Agreement, which is described in "—Underwriting Arrangements and Expenses—Undertakings pursuant to the Hong Kong Underwriting Agreement—(B) Undertakings by our Controlling Shareholders" above.

Over-allotment Option and Stabilization

We expect to grant to the International Underwriters, exercisable in whole or in part by the Overall Coordinators at absolute discretion (for themselves and on behalf of the International Underwriters), the Over-allotment Option, which will be exercisable from the Listing Date until up to (and including) the date which is the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to allot and issue up to an aggregate of 534,700 H Shares, representing no more than 15.0% of the number of Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering to cover over-allocations in the International Offering, if any.

For more details of the arrangements relating to the Over-allotment Option and stabilization, see "Structure of the Global Offering" in this prospectus.

Commission and Expenses

Our Company will pay an underwriting commission of 3.5% of the aggregate Offer Price of all the Offer Shares (including H Shares to be issued if the Over-allotment Option is exercised) (the "**Fixed Fees**"). Our Company may also in our sole and absolute discretion pay any one or all of the Underwriters an additional incentive fee in aggregate of up to 2.0% of the aggregate Offer Price for all of the Offer Shares (including H Shares to be issued if the Over-allotment Option is exercised) (the "**Discretionary Fees**"). The ratio of the Fixed Fees and Discretionary Fees payable is therefore approximately 63.64%: 36.36% (on the basis that the Discretionary Fees will be fully paid). For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, we will pay an underwriting commission at the rate applicable to the International Offering and such commission will be paid to the relevant International Underwriters and not the Hong Kong Underwriters.

Assuming the Over-allotment Option is not exercised, the aggregate commissions and fees, together with Stock Exchange listing fees, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565%, AFRC transaction levy of 0.00015%, legal and other professional fees and printing and all other expenses payable by us relating to the Global Offering are currently estimated to amount in aggregate to approximately HK$66.1 million (assuming an Offer Price of HK$127.40 per Offer Share, being the mid-point of the indicative Offering Price range stated in this prospectus).

INDEPENDENCE OF THE JOINT SPONSORS

China International Capital Corporation Hong Kong Securities Limited is not considered independent under Rule 3A.07 of the Listing Rules as a member of the sponsor group (as defined in the Listing Rules) of China International Capital Corporation Hong Kong Securities Limited holds more than 5% of the total number of issued Shares (assuming the Over-allotment Option is not exercised).

DBS Asia Capital Limited confirms that it satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

UNDERWRITERS' INTERESTS IN OUR COMPANY

Save for the obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement and as disclosed in this prospectus, as of the Latest Practicable Date, none of the Underwriters has any shareholding or beneficial interests in any member of our Group nor has any right or option (whether legally enforceable or not) to subscribe for or purchase or to nominate persons to subscribe for or purchase securities in any member of our Group nor any interest in the Global Offering.

Following the completion of the Global Offering, the Overall Coordinators and the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the H Shares as a result of fulfilling their obligations under the Hong Kong Underwriting Agreement.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the "**Syndicate Members**") and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial

instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments our Company and/or persons and entities with relationships with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with our Group's loans and other debt.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the H Shares in most cases.

Such activities may affect the market price or value of our H Shares, the liquidity or trading volume in our H Shares and the volatility of the price of our H Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

(a) the Syndicate Members must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and

(b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to our Company and our affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering. The Global Offering comprises:

(a) the Hong Kong Public Offering of initially 356,480 H Shares (subject to reallocation) in Hong Kong, as described in "—The Hong Kong Public Offering" below; and

(b) the International Offering of initially 3,208,220 H Shares (subject to reallocation and the Over-allotment Option) outside the United States in offshore transactions in reliance on Regulation S, as described in "—The International Offering" below.

The 3,564,700 H Shares initially being offered in the Global Offering will represent approximately 10.0% of the total number of issued H Shares immediately after completion of the Global Offering, without taking into account any H Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option. The underwriting arrangements, and the respective Underwriting Agreements, are summarized in the section headed "Underwriting" in this prospectus.

Investors may apply for Hong Kong Offer Shares under the Hong Kong Public Offering, or, if qualified to do so, apply for or indicate an interest in International Offer Shares under the International Offering, but may not do both.

References in this prospectus to applications, application monies or the procedure for application relate solely to the Hong Kong Public Offering.

THE HONG KONG PUBLIC OFFERING

Number of Shares Initially Offered

Our Company is initially offering 356,480 Hong Kong Offer Shares, representing approximately 10.0% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price for subscription by the public in Hong Kong. Subject to the reallocation of H Shares between (i) the International Offering, and (ii) the Hong Kong Public Offering, the Hong Kong Offer Shares will represent approximately 1.0% of the enlarged issued share capital of our Company immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised).

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers and companies (including fund managers) whose ordinary business involves dealing in shares and other securities, and corporate entities which regularly invest in shares and other securities.

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a several basis under the terms of the Hong Kong Underwriting Agreement and is subject to our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) agreeing on the Offer Price. Completion of the Hong Kong Public Offering is subject to the conditions as set out in "—Conditions of the Global Offering" below.

Allocation

Allocation of the Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of the Offer Shares initially available under the Hong Kong Public Offering (after taking account of any reallocation in the number of Offer Shares allocated between the Hong Kong Public Offering and the International Offering referred to below) will be divided equally into two pools (with any odd lots being allocated to pool A): pool A and pool B. Pool A will comprise 178,240 Hong Kong Offer Shares and pool B will comprise 178,240 Hong Kong Offer Shares initially. Both of which are available on an equitable basis to successful applicants. All valid applications that have applied for Hong Kong Offer Shares with an aggregate subscription price (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% payable) of HK$5 million or below will fall into pool A. All valid applications that have applied for Hong Kong Offer Shares with an aggregate subscription price (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% payable) of over HK$5 million and up to the total value of pool B will fall into pool B.

For the purpose of this sub-section only, the "price" for Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined).

Applicants should be aware that applications in Pool A and applications in Pool B may receive different allocation ratios. If Hong Kong Offer Shares in one (but not both) of the two pools are undersubscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly.

Applicants can only receive an allocation of Hong Kong Offer Shares from either Pool A or Pool B, but not from both pools. Multiple or suspected multiple applications and any application for more than 178,240 Hong Kong Offer Shares (being 50% of the 356,480 Offer Shares initially available under the Hong Kong Public Offering) will be rejected.

Reallocation

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Overall Coordinators. Subject to the allocation cap described in the subsequent paragraph, the Overall Coordinators may in their discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Overall Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as they deem appropriate.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between pool A and pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Overall Coordinators deem appropriate.

In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering in the circumstances where (a) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, or (b) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, then up to 178,220 Offer Shares may be reallocated from the International Offering to the Hong Kong Public Offering, so that the total number of Offer Shares available for subscription under the Hong Kong Public Offering will increase up to 534,700 Offer Shares, representing approximately 15.0% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option) and the final Offer Price shall be fixed at the bottom end of the indicative price range (i.e. HK$119.30 per Offer Share) in accordance with Chapter 4.14 of the Guide for New Listing Applicants.

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows the provision of paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Details of any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the results announcement of the Global Offering expected to be published on Monday, June 29, 2026.

Applications

The Overall Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered H Shares under the International Offering, and who has made an application under the Hong Kong Public Offering, to provide sufficient information to the Overall Coordinators so as to allow it to identify the relevant applications under the Hong Kong Public Offering and to ensure that it is excluded from any application for H Shares under the International Offering.

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him/her/it that he/she/it and any person(s) for whose benefit he/she/it is making the application has not applied for or taken up, or indicated an interest in, and will not apply for or take up, or indicate an interest in, any International Offer Shares under the International Offering, and such applicant's application under the International Offering is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum price of HK$135.40 per Offer Share in addition to the brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy payable on each Offer Share. If the Offer Price, as finally determined in the manner described in "—Pricing and Allocation" below, is less than the maximum price of HK$135.40 per Offer Share, appropriate refund payments (including the brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy attributable to the surplus application monies) will be made to successful applicants (subject to application channels), without interest. Further details are set out in "How to Apply for Hong Kong Offer Shares."

References in this prospectus to applications, application monies or the procedure for application relate solely to the Hong Kong Public Offering.

THE INTERNATIONAL OFFERING

Number of Offer Shares Offered

Subject to the reallocation as described above, the number of Offer Shares to be initially offered under the International Offering will be 3,208,220 Offer Shares, representing approximately 90.0% of the total number of Offer Shares initially available under the Global Offering. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement, and is subject to the Hong Kong Public Offering becoming unconditional.

Allocation

The International Offering will include selective marketing of Offer Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for such Offer Shares in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. The International Offering is subject to the Hong Kong Public Offering being unconditional.

Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the "book-building" process described in "—Pricing and Allocation" below and based on a number of factors, including the level and timing of demand, total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely hold or sell, H Shares, after the Listing. Such allocation is intended to result in a distribution of the H Shares on a basis which would lead to the establishment of a solid shareholder base to the benefit of our Company and our Shareholders as a whole.

The Overall Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering, to provide sufficient information to the Overall Coordinators (for themselves and on behalf of the Underwriters) so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any application of Offer Shares under the International Offering.

Reallocation

The total number of Offer Shares to be issued pursuant to the International Offering may change as a result of the exercise of the Over-allotment Option in whole or in part described in "—Over-allotment Option" below and/or any reallocation of unsubscribed Hong Kong Offer Shares to the International Offering at the discretion of the Overall Coordinators.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, the Company is expected to grant the Over-allotment Option to the International Underwriters, which will be exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters).

Pursuant to the Over-allotment Option, the International Underwriters have the right, exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters) at any time from the Listing Date to the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to issue up to an aggregate of 534,700 additional H Shares, representing approximately 15.0% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering, to cover over-allocations in the International Offering, if any.

If the Over-allotment Option is exercised in full, the additional Offer Shares will represent approximately 1.48% of the total number of H Shares in issue immediately following the completion of the Global Offering and the exercise of the Over-allotment Option. In the event that the Over-allotment Option is exercised, an announcement will be made.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market, during a specified period of time, *inter alia*, to curb and, if possible, prevent any decline in the initial public market price of the securities below the offer price. It may be effected in jurisdictions where it is permissible to do so and subject to all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the Offer Price.

In connection with the Global Offering, the Stabilization Manager or any person acting for it, on behalf of the Underwriters, may over-allocate or effect short sales or any other stabilizing transactions with a view to stabilizing or maintaining the market price of the Offer Shares at a level higher than that which might otherwise prevail in the open market. Short sales involve the sale by the Stabilization Manager of a greater number of H Shares than the Underwriters are required to purchase in the Global Offering. "Covered" short sales are sales made in an amount not greater than the Over-allotment Option. The Stabilization Manager may close out the covered short position by either exercising the Over-allotment Option to purchase additional Offer Shares or purchasing H Shares in the open market. In determining the source of the Offer Shares to close out the covered short position, the Stabilization Manager will consider, among other things, the price of Offer Shares in the open market as compared to the

price at which they may purchase additional Offer Shares pursuant to the Over-allotment Option. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or curbing a decline in the market price of the Offer Shares while the Global Offering is in progress. Any market purchases of the H Shares may be effected on any stock exchange, including the Stock Exchange, any over-the-counter market or otherwise, provided that they are made in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilization Manager (or its affiliates or any person acting for it) to conduct any such stabilizing action. Such stabilizing action, if commenced, will be conducted at the absolute discretion of the Stabilization Manager (or its affiliates or any person acting for it) and in what the Stabilization Manager reasonably regards as the best interest of the Company, and may be discontinued at any time.

Any such stabilizing action is required to be brought to an end within 30 days of the last day for the lodging of applications under the Hong Kong Public Offering. The number of the Offer Shares that may be over-allocated will not exceed the number of the H Shares that may be issued under the Over-allotment Option, namely, 534,700 Offer Shares, which is approximately 15.0% of the number of Offer Shares initially available under the Global Offering, and cover such over-allocations by exercising the Over-allotment Option or by making purchases in the secondary market at prices that do not exceed the Offer Price or a combination of these means.

In Hong Kong, stabilizing actions must be carried out in accordance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). Stabilizing actions permitted pursuant to the Securities and Futures (Price Stabilizing) Rules include:

(a) over-allocating for the purpose of preventing or minimizing any reduction in the market price of our H Shares;

(b) selling or agreeing to sell the H Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of the H Shares;

(c) purchasing or subscribing for, or agreeing to purchase or subscribe for, our H Shares pursuant to the Over-allotment Option in order to close out any position established under (a) or (b) above;

(d) purchasing, or agreeing to purchase, any of the H Shares for the sole purpose of preventing or minimizing any reduction in the market price of the H Shares;

(e) selling or agreeing to sell any of the H Shares in order to liquidate any position established as a result of those purchases; and

(f) offering or attempting to do anything as described in (b), (c), (d) or (e) above. Stabilizing actions by the Stabilization Manager (or its affiliates or any person acting for it) will be entered into in accordance with the laws, rules and regulations in place in Hong Kong on stabilization.

Prospective applications for investors in the Offer Shares should note that:

(a) as a result of effecting transactions to stabilize or maintain the market price of the H Shares, the Stabilization Manager (or its affiliates or any person acting for it) may maintain a long position in the H Shares;

(b) the size of the long position, and the period for which the Stabilization Manager (or its affiliates or any person acting for it) will maintain the long position is at the discretion of the Stabilization Manager and is uncertain;

(c) liquidation of any such long position by the Stabilization Manager and selling in the open market may lead to a decline in the market price of the H Shares;

(d) no stabilizing action can be taken to support the price of the H Shares for longer than the stabilizing period, which begins on the Listing Date, and is expected to expire on Saturday, July 25, 2026, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. After this date, when no further stabilizing action may be taken, demand for the H Shares, and their market price, could fall after the end of the stabilizing period. These activities by the Stabilization Manager may stabilize, maintain or otherwise affect the market price of the H Shares. As a result, the price of the H Shares may be higher than the price that otherwise may exist in the open market;

(e) any stabilizing action taken by the Stabilization Manager (or its affiliates or any person acting for it) may not necessarily result in the market price of the H Shares staying at or above the Offer Price either during or after the stabilizing period; and

(f) stabilizing bids or transactions effected in the course of the stabilizing action may be made at a price at or below the Offer Price and therefore at or below the price paid by applicants for, or investors in, the Offer Shares.

In order to effect stabilization actions, the Stabilizing Manager will arrange cover of up to an aggregate of 534,700 H Shares, representing up to approximately 15.0% of the initial number of Offer Shares, through delayed delivery arrangements with investors who have been allocated Offer Shares in the International Offering. The delayed delivery arrangements (if specifically agreed by an investor) relate only to the delay in the delivery of the Offer Shares to such investor and the Offer Price for the Offer Shares allocated to such investor will be paid before Listing. Both the size of such cover and the extent to which the Over-allotment Option can be exercised will depend on whether arrangements can be made with investors such that a sufficient number of H Shares can be delivered on a delayed basis. If no investor in the International Offering agrees to the delayed delivery arrangements, no stabilizing actions will be undertaken by the Stabilizing Manager and the Over-allotment Option will not be exercised.

Our Company will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong) will be made within seven days of the expiration of the stabilizing period.

Over-Allocation

Following any over-allocation of H Shares in connection with the Global Offering, the Stabilization Manager (or its affiliates or any person acting for it) may cover such over-allocations by exercising the Over-allotment Option in full or in part, by using H Shares purchased by the Stabilization Manager (or its affiliates or any person acting for it) in the secondary market at prices that do not exceed the Offer Price, or by a combination of these methods.

PRICING AND ALLOCATION

Determining the Offer Price

The International Underwriters will be soliciting from prospective investors' indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building," is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be fixed on the Price Determination Date, which is expected to be on or about Friday, June 26, 2026, by agreement between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

Offer Price Range

The Offer Price per Offer Share under the Hong Kong Public Offering will be identical to the Offer Price per Offer Share under the International Offering based on the Hong Kong dollar price per Offer Share, as determined by the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company.

The Offer Price will not be more than HK$135.40 per Offer Share and is expected to be not less than HK$119.30 per Offer Share, unless otherwise announced by our Company no later than the morning of the last day for lodging applications under the Hong Kong Public Offering, which is Thursday, June 25, 2026, as further explained below. **Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative Offer Price range stated in this prospectus.**

If, for any reason, our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) are unable to reach agreement on the Offer Price at or before 12:00 noon on Friday, June 26, 2026, the Global Offering will not proceed and will lapse.

Reduction in Indicative Offer Price Range and/or Number of Offer Shares

The Overall Coordinators (for themselves and on behalf of the other Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective professional and institutional investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares and/or the indicative Offer Price range as stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering, cause to be announced on the website of our Company at **www.truehealth.cn** and the website of the Stock Exchange at **www.hkexnews.hk**, notices of the reduction, and the cancellation of the Global Offering and relaunch of the offer at the revised number of Offer Shares and/or the revised Offer Price.

As soon as practicable after such reduction of the number of Offer Shares and/or the Offer Price, we will also issue a supplemental prospectus or a new prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price, and giving investors at least three business days to consider the new information. The supplemental or new prospectus should include at least the following: updated (i) Offer Price and market capitalization; (ii) listing timetable and underwriting obligations; (iii) price/earnings multiple, unaudited pro forma and adjusted net tangible assets; and (iv) use of proceeds and working capital adequacy confirmation based on the revised proceeds.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the indicative Offer Price range may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering, which is Thursday, June 25, 2026. In the absence of any such supplemental or new prospectus so published, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon by the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, will under no circumstances be set outside the Offer Price range as stated in this prospectus.

If there is any change to the offer size due to change in the number of Offer Shares offered in the Global Offering (other than pursuant to the reallocation mechanism and the exercise of the Over-allotment Option as disclosed in this prospectus), or change to the Offer Price which leads to the resulting price falling outside the indicative Offer Price range as stated in this prospectus, or if the Company becomes aware that there has been a significant change affecting any matter contained in this prospectus or a significant new matter has arisen, the inclusion of information in respect of which would have been required to be in this prospectus if it had arisen before this prospectus was issued, after the issue of this prospectus and before the commencement of dealings in our Offer Shares as prescribed under Rule 11.13 of the Listing Rules, our Company is required to cancel the Global Offering and issue a supplemental prospectus or a new prospectus and subsequently relaunch the Global Offering on FINI pursuant to the supplemental prospectus.

In the event of a reduction in the number of Offer Shares, the Overall Coordinators (for themselves and on behalf of the Underwriters) may, at its discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Offering, provided that the number of Offer Shares comprised in the Hong Kong Public Offering shall not be less than 10% of the total number of Offer Shares available under the Global Offering. The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Offering may, in certain circumstances, be reallocated between these offerings at the discretion of the Overall Coordinators (for themselves and on behalf of the Underwriters).

Announcement of Offer Price and Basis of Allocations

The final Offer Price, the results of indications of interest in the International Offering, the results of applications in the Hong Kong Public Offering, the basis of allocations of the Hong Kong Offer Shares and the results of allocations are expected to be announced on Monday, June 29, 2026 on the website of our Company at **www.truehealth.cn** and the website of the Stock Exchange at **www.hkexnews.hk**.

UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is subject to our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) agreeing on the Offer Price.

We expect to enter into the International Underwriting Agreement relating to the International Offering on or around the Price Determination Date.

These underwriting arrangements under the Hong Kong Underwriting Agreement and the International Underwriting Agreement are summarized in "Underwriting" in this prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptances of all applications for Offer Shares pursuant to the Global Offering will be conditional on, among others:

(a) the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares in issue and the H Shares to be issued pursuant to (i) the Global Offering, and (ii) the exercise of the Over-allotment Option, and such approval not subsequently having been revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;

(b) the Offer Price having been duly agreed between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) on the Price Determination Date;

(c) the execution and delivery of the International Underwriting Agreement on or around the Price Determination Date; and

(d) the obligations of the Underwriters under the respective Underwriting Agreements becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the respective Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and, in any event, not later than the date which is 30 days after the date of this prospectus.

If, for any reason, the Offer Price is not agreed between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) by 12:00 noon on Friday, June 26, 2026, the Global Offering will not proceed and will lapse immediately.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with their respective terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published by our Company on the website of the Stock Exchange at **www.hkexnews.hk** and the website of our Company at **www.truehealth.cn** on the next Business Day following such lapse. In such eventuality, all application monies will be returned, without interest, on the terms set out in "How to Apply for Hong Kong Offer Shares—D. Dispatch/Collection of H Share Certificates and Refund of Application Monies." In the meantime, all application monies will be held in separate bank account(s) with the receiving bankers or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date provided that (i) the Global Offering has become unconditional in all respects, and (ii) the right of termination as described in "Underwriting—Underwriting Arrangements and Expenses—Hong Kong Public Offering—Grounds for Termination" has not been exercised.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the listing of, and permission to deal in, the H Shares in issue and to be issued by us pursuant to the Global Offering (including the H Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option).

No part of our Company's share or loan capital is listed on or dealt in on any other stock exchange and no such listing or permission to deal is being or proposed to be sought in the near future.

SHARES WILL BE ELIGIBLE FOR CCASS

Subject to the granting of the listing of, and permission to deal in, the H Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange (as defined in the Listing Rules) is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Investors should seek the advice of their stockbroker or other professional advisors for details of the settlement arrangements as such arrangements may affect their rights and interests.

All necessary arrangements have been made enabling our H Shares to be admitted into CCASS.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, June 30, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, June 30, 2026. The H Shares will be traded in board lots of 20 H Shares. The stock code of the H Shares will be 2697.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "HKEXnews > New Listings > New Listing Information" section, and our website at www.truehealth.cn.

The contents of this prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older; and
- have a Hong Kong address *(for the **HK eIPO White Form** service only).*

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to us, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or its close associates; or
- are a Director or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Monday, June 22, 2026 and end at 12:00 noon on Thursday, June 25, 2026 (Hong Kong time).

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service . .	**www.hkeipo.hk**	Investors who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Monday, June 22, 2026 to 11:30 a.m. on Thursday, June 25, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Thursday, June 25, 2026, Hong Kong time.

Application Channel	Platform	Target Investors	Application Time
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit a **HKSCC EIPO** application on your behalf through HKSCC's FINI system in accordance with your instruction.	Investors who would not like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **HK eIPO White Form** service and the **HKSCC EIPO** channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the **electronic application instructions** are given, you shall be deemed to have declared that only one set of **electronic application instructions** has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of **electronic application instructions** for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different payment reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** Channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this prospectus and any supplement to it.

For those applying through **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual Applicants	For Corporate Applicants
• Full name(s)[2] as shown on your identity document	• Full name(s)[2] as shown on your identity document
• Identity document's issuing country or jurisdiction	• Identity document's issuing country or jurisdiction
• Identity document type, with order of priority: i. HKID card; or ii. National identification document; or iii. Passport; and	• Identity document type, with order of priority: i. LEI registration document; or ii. Certificate of incorporation; or iii. Business registration certificate; or iv. Other equivalent document; and
• Identity document number	• Identity document number

Notes:

1. If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.

2. The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for shares in a public offer. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.

3. If the applicant is a trustee, the client identification data ("**CID**") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.

4. The maximum number of joint account holders on FINI[(1)] is capped at four in accordance with market practice.

5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

   "Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

(1) Subject to change, if the Company's Articles of Incorporation and applicable company law prescribe a lower cap.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through **HKSCC EIPO** channel, and making an application under a power of attorney, we and the Overall Coordinators, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size : 20 H Shares

Permitted number of Hong Kong Offer Shares for application and amount payable on application/successful allotment : Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below.

The maximum Offer Price is HK$135.40 per H Share.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the final Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the designated bank for your broker or custodian.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Offer Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
20	2,735.30	300	41,029.66	4,000	547,062.03	50,000	6,838,275.46
40	5,470.63	400	54,706.20	5,000	683,827.55	60,000	8,205,930.55
60	8,205.93	500	68,382.76	6,000	820,593.05	70,000	9,573,585.64
80	10,941.24	600	82,059.30	7,000	957,358.56	80,000	10,941,240.72
100	13,676.56	700	95,735.86	8,000	1,094,124.07	90,000	12,308,895.81
120	16,411.86	800	109,412.40	9,000	1,230,889.58	100,000	13,676,550.90
140	19,147.17	900	123,088.96	10,000	1,367,655.09	120,000	16,411,861.08
160	21,882.47	1,000	136,765.51	20,000	2,735,310.18	140,000	19,147,171.25
180	24,617.80	2,000	273,531.02	30,000	4,102,965.26	160,000	21,882,481.45
200	27,353.10	3,000	410,296.53	40,000	5,470,620.35	178,240[1]	24,377,084.32

Notes:

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed "*—A. Application for Hong Kong Offer Shares—3. Information Required to Apply*" in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) **HKSCC EIPO** channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply further for any Offer Shares.

The H Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications ("**Best Practice Note**") issued by the Federation of Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

(i) undertake to execute all relevant documents and instruct and authorize us and/or the Overall Coordinators, as our agent, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the **HKSCC EIPO** channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;

(ii) confirm that you have read and understand the terms and conditions and application procedures set out in this prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(iii) (if you are applying through the **HKSCC EIPO** channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) confirm that you are aware of the restrictions on offers and sales of shares set out in this prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;

(v) confirm that you have read this prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;

(vi) agree that our Company, the Joint Sponsors, the Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters and any of their or our Company's respective directors, officers, employees, partners, agents, advisors, and representatives, and any other parties involved in the Global Offering (collectively, the "**Relevant Persons**"), the H Share Registrar and HKSCC will not be liable for any information and representations not in this prospectus and any supplement to it;

(vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the H Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed "*—G. Personal Data—3. Purposes and 4. Transfer of personal data*" in this section;

(viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees' application) has been accepted) that you will not rescind it because of an innocent misrepresentation;

(ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the H Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed "*—B. Publication of Results*" in this section;

(x) confirm that you are aware of the situations specified in the paragraph headed "*—C. Circumstances In Which You* Will *Not Be Allocated Hong Kong Offer Shares*" in this section;

(xi) agree that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;

(xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus;

(xiii) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by our Company, any of the directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of our Company or any of our subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from our Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of our Company or any of our subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the H Shares registered in your name or otherwise held by you;

(xiv) warrant that the information you have provided is true and accurate;

(xv) confirm that you understand that we and the Overall Coordinators will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving **electronic application instructions** to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving **electronic application instructions** to HKSCC or the **HK eIPO White Form** Service Provider and (2) you have due authority to give **electronic application instructions** on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform		Date/Time
Applying through the **HK eIPO White Form** service or **HKSCC EIPO** channel:		
Website	From the "Allotment Results" page at designated results of allocations website at **www.tricor.com.hk/ipo/result** or **www.hkeipo.hk/IPOResult** with a "search by ID" function. The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at **www.hkeipo.hk/IPOResult** or **www.tricor.com.hk/ipo/result**.	24 hours, from 11:00 p.m. on Monday, June 29, 2026 to 12:00 midnight on Sunday, July 5, 2026 (Hong Kong time).

Platform		Date/Time
	The Stock Exchange's website at **www.hkexnews.hk** and our website at **www.truehealth.cn** which will provide links to the above mentioned websites of the H Share Registrar.	No later than 11:00 p.m. on Monday, June 29, 2026 (Hong Kong time).
Telephone . .	+852 3691 8488—the allocation results telephone enquiry line provided by the H Share Registrar.	Between 9:00 a.m. and 6:00 p.m., from Tuesday, June 30, 2026 to Monday, July 6, 2026 (Hong Kong time) on a business day.

For those applying through **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Friday, June 26, 2026 (Hong Kong time), HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Friday, June 26, 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the results of the final Offer Price, the level of indications of interest in the Global Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.truehealth.cn** by no later than 11:00 p.m. on Monday, June 29, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Overall Coordinators, the H Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the H Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed "*—A. Application for Hong Kong Offer Shares—5. Multiple Applications Prohibited*" in this section on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted H Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their designated bank before balloting. After balloting of Hong Kong Offer Shares, the Receiving Bank will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Offer Share allotment from their designated bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its designated bank), who is acting on your behalf in settling payment for your allotted H Shares, HKSCC will contact the defaulting HKSCC Participant and its designated bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the International Offering. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the H Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. DISPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one H Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the **HKSCC EIPO** channel where the H Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the H Shares. No receipt will be issued for sums paid on application.

H Share certificates will only become valid at 8:00 a.m. on the Listing Date, provided that the Global Offering has become unconditional and the right of termination described in the section headed "Underwriting—Underwriting Arrangements and Expenses—Hong Kong Public Offering—Grounds for Termination" has not been exercised. Investors who trade the H Shares on the basis of publicly available allocation details prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.

The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	HK eIPO White Form service	HKSCC EIPO channel
Dispatch/collection of H Share certificate[1]		
For application of 100,000 Hong Kong Offer Shares or more	Collection in person at the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. **Time:** from 9:00 a.m. to 1:00 p.m. on Tuesday, June 30, 2026 (Hong Kong time). If you are an individual, you must not authorize any other person to collect for you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar. **Note:** If you do not collect your H Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk.	H Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant's stock account. No action by you is required.
For application of less than 100,000 Hong Kong Offer Shares	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk. **Date:** Monday, June 29, 2026.	
Refund mechanism for surplus application monies paid by you		
Date	Tuesday, June 30, 2026.	Subject to the arrangement between you and your broker or custodian.
Responsible party	H Share Registrar.	Your broker or custodian.
Application monies paid through single bank account	**HK eIPO White Form** e-Auto Refund payment instructions to your designated bank account.	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it.

	HK eIPO White Form service	HKSCC EIPO channel
Application monies paid through multiple bank accounts	Refund cheque(s) will be dispatched to the address as specified in your application instructions by ordinary post at your own risk.	

1. Except in the event of a tropical cyclone warning signal number 8 or above, a black rainstorm warning and/or Extreme Conditions in the morning on Monday, June 29, 2026 rendering it impossible for the relevant H Share certificates to be dispatched to HKSCC in a timely manner, the Company shall procure the H Share Registrar to arrange for delivery of the supporting documents and H Share certificates in accordance with the contingency arrangements as agreed between them. You may refer to "—E. Severe Weather Arrangements" in this section.

E. SEVERE WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Thursday, June 25, 2026, if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- Extreme Conditions,

(collectively, "**Severe Weather Signals**"),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, June 25, 2026.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have Severe Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the listing date. Should there be any changes to the dates mentioned in the section headed "Expected Timetable" in this prospectus, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.truehealth.cn** of the revised timetable.

If a Severe Weather Signal is hoisted on Monday, June 29, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to the HKSCC Depository's service counter so that they would be available for trading on Tuesday, June 30, 2026.

If a Severe Weather Signal is hoisted on Monday, June 29, 2026, for application of less than 100,000 Hong Kong Offer Shares, the despatch of physical H Share certificate(s) will be made by ordinary post when the post office re-opens after the Severe Weather Signal is lowered or canceled (e.g. in the afternoon of Monday, June 29, 2026 or on Tuesday, June 30, 2026).

If a Severe Weather Signal is hoisted on Tuesday, June 30, 2026, for application of 100,000 Hong Kong Offer Shares or more, physical H Share certificate(s) will be available for collection in person at the H Share Registrar's office after the Severe Weather Signal is lowered or canceled (e.g. in the afternoon of Tuesday, June 30, 2026 or on Thursday, July 2, 2026).

Prospective investors should be aware that if they choose to receive physical H Share certificates issued in their own name, there may be a delay in receiving the H Share certificates.

F. ADMISSION OF THE H SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by our Company, the H Share Registrar, the receiving bank and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of our Company and the H Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to our Company or its agents and the H Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the H Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of our Company or the H Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the dispatch of H Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform our Company and the H Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the H Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of our Company;

- verifying identities of applicants for and holders of the H Shares and identifying any duplicate applications for the H Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the H Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from our Company and our subsidiaries;
- compiling statistical information and profiles of the holder of the H Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable our Company and the H Share Registrar to discharge their obligations to applicants and holders of the H Shares and/or regulators and/or any other purposes to which applicants and holders of the H Shares may from time to time agree.

4. Transfer of personal data

Personal data held by our Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but our Company and the H Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- our Company's appointed agents such as financial advisors, receiving bank and overseas principal share registrar;
- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the H Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);
- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to our Company or the H Share Registrar in connection with their respective business operation;
- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

Our Company and the H Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfill the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether our Company or the H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. Our Company and the H Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to our Company and the H Share Registrar, at their registered address disclosed in the section headed "Corporate information" in this prospectus or as notified from time to time, for the attention of our joint company secretaries, or the H Share Registrar for the attention of the privacy compliance officer.

The following is the text of a report received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this Prospectus.

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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF GUANGDONG TRUE HEALTH MEDICAL TECHNOLOGY DEVELOPMENT CO., LTD., CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED AND DBS ASIA CAPITAL LIMITED

Introduction

We report on the historical financial information of Guangdong True Health Medical Technology Development Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-3 to I-53, which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2024 and 2025 (the "Relevant Periods"), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2024 and 2025 and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-3 to I-53 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 22 June 2026 (the "Prospectus") in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2024 and 2025 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on Matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-3 have been made.

Dividends

We refer to note 12 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

Ernst & Young
Certified Public Accountants
Hong Kong
22 June 2026

I. HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants (the "Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December 2024	2025
		RMB'000	*RMB'000*
REVENUE	*5*	1,791	12,178
Cost of sales		(481)	(2,884)
Gross profit		1,310	9,294
Other income and gains	*6*	33,264	45,479
Selling and distribution expenses		(40,094)	(38,044)
Administrative expenses		(34,851)	(48,244)
Research and development expenses		(50,846)	(56,874)
Impairment losses on financial assets and contract assets, net		(34)	(123)
Other expenses		(308)	(1,041)
Finance costs	*7*	(594)	(398)
Share of loss of an associate		–	(161)
LOSS BEFORE TAX	*8*	(92,153)	(90,112)
Income tax expense	*11*	(3)	(1)
LOSS FOR THE YEAR		(92,156)	(90,113)
Attributable to:			
Owners of the parent		(92,156)	(90,113)
OTHER COMPREHENSIVE LOSS			
Other comprehensive expense that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		–	(111)
OTHER COMPREHENSIVE LOSS FOR THE YEAR		–	(111)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(92,156)	(90,224)
Attributable to:			
Owners of the parent		(92,156)	(90,224)
		(92,156)	(90,224)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (expressed in RMB)			
Basic and diluted	*13*	(3.82)	(2.95)

For the details of Pre-IPO investments, please refer to note 27 to this report.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December 2024	As at 31 December 2025
		RMB'000	*RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment	*14*	16,659	13,982
Right-of-use assets	*15*	11,957	8,872
Intangible assets	*16*	1,411	786
Investment in an associate	*17*	–	239
Prepayments, deposits and other receivables	*20*	11,633	17,082
Trade receivables	*19*	–	1,159
Total non-current assets		41,660	42,120
CURRENT ASSETS			
Inventories	*18*	21,688	40,619
Trade receivables	*19*	–	3,580
Contract assets	*19*	–	386
Prepayments, deposits and other receivables	*20*	8,119	11,725
Cash and cash equivalents	*21*	83,908	182,394
Total current assets		113,715	238,704
CURRENT LIABILITIES			
Trade payables	*22*	885	2,784
Other payables and accruals	*23*	15,134	17,070
Contract liabilities	*24*	2,230	4,141
Lease liabilities	*15*	6,361	6,120
Tax payable		2	1
Total current liabilities		24,612	30,116
NET CURRENT ASSETS		89,103	208,588
TOTAL ASSETS LESS CURRENT LIABILITIES		130,763	250,708
NON-CURRENT LIABILITIES			
Lease liabilities	*15*	5,307	2,938
Deferred income	*26*	6	8,204
Total non-current liabilities		5,313	11,142
Net assets		125,450	239,566
EQUITY			
Equity attributable to owners of the parent			
Paid-in capital	*27*	24,698	–
Share capital	*27*	–	32,082
Reserves	*28*	100,752	207,484
Total equity		125,450	239,566

For the details of Pre-IPO investments, please refer to note 27 to this report.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2024

	Paid-in capital	Capital reserve	Accumulated losses	Total equity
	RMB'000 (note 27)	*RMB'000 (note 28)*	*RMB'000*	*RMB'000*
At 1 January 2024	23,545	556,809	(438,606)	141,748
Loss for the year	–	–	(92,156)	(92,156)
Total comprehensive loss for the year	–	–	(92,156)	(92,156)
Capital contribution by shareholders (net of issue costs)	1,153	74,705	–	75,858
At 31 December 2024	24,698	631,514*	(530,762)*	125,450

Year ended 31 December 2025

	Share capital	Paid-in capital	Capital reserve	Foreign currency translation reserve	Accumulated losses	Total equity
	RMB'000 (note 27)	*RMB'000 (note 27)*	*RMB'000 (note 28)*	*RMB'000 (note 28)*	*RMB'000*	*RMB'000*
At 1 January 2025	–	24,698	631,514	–	(530,762)	125,450
Loss for the year	–	–	–	–	(90,113)	(90,113)
Exchange differences on translation of foreign operations	–	–	–	(111)	–	(111)
Total comprehensive loss for the year	–	–	–	(111)	(90,113)	(90,224)
Capital contribution by shareholders (net of issue costs)	–	7,384	196,956	–	–	204,340
Conversion into a joint stock company	32,082	(32,082)	(467,155)	–	467,155	–
At 31 December 2025	32,082	–	361,315*	(111)*	(153,720)*	239,566

* These reserve accounts comprise the consolidated reserves of RMB100,752,000 and RMB207,484,000 in the consolidated statements of financial position as at 31 December 2024 and 2025, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December 2024	2025
		RMB'000	*RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(92,153)	(90,112)
Adjustments for:			
Finance costs	*7*	594	398
Interest income	*6*	(623)	(473)
Loss on disposal of items of property, plant and equipment	*8*	70	–
Gain on lease termination	*8*	(31)	(4)
Depreciation of property, plant and equipment	*14*	4,906	5,494
Depreciation of right-of-use assets	*15(a)*	6,927	7,266
Amortisation of intangible assets	*16*	819	844
Impairment losses on financial assets and contract assets, net	*8*	34	123
Investment income from financial products	*6*	(695)	(2,377)
Write-down of inventories to net realisable value	*8*	–	22
Share of loss of an associate	*8*	–	161
Interest income arising from loan to a related party	*6*	–	(4)
		(80,152)	(78,662)
Increase in inventories		(13,510)	(18,953)
Increase in trade receivables		–	(4,886)
Increase in contract assets		–	(390)
Increase in prepayments, deposits and other receivables		(10,547)	(4,130)
Increase in trade payables		830	1,899
Increase in contract liabilities		1,681	1,911
Increase in other payables and accruals		5,117	2,647
(Decrease)/increase in deferred income		(1,086)	8,198
Cash used in operations		(97,667)	(92,366)
Interest received		623	473
Income tax paid		(1)	(2)
Net cash flows used in operating activities		(97,045)	(91,895)

	Note	Year ended 31 December 2024	Year ended 31 December 2025
		RMB'000	*RMB'000*
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(7,868)	(3,045)
Purchases of intangible assets		(123)	(219)
Purchase of financial assets at fair value through profit or loss		(238,490)	(464,800)
Proceeds from disposal of financial assets at fair value through profit or loss		239,185	467,177
Proceeds from disposal of property, plant and equipment		638	–
Acquisition of an associate		–	(400)
Loans to related parties		–	(1,000)
Net cash flows used in investing activities		(6,658)	(2,287)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contribution by shareholders (net of issue costs)		71,884	204,340
Payments of listing expense		–	(3,089)
Repayment of lease payments		(7,910)	(7,179)
New bank loans		2,000	–
Repayment of bank loans		(2,000)	–
Loan from a director and director's family member		1,166	–
Repayment of loan to a director and director's family member		–	(1,166)
Interest paid		(7)	(89)
Net cash flows from financing activities		65,133	192,817
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(38,570)	98,635
Cash and cash equivalents at beginning of year		122,484	83,908
Effect of foreign exchange rate changes, net		(6)	(149)
CASH AND CASH EQUIVALENTS AT END OF YEAR	*21*	83,908	182,394

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December 2024	As at 31 December 2025
		RMB'000	*RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment	*14*	12,914	10,783
Right-of-use assets	*15*	5,697	5,187
Other intangible assets	*16*	2,859	1,964
Interest in subsidiaries	*1*	55,821	35,921
Investment in an associate	*17*	–	239
Prepayments, other receivables and other assets	*20*	8,884	18,561
Total non-current assets		86,175	72,655
CURRENT ASSETS			
Inventories	*18*	20,000	41,956
Trade receivables	*19*	3,375	2,552
Contract assets	*19*	–	386
Prepayments, deposits and other receivables	*20*	52,078	76,094
Cash and cash equivalents	*21*	49,870	162,633
Total current assets		125,323	283,621
CURRENT LIABILITIES			
Trade payables	*22*	686	4,955
Other payables and accruals	*23*	10,889	13,155
Contract liabilities	*24*	2,230	4,044
Lease liabilities	*15*	3,044	3,432
Total current liabilities		16,849	25,586
NET CURRENT ASSETS		108,474	258,035
TOTAL ASSETS LESS CURRENT LIABILITIES		194,649	330,690
NON-CURRENT LIABILITIES			
Lease liabilities	*15*	2,268	2,262
Deferred income	*26*	6	8,037
Total non-current liabilities		2,274	10,299
Net assets		192,375	320,391
EQUITY			
Paid-in capital	*27*	24,698	–
Share capital	*27*	–	32,082
Reserves	*28*	167,677	288,309
Total equity		192,375	320,391

For the details of Pre-IPO investments, please refer to note 27 to this report.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Guangdong True Health Medical Technology Development Co., Ltd. (the "Company") was incorporated as a limited liability company in the People's Republic of China ("PRC") on 16 March 2018 and converted into a joint stock company with limited liability in October 2025. The registered office address of the Company is Room 101, 1/F, Building 9, 1889 Huandao East Road, Hengqin New District, Zhuhai, Guangdong Province, PRC.

The Company and its subsidiaries (the "Group") are principally engaged in the research and development, manufacture and sale of surgical robots and disposables. As at the date of this report, the Company had direct interests in its subsidiaries, all of which are private limited liability companies, the particulars of the principal subsidiaries are set out below:

Name	Place and date of incorporation/ registration and place of operations	Issued ordinary share/ registered capital	Percentage of equity attributable to the Company	Principal activities
			Direct	
True Health (Guangdong Hengqin) Medical Device Co., Ltd.* (真健康(廣東橫琴)醫療設備有限公司) *(note a)*	PRC/Chinese mainland 26 July 2021	RMB20,000,000	100%	Production of medical devices
True Health (Beijing) Medical Technology Co., Ltd.* (真健康(北京)醫療科技有限公司) *(note a)*	PRC/Chinese mainland 21 November 2022	RMB1,000,000	100%	R&D of medical devices

* The English names of the Chinese mainland companies represent management's best effort in translating the Chinese names of those companies as no English names have been registered or are available.

Note:

a. No audited financial statements have been prepared for this company for the year ended 31 December 2024 and 2025.

The carrying amounts of the Company's investments in subsidiaries are as follows:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Investments, at cost	55,821	35,921

2.1 BASIS OF PREPARATION

For ordinary shares issued to Pre-IPO investors, pursuant to the supplemental agreements entered into between the Company and the Pre-IPO Investors in relation to the termination of certain of special rights granted by the Company, including redemption rights and joint and several liability assumed by the Company pertaining to redemption obligation of controlling shareholders which are void ab initio as described in note 27 to this report, having taken into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the supplementary agreements, the directors considered that it is appropriate to present the Pre-IPO Investments as equity throughout the Relevant Periods. Further details of the financial impacts of the arrangements are included in note 27 to the Historical Financial Information.

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board (the "IASB"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025 together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

The Historical Financial Information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The Historical Financial Information includes the financial information of the Company and its subsidiaries for the Relevant Periods. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and revised IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective.

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[1]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[2]
IFRS 18	*Presentation and Disclosure in Financial Statements*[3]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[3]
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[2]

[1] No mandatory effective date yet determined but available for adoption

[2] Effective for annual periods beginning on or after 1 January 2026

[3] Effective for annual periods beginning on or after 1 January 2027

The Group is in the process of making an assessment of the impact of these new and revised IFRS Accounting Standards upon initial application. So far, the Group considers that these new and revised IFRS Accounting Standards are unlikely to have a significant impact on the Group's results of operations and financial position.

IFRS 18 sets out requirements on disclosures in financial statements and it will replace IAS 1 Presentation of Financial Statements. The application of IFRS 18 will not have material impact on the financial position of the Group but is expected to affect the presentation of the consolidated income statements and consolidated statement of cash flows and disclosures in the future financial statements.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

Investments in associates

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

Fair value measurement

The Group measures its financial instruments at fair value through profit or loss at the end of each of the reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each of the reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An Impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each of the reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Machinery and equipment	19.40% to 32.33%
Office equipment	32.33%
Motor vehicles	19.40%
Electronic equipment	32.33%
Leasehold improvements	Over the shorter of lease terms and estimated useful lives

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each of the reporting period.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Software

Software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 5 years.

Intellectual property

Purchased licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 5 years. The useful life of 5 years for licences is estimated based on the duration of the licences, as well as the useful lives of similar assets in the marketplace.

Research and development costs

All research and development costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Buildings	2 to 5 years
Vehicles	2 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate used to determine such lease payments) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are presented in a separate line on the consolidated statement of financial position.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office premises (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that is considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been an increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs.

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Classification as equity and financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

A financial liability is any liability that is (a) a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity's own equity instruments and is: (i) a non derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as payables, or loans and borrowings, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables and loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other payables and accruals.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables)

After initial recognition, trade and other payables are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary difference; and

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary difference; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each of the reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

(a) Sales of surgical robots and disposables

Revenue from the sale of products is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery and acceptance of the products as agreed in the sales contracts.

(b) Technical service

Revenue from technical service is recognised at the point in time when the technical report is delivered and accepted by the customers.

Other income

Bank interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Other employee benefits

Share-based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("equity-settled transactions"). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each Relevant Periods until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period. The Group granted certain incentive shares through share incentive platforms in the reporting periods before the Relevant Periods, and the incentive shares were vested immediately upon granted, the share-based payment are then recognised in the period before the Relevant Periods.

Pension scheme

The employees of the Group which operates in Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries operating in Chinese mainland are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Housing fund – Chinese mainland

The Group contributes on a monthly basis to a defined contribution plan of housing fund operated by the local municipal government. Contributions to this plan by the Group are expensed as incurred.

Borrowing costs

All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Events after the relevant periods

If the Group receives information after the Relevant Periods, but prior to the date of authorisation for issue, about conditions that existed at the end of the relevant period, it will assess whether the information affects the amounts that it recognises in its consolidated financial statements. The Group will adjust the amounts recognised in its consolidated financial statements to reflect any adjusting events after the relevant period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the relevant period, the Group will not change the amounts recognised in its consolidated financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Foreign currencies

The Historical Financial Information is presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Historical Financial Information:

Research and development expenses

All research and development expenses are charged to profit or loss as incurred. Expenses incurred on each pipeline to develop new products are only capitalised and deferred in accordance with the accounting policy for research and development expenses in note 2.3 to the Historical Financial Information. Determining the amounts to be capitalised requires management to make judgements on the technical feasibility of existing pipelines to be successfully commercialised and bring economic benefits to the Company. In the opinion of the directors, during the Relevant Periods, the criteria for capitalisation of development costs were not met and development expenditure were expensed.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including right-of-use assets) at the end of each of the reporting period. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

As of 31 December 2024 and 2025, no indicators of impairment for non-financial assets of the Group were identified, given that (i) During the Track Record Period, the right-of-use assets and leasehold improvements were in normal use, and no adverse changes affecting the leased properties had taken place during the Track Record Period or are expected to take place in the near future in the technological, market, economic or legal environment in which the Group operates. (ii) During the Track Record Period, all equipment and intellectual property including laboratory equipment and computer software remained in use as the Group continued its normal business operations, and no obsolescence or physical damage to these property and equipment, right-of-use assets and intangible assets had taken place during the Track Record Period, or is expected to take place in the near future.

Recognition of income taxes and deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Useful lives and residual values of property, plant and equipment

In determining the useful life and residual value of an item of property, plant and equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset, expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. The depreciation amount will be adjusted if the estimated useful life and/or the residual value of an item of property, plant and equipment are different from the previous estimation. Useful lives and residual values are reviewed at each financial year end date based on changes in circumstances.

Write-down of inventories to net realisable value

Write-down of inventories to net realisable value is made for those identified obsolete and slow-moving inventories and inventories with a carrying amount higher than net realisable value. The assessment of the provision required involves management's judgement and estimates on which are influenced by assumptions concerning future sales and usage and judgements in determining the appropriate level of inventory provisions against identified surplus or obsolete items. Where the actual outcome or expectation in future is different from the original estimate, such differences will have impact on the carrying amounts of inventories and the write-down of inventories in the period in which such estimate has been changed.

4. OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customers

During the Relevant Periods, no further geographical segment information is presented as all of the Group's revenue was derived from the customers in Chinese mainland.

(b) Non-current assets

Since almost all of the Group's non-current assets were located in Chinese mainland, no geographical information in accordance with IFRS 8 Operating Segments is presented.

Information about major customers

Revenue from the major customers which amounted to 10% or more of the Group's revenue is set out below:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Customer A	1,593	N/A*
Customer B	N/A*	4,779
Customer C	N/A*	3,024
Customer D	N/A*	1,593
Customer E	N/A*	1,416

* The corresponding revenue of the customer is not disclosed as the revenue individually did not account for 10% or more of the Group's revenue during the respective period.

5. REVENUE

An analysis of revenue is as follows:

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Types of goods or services		
Sales of surgical robots and disposables	1,791	12,103
Technical services	–	75
	1,791	12,178
Timing of revenue recognition		
Transferred at a point in time	1,791	12,178
	1,791	12,178

(b) Performance obligations

Sales of surgical robots and disposables

The performance obligation is satisfied upon delivery and acceptance of the surgical robots and disposables and payment is generally due within 30 to 180 days from delivery and acceptance, except for new customers, where payment in advance is normally required.

Technical services

The performance obligation is satisfied upon delivery and acceptance of the technical report and payment is generally due within 30 to 180 days from delivery and acceptance, except for new customers, where payment in advance is normally required.

As the original expected duration of the contracts from customers of the Group is within one year or less, the Group applies the practical expedient of not disclosing the transaction price allocated to the remaining performance obligation.

6. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Other income		
Government grants*	31,904	42,560
Bank interest income	623	473
Investment income from financial products	695	2,377
Interest income arising from loan to a related party	–	4
Interest income arising from revenue contracts containing financing component	–	12
Others	11	49
Total other income	33,233	45,475
Gains		
Gain on termination of a lease contract	31	4
Total gains	31	4
Total other income and gains	33,264	45,479

* The government grants mainly represent subsidies received from the government that relate to expenses. When all attaching conditions and requirements are complied with, government grants are released to profit or loss either over the periods that the expenses for which they are intended to compensate are expensed.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Interest on bank and other borrowings	90	6
Interest on lease liabilities *(note 15)*	504	392
Total	594	398

For the details of Pre-IPO investments, please refer to note 27 to this report.

8. LOSS BEFORE TAX

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

	Notes	Year ended 31 December 2024	Year ended 31 December 2025
		RMB'000	*RMB'000*
Cost of inventories sold		481	2,821
Cost of services provided		–	63
Depreciation of property, plant and equipment*	*14*	4,906	5,494
Depreciation of right-of-use assets*	*15*	6,927	7,266
Amortisation of intangible assets*	*16*	819	844
Research and development costs:			
Current year expenditure		50,846	56,874
Gain on termination of a lease contract	*15*	(31)	(4)
Impairment losses on financial assets and contract assets, net		34	123
Lease payments not included in the measurement of lease liabilities	*15*	144	293
Loss on disposal of items of property, plant and equipment		70	–
Write-down of inventories to net realisable value		–	22
Share of loss of an associate		–	161
Listing expenses		–	16,045
Employee benefit expenses (including directors' and chief executive's remuneration *(note 9)*):			
– Salaries, bonuses, allowances and benefits in kind		46,976	51,657
– Pension scheme contributions**		5,052	4,840
Total		52,028	56,497

* Included in "cost of sales", "administrative expenses", "selling and distribution expenses" and "research and development expenses" in the consolidated statements of profit or loss and other comprehensive income.

** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

9. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISOR'S REMUNERATION

The remuneration of each of these directors and supervisor as recorded in the financial statements of the Group is set out below:

	Year ended 31 December 2024	Year ended 31 December 2025
	RMB'000	*RMB'000*
Other emoluments:		
Salaries, allowances and benefits in kind	4,207	4,918
Performance related bonuses	2,800	3,290
Pension scheme contributions	188	211
Total	7,195	8,419

(a) Executive directors, non-executive directors, the chief executive and supervisor

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2024				
Chief executive and executive directors:				
Ms. Cheong Hou Iam *(Note (a))*	2,022	2,000	47	4,069
Ms. Chen Miaoping *(Note (b))*	655	150	47	852
Mr. Duan Yulong *(Note (b))*	36	–	–	36
Mr. Xu Zhongzhao *(Note (b))*	–	–	–	–
Ms. Guo Jian *(Note (b))*	731	500	47	1,278
Supervisor:				
Mr. Chen Xiangqian *(Note (d))*	763	150	47	960
Total	4,207	2,800	188	7,195

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2025				
Chief executive and executive directors:				
Ms. Cheong Hou Iam *(Note (a))*	2,398	2,131	54	4,583
Ms. Chen Miaoping *(Note (b))*	656	150	54	860
Mr. Duan Yulong *(Note (b))*	3	–	–	3
Ms. Guo Jian *(Note (b))*	830	566	54	1,450
Non-executive directors:				
Dr. Liu Liang Gang *(Note (c))*	16	–	–	16
Mr. Ma Jian Ming *(Note (c))*	16	–	–	16
Mr. Wu Guan Cheng *(Note (c))*	16	–	–	16
Supervisor:				
Mr. Chen Xiangqian *(Note (d))*	983	443	49	1,475
Total	4,918	3,290	211	8,419

Notes:

(a) Ms. Cheong Hou Iam was appointed as a director and the chief executive officer of the Company and the chairperson of the Board with effect from January 2021.

(b) Ms. Chen Miaoping was appointed as an executive director of the Company with effect from March 2022. Mr. Duan Yulong was appointed as an executive director of the Company with effect from March 2022 to January 2025. Ms. Guo Jian was appointed as an executive director of the Company with effect from October 2023. Mr. Xu Zhongzhao was appointed as an executive director of the Company with effect from October 2023 to January 2025.

(c) Dr. Liu Liang Gang was appointed as a non-executive director of the Company with effect from November 2025. Mr. Ma Jian Ming was appointed a non-executive director of the Company with effect from November 2025. Mr. Wu Guan Cheng was appointed as a non-executive director of the Company with effect from November 2025.

(d) Mr. Chen Xiangqian was appointed as a supervisor of the Company with effect from January 2021 and the Company had dissolved the supervisory committee with effect from November 2025.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods included four and three directors, or former supervisor respectively, details of whose remuneration are set out in note 9 above.

Details of the remuneration of the remaining highest paid employees, who are neither a director, chief executive nor a supervisor of the Group for each of the Relevant Periods are as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Salaries, allowances and benefits in kind	784	1,546
Performance related bonuses	150	700
Pension scheme contributions	66	68
Total	1,000	2,314

The number of non-director and non-chief executive and non-supervisor highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended 31 December	
	2024	2025
	Number of employees	Number of employees
Nil to HK$1,000,000	–	1
HK$1,000,001 to HK$1,500,000	1	1
Total	1	2

During the Relevant Periods, no highest paid employees waived or agreed to waive any remuneration and no remuneration was paid by the Group to any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

11. INCOME TAX

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

Chinese mainland

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the Enterprise Income Tax ("EIT") rate of the PRC subsidiaries was 25% during the Relevant Periods except for the Company which was subject to tax concession set out below. A preferential tax treatment is available for the Company which was recognised as a High and New Technology Enterprise in 2023 in Chinese mainland, and a lower corporate income tax of 15% has been applied since then. A preferential tax treatment is available for True Health (Guangdong Hengqin) Medical Device Co., Ltd.* (真健康(廣東橫琴)醫療設備有限公司) and True Health (Beijing) Medical Technology Co., Ltd.* (真健康(北京)醫療科技有限公司) which were recognised as High and New Technology Enterprises in 2024 in Chinese mainland, and a lower corporate income tax of 15% has been applied since then. The certificate of High and New Technology Enterprise must be renewed every three years and the above-mentioned entities must re-apply for it every three years.

Pursuant to the Notice on the Preferential Enterprise Income Tax Policies for Enterprises in the Hengqin Guangdong-Macau In-Depth Cooperation Zone (Cai Shui [2022] No. 19) jointly issued by the Ministry of Finance and the State Taxation Administration on 25 May 2022 eligible industrial enterprises established in the Hengqin Guangdong-Macau In-Depth Cooperation Zone (which the Company satisfies) are subject to enterprise income tax at a reduced rate of 15%.

Macau

The subsidiary incorporated in Macau is subject to Macau profits tax at the rate of 12% on the estimated assessable profits arising in Macau. No provision for Macau profits tax has been made as the Group had no assessable profits derived from or earned in Macau during the Relevant Periods.

The income tax expense of the Group for the Relevant Periods is analysed as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Current income tax	3	1
Deferred tax	-	-
Total	3	1

A reconciliation between income tax expenses and loss before tax at applicable tax rates is as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Loss before tax	(92,153)	(90,112)
Tax at the statutory tax rate (25%)	(23,039)	(22,528)
Effect of different tax rates enacted by local authorities	9,245	9,219
Additional deductible allowance for research and development expenses	(10,112)	(7,425)
Deductible temporary difference and tax losses not recognised	22,592	19,277
Losses attributable to an associate	–	24
Expenses not deductible for tax	1,317	1,434
Tax charge at the Group's effective rate	3	1

The Group had tax losses in Chinese mainland of RMB442,035,000 and RMB570,667,000 in aggregate as at 31 December 2024 and 2025, respectively, that will expire in one to ten years for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as they have arisen in the subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses can be utilised.

12. DIVIDENDS

No dividend was paid or declared by the Company during the Relevant Periods.

13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the company and the weighted average number of ordinary shares in issue during the Relevant Periods. The weighted average number of ordinary shares in issue for the Relevant Periods before the conversion into a joint stock company was determined by assuming that the paid-in capital had been fully converted into share capital at the same conversion ratio of 1:1 as upon transformation into a joint stock company on 29 October 2025.

No adjustment has been made to the basic loss per share amounts presented for the Relevant Periods in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue.

The calculation of basic and diluted loss per share are based on:

	Year ended 31 December	
	2024	2025
Loss:		
Loss attributable to ordinary equity holders of the Company, used in the basic loss per share calculation (RMB'000)	(92,156)	(90,113)
Shares:		
Weighted average number of ordinary shares in issue during the year, used in the basic loss per share calculation (in thousand shares)	24,101	30,540
Loss per share attributable to ordinary equity holders of the Company (expressed in RMB)		
– Basic and diluted	(3.82)	(2.95)

For the details of Pre-IPO investments, please refer to note 27 to this report.

14. PROPERTY, PLANT AND EQUIPMENT

The Group

	Machinery and equipment	Office equipment	Motor vehicles	Electronic equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024						
At 1 January 2024:						
Cost	12,436	393	193	2,042	2,858	17,922
Accumulated depreciation	(1,799)	(222)	(65)	(952)	(1,252)	(4,290)
Net carrying amount	10,637	171	128	1,090	1,606	13,632
At 1 January 2024, net of accumulated depreciation	10,637	171	128	1,090	1,606	13,632
Additions	6,668	3	–	222	1,748	8,641
Disposal	–	–	–	(76)	(632)	(708)
Depreciation provided during the year	(3,160)	(106)	(38)	(603)	(999)	(4,906)
At 31 December 2024, net of accumulated depreciation	14,145	68	90	633	1,723	16,659
At 31 December 2024:						
Cost	19,104	392	193	2,057	3,974	25,720
Accumulated depreciation	(4,959)	(324)	(103)	(1,424)	(2,251)	(9,061)
Net carrying amount	14,145	68	90	633	1,723	16,659

	Machinery and equipment	Office equipment	Motor vehicles	Electronic equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025						
At 1 January 2025:						
Cost	19,104	392	193	2,057	3,974	25,720
Accumulated depreciation	(4,959)	(324)	(103)	(1,424)	(2,251)	(9,061)
Net carrying amount	14,145	68	90	633	1,723	16,659
At 1 January 2025, net of accumulated depreciation	14,145	68	90	633	1,723	16,659
Additions	1,835	9	–	694	279	2,817
Depreciation provided during the year	(3,815)	(52)	(37)	(465)	(1,125)	(5,494)
At 31 December 2025, net of accumulated depreciation	12,165	25	53	862	877	13,982
At 31 December 2025:						
Cost	20,939	401	193	2,751	4,253	28,537
Accumulated depreciation	(8,774)	(376)	(140)	(1,889)	(3,376)	(14,555)
Net carrying amount	12,165	25	53	862	877	13,982

The Company

	Machinery and equipment	Office equipment	Motor vehicles	Electronic equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024						
At 1 January 2024:						
Cost	11,921	265	193	1,565	272	14,216
Accumulated depreciation	(1,710)	(177)	(65)	(825)	(215)	(2,992)
Net carrying amount	10,211	88	128	740	57	11,224
At 1 January 2024, net of accumulated depreciation	10,211	88	128	740	57	11,224
Additions	3,826	–	–	103	1,616	5,545
Disposal	–	–	–	(69)	(272)	(341)
Depreciation provided during the year	(2,779)	(63)	(38)	(427)	(207)	(3,514)
At 31 December 2024, net of accumulated depreciation	11,258	25	90	347	1,194	12,914
At 31 December 2024:						
Cost	15,747	262	193	1,470	1,616	19,288
Accumulated depreciation	(4,489)	(237)	(103)	(1,123)	(422)	(6,374)
Net carrying amount	11,258	25	90	347	1,194	12,914

	Machinery and equipment	Office equipment	Motor vehicles	Electronic equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025						
At 1 January 2025:						
Cost	15,747	262	193	1,470	1,616	19,288
Accumulated depreciation	(4,489)	(237)	(103)	(1,123)	(422)	(6,374)
Net carrying amount	11,258	25	90	347	1,194	12,914
At 1 January 2025, net of accumulated depreciation	11,258	25	90	347	1,194	12,914
Additions	1,205	9	–	328	279	1,821
Depreciation provided during the year	(3,088)	(13)	(37)	(218)	(596)	(3,952)
At 31 December 2025, net of accumulated depreciation	9,375	21	53	457	877	10,783
At 31 December 2025:						
Cost	16,952	271	193	1,798	1,895	21,109
Accumulated depreciation	(7,577)	(250)	(140)	(1,341)	(1,018)	(10,326)
Net carrying amount	9,375	21	53	457	877	10,783

As at 31 December 2024 and 2025, there were no pledged property, plant and equipment.

15. LEASES

The Group as a lessee

The Group has lease contracts for various items of buildings and vehicles used in its operations. Buildings generally have lease terms between 2 and 5 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amount of the Group's right-of-use assets and the movements during the Relevant Periods are as follows:

The Group

	Buildings	Vehicles	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2024	8,452	178	8,630
Addition	9,172	600	9,772
Depreciation charge	(6,604)	(323)	(6,927)
Decrease arising from lease term termination	(1,182)	–	(1,182)
Reassessment of a lease term arising from a change in rent	1,664	–	1,664
As at 31 December 2024 and 1 January 2025	11,502	455	11,957
Addition	463	254	717
Depreciation charge	(6,917)	(349)	(7,266)
Decrease arising from lease term termination	(521)	(146)	(667)
Reassessment of a lease term arising from a change in rent	4,131	–	4,131
As at 31 December 2025	8,658	214	8,872

The Company

	Buildings	Vehicles	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2024	2,757	178	2,935
Addition	6,814	600	7,414
Depreciation charge	(2,953)	(323)	(3,276)
Decrease arising from lease term termination	(1,076)	–	(1,076)
Reassessment of a lease term arising from a change in rent	(300)	–	(300)
As at 31 December 2024 and 1 January 2025	5,242	455	5,697
Addition	264	254	518
Depreciation charge	(3,252)	(349)	(3,601)
Decrease arising from lease term termination	(223)	(146)	(369)
Reassessment of a lease term arising from a change in rent	2,942	–	2,942
As at 31 December 2025	4,973	214	5,187

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the Relevant Periods are as follows:

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Carrying amount at 1 January	8,890	11,668
New leases	9,772	717
Accretion of interest recognised during the year	504	392
Lease termination	(1,252)	(671)
Reassessment of a lease term arising from a change in rent	1,664	4,131
Payments	(7,910)	(7,179)
Carrying amount	11,668	9,058
Analysed into:		
Current portion	6,361	6,120
Non-current portion	5,307	2,938

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Carrying amount at 1 January	2,928	5,312
New leases	7,414	518
Accretion of interest recognised during the year	230	190
Lease termination	(1,140)	(363)
Reassessment of a lease term arising from a change in rent	(300)	2,942
Payments	(3,820)	(2,905)
Carrying amount	5,312	5,694
Analysed into:		
Current portion	3,044	3,432
Non-current portion	2,268	2,262

The maturity analysis of lease liabilities is disclosed in note 35 to the Historical Financial Information.

(c) The amounts recognised in profit or loss of the Group in relation to leases are as follows:

The Group

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Depreciation charge of right-of-use assets	6,927	7,266
Interest on lease liabilities	504	392
Gain on termination of a lease contract	(31)	(4)
Expense relating to short-term leases	144	293
Total	7,544	7,947

The Company

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Depreciation charge of right-of-use assets	3,276	3,601
Interest on lease liabilities	230	190
(Gain)/loss on termination of a lease contract	(25)	6
Expense relating to short-term leases	128	103
Total	3,609	3,900

(d) The total cash outflow for leases is disclosed in note 29 to the Historical Financial Information.

16. INTANGIBLE ASSETS

The Group

	Software	Intellectual property	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2024			
At 1 January 2024			
Cost	350	3,672	4,022
Accumulated amortisation	(105)	(1,810)	(1,915)
Net carrying amount	245	1,862	2,107
At 1 January 2024, net of accumulated amortisation	245	1,862	2,107
Additions	123	–	123
Amortisation provided during the year	(85)	(734)	(819)
At 31 December 2024, net of accumulated amortisation	283	1,128	1,411
At 31 December 2024			
Cost	473	3,672	4,145
Accumulated amortisation	(190)	(2,544)	(2,734)
Net carrying amount	283	1,128	1,411

	Software	Intellectual property	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2025			
At 1 January 2025			
Cost	473	3,672	4,145
Accumulated amortisation	(190)	(2,544)	(2,734)
Net carrying amount	283	1,128	1,411
At 1 January 2025, net of accumulated amortisation	283	1,128	1,411
Additions	219	–	219
Amortisation provided during the year	(109)	(735)	(844)
At 31 December 2025, net of accumulated amortisation	393	393	786
At 31 December 2025			
Cost	692	3,672	4,364
Accumulated amortisation	(299)	(3,279)	(3,578)
Net carrying amount	393	393	786

The Company

	Software	Intellectual property	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2024			
At 1 January 2024			
Cost	350	3,291	3,641
Accumulated amortisation	(105)	(1,677)	(1,782)
Net carrying amount	245	1,614	1,859
At 1 January 2024, net of accumulated amortisation	245	1,614	1,859
Additions	123	1,736	1,859
Amortisation provided during the year	(84)	(775)	(859)
At 31 December 2024, net of accumulated amortisation	284	2,575	2,859
At 31 December 2024			
Cost	473	5,027	5,500
Accumulated amortisation	(189)	(2,452)	(2,641)
Net carrying amount	284	2,575	2,859

	Software	Intellectual property	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2025			
At 1 January 2025			
Cost	473	5,027	5,500
Accumulated amortisation	(189)	(2,452)	(2,641)
Net carrying amount	284	2,575	2,859
At 1 January 2025, net of accumulated amortisation	284	2,575	2,859
Additions	219	–	219
Amortisation provided during the year	(109)	(1,005)	(1,114)
At 31 December 2025, net of accumulated amortisation	394	1,570	1,964
At 31 December 2025			
Cost	692	5,027	5,719
Accumulated amortisation	(298)	(3,457)	(3,755)
Net carrying amount	394	1,570	1,964

17. INVESTMENT IN AN ASSOCIATE

The Group's shareholding in an associate is held through the Company. Guangdong Kangyuan Hesheng Medical Technology Co., Ltd. ("**Kangyuan Hesheng**"), which is considered as an immaterial associate of the Group.

The Group and The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Share of net assets	–	239

As at 31 December 2025, the Company held 40% of the equity voting rights in Kangyuan Hesheng, it has significant influence over Kangyuan Hesheng as it has the power to participate in the financial and operating policy decisions of Kangyuan Hesheng.

18. INVENTORIES

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Raw materials	8,921	18,183
Finished goods	12,767	22,436
Total	21,688	40,619

As at 31 December 2024, no provision is made for inventories. As at 31 December 2025, the amount of inventories was net of a write-down of RMB22,000.

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Raw materials	3,986	15,825
Finished goods	16,014	26,131
Total	20,000	41,956

As at 31 December 2024, no provision is made for inventories. As at 31 December 2025, the amount of inventories was net of a write-down of RMB14,000.

19. TRADE RECEIVABLE/CONTRACT ASSETS

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Trade receivables	–	4,886
Less: impairment	–	147
Trade receivables, net	–	4,739
Analysed into:		
Current portion	–	3,580
Non-current portion	–	1,159
Net carrying amount	–	4,739

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Contract assets	–	390
Less: impairment	–	4
Contract assets, net	–	386
Analysed into:		
Current portion	–	386
Non-current portion	–	–
Net carrying amount	–	386

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Trade receivables	–	2,588
Trade receivables from subsidiaries	3,375	42
Less: impairment	–	78
Trade receivables, net	3,375	2,552
Analysed into:		
Current portion	3,375	2,552
Non-current portion	–	–
Net carrying amount	3,375	2,552

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Contract assets	–	390
Less: impairment	–	4
Contract assets, net	–	386
Analysed into:		
Current portion	–	386
Non-current portion	–	–
Net carrying amount	–	386

Contract assets are initially recognised for revenue earned from the sale of products as the receipt of consideration is conditional on successful assurance during the warranty periods. When the warranty period expires, the amounts recognised as contract assets are reclassified to trade receivables. The increase in contract assets in Relevant Periods was the result of the increase in the ongoing sale of products at the end of each of the Relevant Periods.

The non-current portion of trade receivable represented long-term trade receivables that contain significant financing components, it has been calculated by discounting the expected cashflows from the receivables using the discount rates that was determined by reference to discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The current portion of long-term trade receivables was presented as trade receivables. As at 31 December 2025, the long-term receivables are not past due.

An aging analysis of the trade receivables as at the end of each of the Relevant Periods, based on the transaction date and net of allowance for expected credit losses, is as follows:

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Within 6 months	–	4,739

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Within 6 months	3,375	2,552

The movements in the loss allowance for impairment of trade receivables are as follows:

The Group

	2024	2025
	RMB'000	*RMB'000*
At the beginning of the year	–	–
Impairment losses, net	–	147
At the end of the year	–	147

The Company

	2024	2025
	RMB'000	*RMB'000*
At the beginning of the year	–	–
Impairment losses, net	–	78
At the end of the year	–	78

Set out below is the information about the credit risk exposure on the Group trade receivables using a provision matrix:

As at 31 December 2025

	Within 6 months
Expected loss rate	3.00%
Gross carrying amount (RMB'000)	4,886
Expected credit losses (RMB'000)	147

Set out below is the information about the credit risk exposure on the Company trade receivables using a provision matrix:

As at 31 December 2024

During the years ended 31 December 2024, the Company estimated that the expected credit loss rate for trade receivables is minimal.

As at 31 December 2025

	Within 6 months
Expected loss rate	3.00%
Gross carrying amount (RMB'000)	2,588
Expected credit losses (RMB'000)	78

20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Non-current:		
Prepayment for purchase of equipment	–	228
Deposits	1,201	577
Value added tax recoverable	10,442	16,282
	11,643	17,087
Impairment allowance	(10)	(5)
Subtotal	11,633	17,082
Current:		
Prepayments	3,330	5,987
Deposits	799	1,085
Deferred listing expenses	–	3,665
Loans receivable from an associate *(note 32)*	–	1,004
Other receivables	4,031	2
	8,160	11,743
Impairment allowance	(41)	(18)
Subtotal	8,119	11,725
Total	19,752	28,807

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Non-current:		
Prepayment for purchase of equipment	–	228
Due from subsidiaries	–	3,039
Deposits	499	577
Value added tax recoverable	8,389	14,722
	8,888	18,566
Impairment allowance	(4)	(5)
Subtotal	8,884	18,561
Current:		
Prepayments	3,114	4,013
Due from subsidiaries	48,136	68,135
Deferred listing expenses	–	3,665
Loans receivable from an associate *(note 32)*	–	1,004
Deposits	125	–
Other receivables	1,210	–
	52,585	76,817
Impairment allowance	(507)	(723)
Subtotal	52,078	76,094
Total	60,962	94,655

Except for the loans receivable from an associate which is interest bearing with more details set out in note 32 to the Historical Financial Information, the other receivables and deposits are interest-free and are not secured with collateral.

The movements in the loss allowance for impairment of other receivables are as follows:

The Group

	2024	2025
	RMB'000	*RMB'000*
At the beginning of the year	17	51
Impairment losses, net	34	(28)
At the end of the year	51	23

The Company

	2024	2025
	RMB'000	*RMB'000*
At the beginning of the year	380	511
Impairment losses, net	131	217
At the end of the year	511	728

As of 31 December 2024 and 2025, the impairment of the other receivables and deposits were measured based on 12-month expected credit loss if they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, they were measured based on lifetime expected credit loss. There was no recent history of default and past due amounts for amount due from subsidiaries and loans to associates. As at 31 December 2025 and 2024, the loss allowance of amounts due from subsidiaries and amount due from associate were assessed to be minimal.

21. CASH AND CASH EQUIVALENTS

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Cash and cash equivalents	83,908	182,394
Denominated in:		
RMB	83,873	181,569
HKD	–	83
MOP	35	742
Cash and cash equivalents	83,908	182,394

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Cash and cash equivalents	49,870	162,633
Denominated in:		
RMB	49,870	162,633
Cash and cash equivalents	49,870	162,633

The RMB is not freely convertible into other currencies, however, under Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

22. TRADE PAYABLES

The Group

An ageing analysis of the trade payables as at the end of the Relevant Periods, based on the invoice date, is as follows:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Within 3 months	884	2,783
Over 1 year	1	1
Total	885	2,784

The Company

An ageing analysis of the trade payables as at the end of the Relevant Periods, based on the invoice date, is as follows:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Within 3 months	686	4,954
Over 1 year	–	1
Total	686	4,955

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 180 days.

23. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Payroll payables	9,282	11,356
Loan from a director *(note 32)*	976	–
Loan from a director's family member *(note 32)*	273	–
Other payables	954	1,203
Accrued listing expenses	–	3,508
Other tax payables	3,649	1,003
Total	15,134	17,070

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Payroll payables	6,837	8,040
Other payables	813	1,057
Accrued listing expenses	–	3,508
Other tax payables	3,239	550
Total	10,889	13,155

24. CONTRACT LIABILITIES

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Advanced receipts from customers for sales of surgical robots	2,230	4,141

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Advanced receipts from customers for sales of surgical robots	2,230	4,044

25. DEFERRED TAX

The Group

The movements in deferred tax liabilities and assets during the Relevant Periods are as follows:

Deferred tax assets

	Tax losses	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2024	41	1,823	1,864
Credited to profit or loss	30	16	46
As at 31 December 2024 and 1 January 2025	71	1,839	1,910
Credited/(charged) to profit or loss	14	(568)	(554)
As at 31 December 2025	85	1,271	1,356

Deferred tax liabilities

	Right-of-use assets
	RMB'000
As at 1 January 2024	1,864
Charged to profit or loss	46
As at 31 December 2024 and 1 January 2025	1,910
Credited to profit or loss	(554)
As at 31 December 2025	1,356

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Net deferred tax assets recognised in the consolidated statement of financial position	–	–
Net deferred tax liabilities recognised in the consolidated statement of financial position	–	–

The Company

The movements in deferred tax liabilities and assets during the Relevant Periods are as follows:

Deferred tax assets

	Tax losses	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2024	1	439	440
Credited to profit or loss	57	358	415
As at 31 December 2024 and 1 January 2025	58	797	855
Charged to profit or loss	(58)	(19)	(77)
As at 31 December 2025	–	778	778

Deferred tax liabilities

	Right-of-use assets
	RMB'000
As at 1 January 2024	440
Charged to profit or loss	415
As at 31 December 2024 and 1 January 2025	855
Credited to profit or loss	(77)
As at 31 December 2025	778

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Company for financial reporting purposes:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Net deferred tax assets recognised in the consolidated statement of financial position	–	–
Net deferred tax liabilities recognised in the consolidated statement of financial position	–	–

26. DEFERRED INCOME

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Government grants	6	8,204

The movements in deferred income for the Relevant Periods are as follows:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
At beginning of year	1,092	6
Grants received during the year	30,818	50,758
Released to profit or loss during the year	(31,904)	(42,560)
At end of the year	6	8,204

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Government grants	6	8,037

The movements in deferred income for the Relevant Periods are as follows:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
At beginning of year	1,092	6
Grants received during the year	30,704	15,619
Released to the statement of profit or loss during the year	(31,790)	(7,588)
At end of the year	6	8,037

The grants are related to the subsidies received from the government for the purpose of compensation for expenses arising from research activities and clinical trials, award for the new project development incurred on certain projects.

27. PAID-IN CAPITAL/SHARE CAPITAL

Share capital

A summary of movements in the share capital is as follows:

	Number of shares in issue	Share Capital
	'000	*RMB'000*
As at 1 January 2025	–	–
Issue of ordinary shares upon conversion into a joint stock company of RMB1 each	32,082	32,082
As at 31 December 2025	32,082	32,082

Paid-in capital

	Paid-in capital
	RMB'000
As at 1 January 2024	23,545
Capital contribution by shareholders	1,153
As at 31 December 2024 and 1 January 2025	24,698
Capital contribution by shareholders	7,384
Conversion into a joint stock company	(32,082)
As at 31 December 2025	–

On 29 October 2025, the Company converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company as of the conversion base date were converted into 32,082,303 ordinary shares at RMB1.0 each and issued to the then shareholders of the Company in proportion to their capital contribution.

Pursuant to the shareholders agreements entered into between the Company and its shareholders (collectively the "Agreements"), the Company issued 13,388,227 ordinary shares (representing the number of shares after conversion into a joint stock company) to certain shareholders (collectively the "Pre-IPO Investors") for a total net cash proceed of approximately RMB640.0 million (collectively the "Pre-IPO Investments"). Pursuant to the Agreements, the Pre-IPO Investors were granted by the Company with special rights ("Special Rights") which included redemption rights and joint and several liability assumed by the Company pertaining to redemption obligation of controlling shareholders.

There was no exercise of Special Rights granted by the Company throughout the Relevant Periods.

From May 2025 to November 2025, the Company and the Pre-IPO Investors subsequently entered into supplemental agreements, agreeing that certain of the Special Rights granted by the Company to Pre-IPO investors, including redemption rights and joint and several liability assumed by the Company pertaining to redemption obligation of controlling shareholders, have been irrevocably terminated and shall be void ab initio. Taking into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the supplemental agreements, the directors considered that it is appropriate to present the Pre-IPO Investments as equity throughout the Relevant Periods.

Had the Special Rights granted by the Company to the Pre-IPO Investors been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the supplemental agreements, (i) the redemption financial liabilities, total current liabilities, net current (liabilities)/assets and net (deficits)/assets would have been:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Redemption financial liabilities	499,590	–
Total current liabilities	524,202	30,116
Net current (liabilities)/assets	(410,487)	208,588
Net (deficits)/assets	(374,140)	239,566

(ii) the finance costs associated with the redemption financial liabilities, the total net losses, basic and dilutive loss per share would have been:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Finance costs associated with the redemption financial liabilities	35,605	45,316
Total net losses	(127,761)	(135,429)
Basic and dilutive loss per share (RMB per share)	(5.30)	(4.43)

28. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity.

For the details of Pre-IPO investments, please refer to note 27 to this report.

Capital reserves

The capital reserves account represents the amount paid by shareholders for capital injection in excess of the par value of the ordinary shares subscribed and the excess of the net assets of the Company converted over nominal value of the shares upon the completion of the Company's conversion into a joint stock company.

The amounts of the Group's capital reserves and other reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity.

Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

The Company

	Capital reserves	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2024	559,325	(407,123)	152,202
Loss for the year	–	(59,230)	(59,230)
Capital contribution by shareholders	74,705	–	74,705
At 31 December 2024 and 1 January 2025	634,030	(466,353)	167,677
Loss for the year	–	(76,324)	(76,324)
Capital contribution by shareholders	196,956	–	196,956
Conversion into a joint stock company	(467,155)	467,155	–
At 31 December 2025	363,831	(75,522)	288,309

29. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2024 and 2025, the Group had non-cash additions to right-of-use assets of RMB9,772,000 and RMB717,000, and non-cash additions to lease liabilities of RMB9,772,000 and RMB717,000 respectively, in respect of lease arrangements for office premises.

(b) Changes in liabilities arising from financing activities

	Lease liabilities	Bank loans	Loans from a director and director's family member	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024	8,890	–	–	8,890
Changes from financing cash flows	(7,910)	(7)	1,166	(6,751)
New leases	9,772	–	–	9,772
Interest expense	504	7	83	594
Reassessment of a lease term arising from a change in rent	1,664	–	–	1,664
Termination of leases	(1,252)	–	–	(1,252)
At 31 December 2024 and 1 January 2025	11,668	–	1,249	12,917
Changes from financing cash flows	(7,179)	–	(1,255)	(8,434)
Reassessment of a lease term arising from a change in rent	4,131	–	–	4,131
New leases	717	–	–	717
Termination of leases	(671)	–	–	(671)
Interest expense	392	–	6	398
At 31 December 2025	9,058	–	–	9,058

(c) Total cash outflow for leases

The total cash outflows for leases included in the consolidated statements of cash flows are as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Within operating activities	144	293
Within financing activities	7,910	7,179
Total	8,054	7,472

30. PLEDGE OF ASSETS

There was no pledge of assets as at the end of each of the Relevant Periods.

31. COMMITMENTS

There were no significant contractual commitments as at the end of each of the Relevant Periods.

32. RELATED PARTY TRANSACTIONS

Related party during the Relevant Periods was as follows:

(a) Names and relationships of the related parties:

Name	Relationship
Ms. Cheong Hou Iam	Chief executive and executive director
Mr. Zhang	Family member of a director
Guangdong Kangyuan Hesheng Medical Technology Co., Ltd	An associate company

(b) Transaction with a related party:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Rendering service to an associate	–	75
Interest income from loan to an associate	–	4

Unutilized bank facility of the Group in the amount of RMB15,000,000 as of 31 December 2024 was guaranteed by Ms. Cheong Hou Iam and the guarantee was released in July 2025.

The directors consider that the rendering of services to the related party were based on commercial negotiation between the Group and the related party.

Pursuant to the Series B+ shareholders agreements entered into between the Company and its shareholders, although the Company is not the primary repurchase obligor of redemption rights, the Company agreed to assume joint and several liability for the payment obligations of the controlling shareholders in respect of (i) the repurchase price payable upon valid exercise of the redemption rights, and (ii) any default interest payable for delayed payment. Save for the aforementioned joint and several liability for the payment obligations of the controlling shareholders, the Directors confirms that (a) no guarantee has been provided by the Company in respect of such redemption rights; (b) no side agreements in relation to such redemption rights; and (c) as the Company has no obligation to such arrangements, no liability in respect of such redemption rights has been recorded in respect of such rights during the Track Record Period.

The Joint and several liability assumed by the Company pertaining to redemption obligation of controlling shareholders have been irrevocably terminated and shall be void ab initio as detailed in note 27 to this report.

(c) Outstanding balances with related parties:

The Group

		Year ended 31 December	
		2024	2025
		RMB'000	*RMB'000*
Related party:			
Other payables and accruals:			
Loan from Ms. Cheong Hou Iam	Non-trade	976	–
Loan from a director's family member	Non-trade	273	–
Total		1,249	–
Other receivables:			
Loan to an associate company	Non-trade	–	1,004
Trade receivables:			
Service to an associate company	Trade	–	80

During the year ended 31 December 2024, Ms. Cheong Hou Iam, a director of the Group, provided a loan to the Group amounting to MOP1,000,000 at an interest rate of 12% per annum. During the year ended 31 December 2024, Mr. Zhang, a director's family member of the Group provided a loan to the Group amounting to MOP300,000 at an interest rate of 12% per annum. The payables to the above-related parties were both settled in 2025. During the year ended 31 December 2025, the group provided a one-year term loan to Guangdong Kangyuan Hesheng Medical Technology Co., Ltd, an associate company amounting to RMB1,000,000 at an interest rate of 3% per annum, and the loan is expected to be settled before the listing.

All Group's non-trade balances with related parties will be settled before listing.

(d) Compensation of key management personnel of the Group

Further details of directors', supervisor's and the chief executive's emoluments are included in note 9 to the Historical Financial Information.

33. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the Relevant Periods are as follows:

The Group

Financial assets

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Financial assets at amortised cost		
Trade receivables	-	4,739
Financial assets included in prepayments, deposits and other receivables	5,980	2,645
Cash and cash equivalents	83,908	182,394
Total	89,888	189,778

Financial liabilities

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Financial liabilities at amortised cost		
Trade payables	885	2,784
Financial liabilities included in other payables and accruals	2,203	4,711
Lease liabilities	11,668	9,058
Total	14,756	16,553

For the details of Pre-IPO investments, please refer to note 27 to this report.

The Company

Financial assets

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Financial assets at amortised cost		
Trade receivables	3,375	2,552
Financial assets included in prepayments, deposits and other receivables	49,459	75,692
Cash and cash equivalents	49,870	162,633
Total	102,704	240,877

Financial liabilities

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Financial liabilities at amortised cost		
Trade payables	686	4,955
Financial liabilities included in other payables and accruals	813	4,565
Lease liabilities	5,312	5,694
Total	6,811	15,214

34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, financial assets included in prepayments, deposits and other receivables, trade payables, and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair values of the other non-current financial assets and financial liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of each of the Relevant Periods, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Group invests in unlisted investments, which represent wealth management products issued by banks in Chinese mainland. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the head of credit control.

The Group's exposure to credit risk arising from cash and cash equivalents is limited and remote because the counterparties are state-owned banks or reputable commercial banks for which the Group considers having immaterial credit risk.

The Group's credit risk is primarily attributable to other receivables. Management has assessed that during the Relevant Periods, other receivables did not have significant increase in credit risk since initial recognition. Thus, a 12-month expected credit loss approach that results from possible default events within 12 months of each reporting date is adopted by management.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at the end of each of the Relevant Periods.

The Group

As at 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in prepayments, other receivables and other assets	6,031	–	–	–	6,031
Cash and cash equivalents	83,908	–	–	–	83,908
Total	89,939	–	–	–	89,939

As at 31 December 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	4,886	4,886
Financial assets included in prepayments, other receivables and other assets	2,668	–	–	–	2,668
Contract assets	–	–	–	390	390
Cash and cash equivalents	182,394	–	–	–	182,394
Total	185,062	–	–	5,276	190,338

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the Group's financial liabilities as at the end of each of the Relevant Periods, based on the contractual undiscounted payments, is as follows:

	As at 31 December 2024		
	Within 1 year	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	885	–	885
Financial liabilities included in other payables and accruals	2,203	–	2,203
Lease liabilities	6,699	5,769	12,468
Total	9,787	5,769	15,556

	As at 31 December 2025		
	Within 1 year	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	2,784	–	2,784
Financial liabilities included in other payables and accruals	4,711	–	4,711
Lease liabilities	6,301	3,011	9,312
Total	13,796	3,011	16,807

Foreign currency risk

The management believe the exchange risk of foreign currency is not significant as the majority of business transactions are conducted in Chinese mainland and all domestic transactions are denominated in RMB.

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

36. EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred to the Company, or the Group or any of the companies now comprising the Group in respect of any period subsequent to 31 December 2025.

37. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 31 December 2025.

The following information does not form part of the Accountants' Report from Ernst & Young, Certified Public Accountants, Hong Kong, the Company's reporting accountants, as set out in Appendix I to this Document, and is included herein for information purpose only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this Document and the Accountants' Report set out in Appendix I to this Document.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma adjusted consolidated net tangible assets of the Group prepared in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants for illustration purposes only, and is set out here to illustrate the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to owners of the Company as if the Global Offering had taken place on 31 December 2025.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group to owners of the Company had the Global Offering been completed as of 31 December 2025 or as at any future dates.

	Consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025	**Estimated net proceeds from the Global Offering**	**Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company as at 31 December 2025**	**Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company as at 31 December 2025**	
	RMB'000 *(Note 1)*	*RMB'000* *(Note 2)*	*RMB'000*	*RMB* *(Note 3)*	*HK$* *(Note 4)*
Based on Offer Price of HK$119.30 per Share	238,780	329,680	568,460	15.95	18.35
Based on Offer Price of HK$135.40 per Share	238,780	376,821	615,601	17.27	19.87

Notes:

1. The consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025 is arrived at after deducting intangible assets of RMB786,000 from net assets attributable to owners of the Company as at 31 December 2025 of RMB239,566,000 set out in the Accountants' Report in Appendix I to this Prospectus.

2. The estimated net proceeds from the Global Offering are based on estimated offer prices of HK$119.30 and HK$135.40 per Share after deduction of the underwriting fees and other related expenses payable by the Company (excluding the listing expenses that have been charged to profit or loss during the Track Record Period) and do not take into account any share which may be sold and offered upon exercise of the Over-allotment Option.

3. The unaudited pro forma adjusted consolidated net tangible assets per Share is calculated based on 35,647,003 Shares in issue assuming the Global Offering had been completed on 31 December 2025.

4. The unaudited pro forma adjusted consolidated net tangible assets per Share is converted into Hong Kong dollars at an exchange rate of HK$1.00 to RMB1.1504 prevailing on the Latest Practicable Date.

5. No other adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2025.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

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To the Directors of True Health Medical Technology Development Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of True Health Medical Technology Development Co., Ltd. (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets as at 31 December 2025, and related notes as set out on pages II-1 to II-2 of the prospectus dated 22 June 2026 issued by the Company (the "Unaudited Pro Forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Part A of Appendix II to the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group's financial position as at 31 December 2025 as if the transaction had taken place at 31 December 2025. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial statements for the year ended 31 December 2025, on which an accountants' report has been published.

Directors' responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline ("AG") 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Our independence and quality management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with Rule 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and

- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Ernst & Young
Certified Public Accountants
Hong Kong
22 June 2026

TAXATION OF SECURITY HOLDERS

Holders of H Shares are subject to the taxation of income and capital gains according to the laws and practices of the PRC and of jurisdictions in which holders of H Shares are domiciled or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current effective laws and practices, and no predictions are made about changes or adjustments to relevant laws or policies, and therefore the following summary does not constitute any comments or suggestions. The discussion has no intention to cover all possible tax consequences resulting from the investment in H Shares, nor does it take the specific circumstances of any particular investor into account. Accordingly, you should consult your own tax advisor regarding the tax consequences of an investment in H Shares. The discussion is based upon laws and relevant interpretations in effect as of the date of the Latest Practicable Date, which is subject to change or adjustment and may have retrospective effect.

No issues on PRC or Hong Kong taxation other than income tax, capital profit tax, value-added tax, stamp duty and estate duty were referred in the discussion. Prospective investors should consult their tax advisors regarding the PRC, Hong Kong and other tax consequences of owning and disposing of H Shares.

TAXATION IN CHINESE MAINLAND

Taxation on Dividends

Individual Investors

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》) (the "Income Tax Law"), which was last amended by the Standing Committee of the NPC on August 31, 2018 and came into effect on January 1, 2019 and the Implementation Provisions of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法實施條例》), which was amended by the State Council on December 18, 2018 and came into effect on January 1, 2019, dividends distributed by PRC domestic companies to individual investors are subject to withholding tax levied at a flat rate of 20%. For foreign individuals who are not residents of China, dividends received from a Chinese enterprise are generally taxed at 20%, unless there are specific exemptions granted by the State Council's tax authority or reductions under an applicable tax treaty. Meanwhile, according to the Notice on Issues Relating to Differentiated Individual Income Tax Policies for Dividends and Bonuses of Listed Companies (《關於上市公司股息紅利差別化個人所得税政策有關問題的通知》) promulgated jointly by the MOF, the SAT and the CSRC on September 7, 2015 and effective from September 8, 2015, for shares of listed companies obtained by individuals from public offerings or transferring markets and held for more than one year, the income from dividends and bonuses thereof shall temporarily be exempt from individual income tax. For individuals who acquire the shares of a listed company from public offerings or transferring markets, all the income from dividends and bonuses shall be included into the taxable amounts in case the holding period is less than one month (inclusive of one month); 50% thereof will be included into the taxable amounts in case the holding period is over one month but less than one year (inclusive of one year) temporarily; a unified tax rate at 20% shall be applicable to the aforesaid incomes in the levy of individual income tax.

According to the Notice on the Management of Personal Income Tax Administration after the Abolition of Guo Shui Fa (1993) No. 045 Document (Guo Shui Han [2011] No. 348) (《關於國税發[1993]045號文件廢止後有關個人所得税徵管問題的通知》(國税函[2011]348號)) issued by the SAT on June 28, 2011 and came into effect on the same day, when a domestic non-foreign-invested enterprise lists its shares in Hong Kong, its individual shareholders, as foreign residents, can claim relevant preferential tax treatment pursuant to the provisions in the tax treaty entered into between the country where their residential identity belongs and the PRC and in the tax arrangements between Chinese Mainland and Hong Kong (Macau). When dividends and bonuses are distributed by a domestic non-foreign-invested enterprise that lists its shares in Hong Kong, individual income taxes thereof are generally withheld and paid at the tax rate of 10% with no need to file any application. For residents obtaining dividends and bonuses, whose countries or regions have not entered into any tax treaty with the PRC or are under other situations, withholding agents shall withhold and pay the individual income taxes at the tax rate of 20% when the dividends and bonuses are distributed.

Enterprise Investors

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "EIT Law"), which was promulgated by the NPC on March 16, 2007, was last amended on December 29, 2018 and came into effect on the same day, and the Implementing Rules of the Enterprise Income Law of the PRC (《中華人民共和國企業所得税法實施條例》) which was promulgated by the State Council on December 6, 2007, was last amended on December 6, 2024 and came into effect on January 20, 2025, a corporate income tax rate of 25% is applicable. A non-resident enterprise is generally subject to enterprise income tax at a rate of 10% on PRC-sourced income (including dividends received from a PRC resident enterprise), if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. The aforesaid income tax payable by non-resident enterprises is deducted at source, where the payer should be the withholding agent, and the tax amount is required to be withheld from the amount to be paid by the withholding agent.

According to the Circular on Issues relating to the Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-Resident Enterprise Shareholders of H Shares (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》), which was issued by the SAT on November 6, 2008 and came into effect on the same day, a PRC-resident enterprise must withhold enterprise income tax at a uniform rate of 10% on dividends distributed to overseas non-resident enterprise shareholders of H Shares in 2008 and any subsequent year. In addition, the Reply of the SAT to Questions on Levying Enterprise Income Tax on Dividends Derived by Non-resident Enterprise from Holding Stock such as B Shares (Cai Shui Han[2009] No. 394) (《國家税務總局關於非居民企業取得B股等股票股息徵收企業所得税問題的批覆》財税函[2009]394號), which was issued by the SAT on July 24, 2009 and came into effect on the same day, further provides that any PRC resident enterprise that publicly issues and lists shares in or outside the PRC shall

withhold enterprise income tax at a rate of 10% on dividends of 2008 and thereafter distributed to non-resident enterprise shareholders. Such tax rates may be further modified pursuant to the tax treaty or agreement that the Chinese Government has entered into with a relevant country or region, where applicable.

Pursuant to the Arrangement between Chinese Mainland and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》), which was signed on August 21, 2006, the Chinese Government may levy taxes on the dividends paid by a Chinese company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of the total dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, then such tax shall not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol of the Arrangement between Chinese Mainland and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》第五議定書), which came into effect on December 6, 2019, adds a criterion for the qualification of entitlement to enjoy treaty benefits. Although there may be other provisions under the Arrangement, the treaty benefits under the criteria shall not be granted in the circumstance where one of the main purposes for the arrangement or transactions which will bring any direct or indirect benefits under this Arrangement, after taking into account all relevant facts and conditions, are reasonably deemed to be obtaining such benefits, except when the grant of such benefits under such circumstance is consistent with relevant objective and goal under the Arrangement. The application of the dividend clause of tax treaties is subject to the statutory requirements of PRC tax law documents, such as the Notice of the SAT on the Issues Concerning the Enforcement of the Dividend Clauses of Tax Treaties (《國家税務總局關於執行税收協定股息條款有關問題的通知》).

Tax Treaties

Non-PRC resident investors residing in countries which have entered into treaties for the avoidance of double taxation with the PRC or residing in Hong Kong or Macau are entitled to a reduction of the taxes imposed on the dividends received from PRC companies. The PRC currently has entered into Avoidance of Double Taxation Treaties/Arrangements with a number of countries and regions including Hong Kong, Macau, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant income tax treaties or arrangements are required to apply to the Chinese tax authorities for a refund of the withholding tax in excess of the agreed tax rate, and the refund application is subject to approval by the Chinese tax authorities.

TAXATION ON SHARE TRANSFER

Income tax

Individual Investors

According to the Individual Income Tax Law (《個人所得税法》), and its implementation rules, gains realized on the sale of equity interests in the PRC resident enterprises are subject to individual income tax at a rate of 20%.

Pursuant to the Circular on Continuing to Temporarily Exempt Individual Income Tax on Income from the Transfer of Shares by Individuals (《財政部、國家税務總局關於個人轉讓股票所得繼續暫免徵收個人所得税的通知》) issued by the MOF and the SAT on March 30, 1998, from January 1, 1997, income of individuals from transfer of the shares of listed enterprises shall continue to be exempted from individual income tax. Pursuant to the Circular on Issues on Levying Individual Income Tax over the Income Received by Individuals from the Transfer of Restricted Shares of Listed Company (《關於個人轉讓上市公司限售股所得徵收個人所得税有關問題的通知》) issued jointly by the MOF, the SAT and the CSRC On December 31, 2009, any individual's income from the transfer of listed shares on the Shanghai Stock Exchange and the Shenzhen Stock Exchange shall continue to be exempted from individual income tax, except for the relevant shares which are subject to sales restriction (as defined in the Supplementary Notice of the MOF, the SAT and the CSRC on Issues on Levying Individual Income Tax over the Income Received by Individuals from the Transfer of Restricted Shares of Listed Company (《財政部、國家税務總局、證監會關於個人轉讓上市公司限售股所得徵收個人所得税有關問題的補充通知》) jointly issued by the above-mentioned three authorities on November 10, 2010).

As of the Latest Practicable Date, no aforesaid provisions had expressly provided that whether individual income tax shall be levied from non-PRC resident individuals on the transfer of shares in PRC resident enterprises listed on overseas stock exchanges.

Enterprise Investors

In accordance with the EIT Law and its implementation rules, a non-resident enterprise is generally subject to enterprise income tax at the rate of a 10% on PRC-sourced income, including gains derived from the disposal of equity interests in a PRC resident enterprise, if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. Such income tax payable for non-resident enterprises is deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise when such payment is made or due. Such tax may be reduced or exempted pursuant to relevant tax treaties or agreements on avoidance of double taxation.

VAT and Local Surcharges

Pursuant to the Notice on Fully Implementing the Pilot Reform for the Transition from Business Tax to Value-added Tax (《關於全面推開營業税改徵增值税試點的通知》), which was implemented on May 1, 2016, entities and individuals engaged in supplying of services in the PRC are subject to VAT and "engaged in the services sale in the PRC" means that the seller or buyer of the taxable services is located in the PRC. Transfer of financial products, including transfer of the ownership of marketable securities, shall be subject to VAT at 6% on the taxable income (which is the balance of sales price upon deduction of purchase price), for a general or a foreign VAT payer. However, individuals who transfer financial products are exempt from VAT.

Pursuant to the foregoing provisions, in the event of the sale or disposal of H shares, if the holder is a non-resident individual, such holder shall be exempt from the PRC VAT; if the holder is a non-resident enterprise and the purchaser of H shares is an individual or entity outside China, such non-resident enterprise may be exempt from the PRC VAT; and if the purchaser of H shares is an individual or entity within the PRC, such non-resident enterprise may be subject to the PRC VAT.

Meanwhile, VAT payers are also required to pay urban maintenance and construction tax, education surtax and local education surcharge, which shall usually be subject to 12% of the VAT and consumption tax (if any) actually paid.

Shanghai-Hong Kong Stock Connect Taxation Policy

Pursuant to the Notice of the MOF, the SAT and the CSRC on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (《財政部、國家税務總局、中國證券監督管理委員會關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》) promulgated on October 31, 2014 and effective on November 17, 2014, for dividends and bonuses received by individual investors in Chinese Mainland from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the H-share companies shall apply to China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司) ("CSDCC") for providing the register of individual investors in Chinese Mainland to the H-share companies and the H-share companies shall withhold individual income tax at the rate of 20% on behalf of the investors.

The dividends and bonuses obtained by corporate investors in Chinese Mainland from investing in shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect shall be included in their total income. The enterprise income tax is levied on such income in accordance with the law. Specifically, enterprise income tax will be exempt according to law for income from dividends and bonuses obtained by resident enterprises in Chinese Mainland that hold H Shares for at least 12 consecutive months. The H-share companies listed on the Hong Kong Stock Exchange shall apply to CSDCC for providing the register of corporate

investors in Chinese Mainland to the H-share companies. The H-share companies do not need to withhold tax on the income from dividends and bonuses obtained by corporate investors in Chinese Mainland. The tax payable shall be declared and paid by the enterprises themselves.

Pursuant to the Announcement on Extending the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Chinese Mainland-Hong Kong Mutual Recognition of Funds (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) promulgated on August 21, 2023 and implemented on the same day, the transfer spread income derived by individual investors in Chinese Mainland from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect shall be exempted from individual income tax prior to December 31, 2027.

Shenzhen-Hong Kong Stock Connect Taxation Policy

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) promulgated on November 5, 2016 and effective on December 5, 2016, for dividends and bonuses received by individual investors in Chinese Mainland from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H-share companies shall apply to CSDCC for providing the register of individual investors in Chinese Mainland to the H-share companies and the H-share companies shall withhold individual income tax at the rate of 20% on behalf of the investors.

The dividends and bonuses obtained by corporate investors in Chinese Mainland from investing in shares listed on the Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be included in their total income. The enterprise income tax is levied on such income in accordance with the law. Specifically, enterprise income tax will be exempt according to law for income from dividends and bonuses obtained by resident enterprises in Chinese Mainland that hold H Shares for at least 12 consecutive months. The H-share companies listed on the Hong Kong Stock Exchange shall apply to CSDCC for providing the register of corporate investors in Chinese Mainland to the H-share companies. The H-share companies do not need to withhold tax on the income from dividends and bonuses obtained by corporate investors in Chinese Mainland. The tax payable shall be declared and paid by the enterprises themselves.

Pursuant to the Announcement on Extending the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Chinese Mainland-Hong Kong Mutual Recognition of Funds (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) promulgated on August 21, 2023 and implemented on the same day, the transfer spread income derived by individual investors in Chinese Mainland from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be exempted from individual income tax prior to December 31, 2027.

Stamp Duty

Pursuant to the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》) issued by the Standing Committee of the NPC on June 10, 2021 and implemented on July 1, 2022, the PRC stamp duty applies to entities and individuals that conclude taxable documents and conduct securities transactions within the PRC and the entities and individuals that conclude taxable documents outside the PRC which are used within the PRC. Therefore, the requirements of the stamp duty imposed on the transfer of shares of PRC listed companies do not apply to the acquisition and disposal of H shares outside the PRC by non-PRC investors.

Estate Tax

In accordance with the laws of the PRC, the PRC currently does not impose any estate tax.

MAJOR TAXES ON OUR COMPANY IN THE PRC

Please see the section headed "Regulatory Overview" in this document.

TAXATION IN HONG KONG

Tax on Dividends

Under the current practice of the Inland Revenue Department of Hong Kong, no tax is payable in Hong Kong in respect of dividends paid by us.

Capital Gains and Profit Tax

No tax is imposed in Hong Kong in respect of capital gains from the sale of H Shares. However, trading gains from the sale of the H Shares by persons carrying on a trade, profession or business in Hong Kong, where such gains are derived from or arise in Hong Kong from such trade, profession or business will be subject to Hong Kong profits tax, which is currently imposed at the maximum rate of 16.5% on corporations and at the maximum rate of 15% on unincorporated businesses. Certain categories of taxpayers (for example, financial institutions, insurance companies and securities dealers) are likely to be regarded as deriving trading gains rather than capital gains unless these taxpayers can prove that the investment securities are held for long-term investment purposes. Trading gains from sales of H Shares effected on the Stock Exchange will be considered to be derived from or arise in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from sales of H Shares effected on the Stock Exchange realized by persons carrying on a business of trading or dealing in securities in Hong Kong.

Stamp Duty

Hong Kong stamp duty, currently charged at the ad valorem rate of 0.1% on the higher of the consideration for or the market value of the H Shares, will be payable by the purchaser on every purchase and by the seller on every sale of Hong Kong securities, including H Shares (in other words, a total of 0.2% is currently payable on a typical sale and purchase transaction involving H Shares). In addition, a fixed duty of HK$5.00 is currently payable on any

instrument of transfer of H Shares. Where one of the parties is a resident outside Hong Kong and does not pay the ad valorem duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee. If no stamp duty is paid on or before the due date, a penalty of up to ten times the duty payable may be imposed.

Estate Duty

The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on February 11, 2006 in Hong Kong, pursuant to which no Hong Kong estate duty is payable, and no estate duty clearance papers are needed for an application of a grant of representation in respect of holders of H Shares whose deaths occur on or after February 11, 2006.

FOREIGN EXCHANGE ADMINISTRATION IN THE PRC

Renminbi ("RMB") is the lawful currency of the PRC. The State Administration of Foreign Exchange (the "SAFE"), authorized by People's Bank of China (the "PBOC"), is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange regulations.

Pursuant to the Regulations on Foreign Exchange Control (《外匯管理條例》) amended by the State Council on August 5, 2008 and became effective on the same day, all international payments and transfers are classified into current account items and capital account items. The PRC does not impose restrictions on international payments and transfers under current account items. Foreign exchange income from current accounts of PRC enterprises may be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange in accordance with relevant provisions of the State. The retention or sale of foreign exchange receipts under capital accounts to financial institutions engaging in settlement and sale of foreign exchange shall be subject to the approval of foreign exchange administrative authorities, unless otherwise stipulated by the State.

Pursuant to the Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the PBOC on June 20, 1996 and became effective on July 1, 1996, the remaining restrictions on convertibility of foreign exchange in respect of current account items are abolished while the existing restrictions on foreign exchange transactions in respect of capital account items are retained.

According to relevant laws and regulations of the PRC, PRC enterprises (including foreign-invested enterprises) which require foreign exchange for transactions relating to current account items, may, without the approval of SAFE, effect payment from their foreign exchange accounts at the designated foreign exchange banks, on the strength of valid receipts and proof of transactions. Foreign-invested enterprises that need to distribute profits to their shareholders in foreign exchange and Chinese enterprises that need to pay fixed dividends in foreign exchange in accordance with the requirements shall pay from its foreign exchange account or pay at the designated foreign exchange bank by a resolution of the board of directors on the distribution of profits.

According to the Decision of the State Council on Canceling and Adjusting a Group of Administrative Approval Items and Other Matters (《國務院關於取消和調整一批行政審批項目等事項的決定》) promulgated by the State Council on October 23, 2014 and effective on the same day, the administrative approval of the SAFE and its branches on matters concerning the repatriation and settlement of foreign exchange of overseas-raised funds through overseas listing has been canceled.

According to the Notice of the State Administration of Foreign Exchange on Issues Relating to Foreign Exchange Control Pertaining to Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) promulgated by the SAFE on December 26, 2014 and effective on the same day, a joint stock company registered in China (the "domestic company") shall complete registration formalities for overseas listing with the SAFE's local branch at its place of registration within 15 working days from completion of issuance for its overseas listing. After the overseas listing of a domestic company, a domestic shareholder of such company who intends to increase or reduce its overseas shareholding according to relevant regulations shall register the overseas shareholding with the SAFE's local branch at the place where such shareholder is located within 20 working days prior to the proposed increase or reduction of shareholding with relevant materials. A domestic company (except for bank financial institutions) shall present its certificate of overseas listing registration to open a "special foreign exchange account for overseas listing of domestic company" at a domestic bank for its initial public offering (or follow-on offering) and repurchase business to handle the exchange, remittance, and transfer of funds for the business concerned.

According to the Notice of the State Administration of Foreign Exchange on Policies for Reforming and Regulating the Control over Foreign Exchange Settlement under the Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) promulgated by the SAFE on June 9, 2016 and last amended on December 4, 2023, domestic institutions may settle their foreign exchange receipts under the capital accounts (including repatriated funds raised through overseas listing) entitled to discretionary settlement according to relevant policies with banks as actually needed for business operation. The discretionary exchange settlement ratio of foreign exchange receipts under the capital accounts of domestic institutions is tentatively set as 100%. The SAFE may adjust the aforesaid proportion in due time in light of the international balance of payments.

This Appendix contains a summary of laws and regulations on companies and securities in the PRC. The principal objective of this summary is to provide potential investors with an overview of the principal laws and regulations applicable to us. This summary is with no intention to include all the information which may be important to the potential investors. For discussion of laws and regulations specifically governing the business of the Company, see the section headed "Regulatory Overview".

PRC LEGAL SYSTEM

The legal system of the People's Republic of China is based on the Constitution of the PRC (《中華人民共和國憲法》) (the "Constitution") and is made up of written laws, administrative regulations, local regulations, separate regulations, autonomous regulations, departmental rules, rules of local governments, laws of the special administrative regions, international treaties of which the PRC government is a signatory, and other normative documents. Court verdicts do not constitute binding precedents. However, they may be used as judicial reference and guidance.

Pursuant to the Constitution and the Legislation Law of the PRC (the "Legislation Law"), which was promulgated on March 15, 2000 and last amended on March 13, 2023, the NPC and the Standing Committee of the NPC shall exercise the legislative power of the State in accordance with the Constitution. The NPC has the power to formulate and amend basic laws governing civil and criminal matters, state organs and other matters. The Standing Committee of the NPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of the PRC administration and has the power to formulate administrative regulations based on the Constitution and laws. The people's congresses of provinces, autonomous regions and municipalities directly under the Central Government and their respective standing committees may formulate local regulations based on the specific circumstances and actual requirements of their own respective administrative areas, provided that such local regulations do not contravene any provision of the Constitution, laws or administrative regulations. The ministries and commissions of the State Council, PBOC, National Audit Office, organs endowed with administrative functions directly under the State Council and the organizations prescribed by laws may, in accordance with the laws as well as the administrative regulations, decisions and orders of the State Council and within the limits of their power, formulate departmental rules. The people's governments of the provinces, autonomous regions, and municipalities directly under the central government and the cities divided into districts or autonomous prefectures may enact rules of local governments, in accordance with relevant laws, administrative regulations and the local regulations of their respective provinces, autonomous regions or municipalities. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in light of the political, economic and cultural characteristics of the nationality (nationalities) in the areas concerned.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of local regulations is greater than that of the rules of the local governments at or below the corresponding level. The authority of the rules enacted by the people's governments of the provinces or autonomous regions is greater than that of the rules enacted by the people's governments of the city divided into districts or autonomous prefecture within the administrative areas of the provinces and the autonomous regions.

The NPC has the power to alter or annul any inappropriate laws enacted by its Standing Committee, and to annul any autonomous regulations or separate regulations which have been approved by its Standing Committee but which contravene the Constitution or the Legislation Law. The Standing Committee of the NPC has the power to annul any administrative regulations that contravene the Constitution and laws, to annul any local regulations that contravene the Constitution, laws or administrative regulations, and to annul any autonomous regulations or local regulations which have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the central government, but which contravene the Constitution and the Legislation Law. The State Council has the power to alter or annul any inappropriate ministerial rules and rules of local governments. The people's congresses of provinces, autonomous regions or municipalities directly under the central government have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees. The people's governments of provinces and autonomous regions have the power to alter or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the Standing Committee of the NPC. According to the Decision of the Standing Committee of the National People's Congress Regarding the Strengthening of Interpretation of Laws (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) promulgated on June 10, 1981 and effective on the same day, the Supreme People's Court of the PRC (the "Supreme People's Court") has the power to give general interpretation on questions involving the specific application of laws and decrees in court trials. The State Council and its ministries and commissions are also vested with the power to give interpretation of the administrative regulations and departmental rules which they have promulgated. At the regional level, the power to give interpretations of the local laws and regulations as well as administrative rules is vested in the regional legislative and administrative organs which promulgate such laws, regulations and rules.

THE PRC JUDICIAL SYSTEM

According to the Constitution and the Law of Organization of the People's Courts of the PRC (《中華人民共和國人民法院組織法》) last amended by the Standing Committee of the NPC on October 26, 2018 and implemented on January 1, 2019, the people's courts are made up of the Supreme People's Court, the local people's courts, and special people's courts.

The local people's courts are comprised of the basic people's courts, the intermediate people's courts and the higher people's courts. The higher level people's courts supervise the basic and intermediate people's courts. The Supreme People's Court is the highest judicial body in the PRC. It supervises the judicial administration of the people's courts at all levels.

The people's procuratorates are the law supervision organs of the state. The Supreme People's Procuratorate shall be the highest procuratorial organ. The Supreme People's Procuratorate shall direct the work of the local people's procuratorates at all levels and of the special people's procuratorates; the people's procuratorates at higher levels shall direct the work of those at lower levels. The people's procuratorates also have the right to exercise legal supervision over the civil proceedings of people's courts at the same level and lower levels.

The people's courts employ a two-tier appellate system, and judgments or rulings of the second instance at the people's courts are final. A party may appeal against the judgment or ruling of the first instance of a local people's court. The people's procuratorate may present a protest to the people's courts at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's courts are final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court and those of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court or the people's court at the higher level finds any definite errors in a legally effective final judgment or ruling of the people's court at a lower level, or if the chief judge of a people's court at any level finds any definite errors in a legally effective final judgment or ruling of such court, the case can be retried according to judicial supervision procedures.

The Civil Procedure Law of the PRC (《中華人民共和國民事訴訟法》) (hereinafter referred to the "Civil Procedure Law"), last amended by the Standing Committee of the NPC on September 1, 2023 and becoming effective on January 1, 2024, sets forth the requirements for instituting a civil action, the jurisdiction of the people's courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the PRC must comply with the Civil Procedure Law. Civil cases are generally heard by the courts where the defendants are located. The court of jurisdiction in a civil action may be chosen by the written agreement between the parties, provided that the court is located at a place that has direct connection with the dispute, such as the plaintiff's or the defendant's place of domicile, the place where the contract is performed or signed or the object of the action is located. However, such choice cannot be in conflict with the regulations regarding the level jurisdictions and exclusive jurisdictions in any case.

A foreign individual, a person without nationality, a foreign enterprise and a foreign organization that institute or respond to proceedings in a people's court are given the same litigation rights and obligations as a PRC citizen, a legal person and other organizations. Should a foreign court limit the civil litigation rights of PRC citizens, legal persons and other organizations, any people's court of China shall apply the same limitations to the citizens, enterprises and organizations of such foreign country. A foreign individual, a person without nationality, a foreign enterprise or a foreign organization must engage a lawyer within the PRC if such person needs to engage a lawyer in initiating or defending any proceedings at a people's court. In accordance with the international treaties to which the PRC is a signatory or a participant or according to the principle of reciprocity, a people's court and a foreign court may request each other to serve documents, conduct investigation, collect evidence and conduct other actions on its behalf. A people's court shall not accommodate any request made by a foreign court which will result in the violation of sovereignty, security or social and public interests of the PRC.

All parties must comply with legally effective civil judgments and rulings. If any party to a civil action refuses to comply with a judgment or ruling made by a people's court or an award made by an arbitration tribunal, the other party may apply to the people's court for enforcement within two years. Suspension or disruption of the time limit for applying for such enforcement shall comply with the provisions of the applicable law concerning the suspension or disruption of the time-barring of actions.

When a party applies to a people's court for enforcing an effective judgment or ruling by a people's court against a party who is not located within the territory of the PRC or whose property is not within the PRC, the party may apply to a foreign court with proper jurisdiction for recognition and enforcement of the judgment or ruling. A foreign judgment or ruling may also be recognized and enforced by the people's court according to the PRC enforcement procedures if the PRC has entered into, or acceded to, an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity, unless among other exceptions, the people's court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic principles of the PRC, its sovereignty or security, or for reasons of social and public interests.

THE COMPANY LAW OF PRC, OVERSEAS LISTING TRIAL MEASURES AND GUIDELINES FOR ARTICLES OF ASSOCIATION OF LISTED COMPANIES

A joint stock limited company (hereinafter referred to a "joint stock company" or a "company") established in the PRC seeking a listing on the Hong Kong Stock Exchange is mainly subject to the following laws and regulations of the PRC:

The Company Law which was last amended by the Standing Committee of the NPC on December 29, 2023 and came into effect on July 1, 2024.

The Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "Overseas Listing Trial Measures") and its five supporting guidelines were promulgated by the CSRC on February 17, 2023 and became effective on March 31, 2023.

Pursuant to the Overseas Listing Trial Measures and its supporting guidelines, where a domestic company directly conducts offering and listing overseas, it shall formulate its articles of association with reference to the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》), which was last amended by the CSRC on March 28, 2025 and became effective on the same day and other relevant provisions on corporate governance to regulate corporate governance.

Set out below is a summary of the main provisions of the Company Law of PRC, the Overseas Listing Trial Measures and the Guidelines for Articles of Association of Listed Companies.

General Provisions

A Joint stock company means a corporate legal person incorporated within the territory of China under the Company Law, whose registered capital is divided into equal shares. The company shall bear liabilities with its entire properties., and the shareholders of the Company shall bear liabilities for the Company to the extent of the shares they subscribed for.

A company shall conduct its business in accordance with laws and regulations, observe social ethics and business ethics, act in good faith, and be subject to government and public oversight.

It may invest in other enterprises. Where any law provides that a company shall not become a capital contributor who has the joint liabilities associated with the debts of the invested enterprises, such provision shall prevail.

Incorporation

A joint stock company may be incorporated by promotion or public subscription.

To incorporate a joint stock company by promotion, there must be more than one but not more than 200 promoters, with at least half having residences within the PRC.

For a joint stock company incorporated by promotion, the timing and voting procedures for the inaugural meeting are determined by the company's articles of association or the promoters' agreement.

For a joint stock company incorporated by public subscription, the inaugural meeting must be convened within 30 days from the date of full payment of the shares to be issued at the time of incorporation. The promoters are required to notify all subscribers or make a public announcement of the meeting date at least fifteen days before inaugural meeting. The inaugural meeting can only be held if more than half of the subscribers with voting rights are present. The functions and powers of the inaugural meeting shall include (i) reviewing the report on organization of the company by the promoters; (ii) approving the articles of association; (iii) electing members of directors and Supervisors; (iv) reviewing incorporation expenses for the company; (v) reviewing the valuations of the non-monetary property contributed by the promoters; (vi) making the resolution to reject the incorporation of company on the occurrence of force majeure or a substantial change in the conditions of operation which directly affect the incorporation of the company. The resolutions made at the inaugural meeting about the matters within the scope of its functions and powers shall be adopted by more than half of the voting rights the subscribers present at the meeting.

Within 30 days after the conclusion of the inaugural meeting, the representative authorized by the board of directors shall apply to the registration authority for registration of the incorporation of the joint stock company.

Share Capital

The promoters may make a capital contribution in currencies, or non-monetary assets such as in kind or intellectual property rights, land use rights, stock rights and creditor's rights which can be appraised with monetary value and transferred lawfully. Non-monetary property used for capital contributions shall be evaluated and verified, and shall not be overvalued or undervalued.

Allotment and Issue of Shares

The issuance of shares shall be conducted in a fair and equitable manner, and each share of the same class shall enjoy the same rights. For shares issued at the same time and within the same class, the issue terms and price per share must be the same; the same price shall be paid for each share subscribed for by any subscriber.

Domestic enterprises issued and listed overseas shall file with the CSRC in accordance with the Overseas Listing Trial Measures, submit filing reports, legal opinions and other relevant materials, and truthfully, accurately and completely explain shareholder information and other information.

Increase in Share Capital

Under the Company Law, in the case of a joint stock limited company issuing new shares, resolutions shall be passed at the general meeting in respect of the class and number of new shares, the issue price of the new shares, the commencement and end dates for the issuance of

new shares and the class and number of the new shares proposed to be issued to existing shareholders, if any. If no par value stock is issued, the proceeds from the issuance of new shares shall be included into the registered capital. Additionally, if a company intends to make public offering of shares, it is required to complete the registration with the securities regulatory authority of the State Council and announces the documents.

Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law: (i) a company shall prepare a balance sheet and a property list; (ii) a company shall make a resolution at the general meeting to reduce its registered capital; (iii) a company shall inform its creditors within 10 days and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days after the approval of resolution of reducing registered capital at the general meeting; (iv) the creditors shall have the right to require a company to repay its debts or provide corresponding guarantees within 30 days after receiving the notice or within 45 days after the announcement if the creditors have not received the notice; (v) when a company reduces its registered capital, it shall register the change with a company registration authority in accordance with the law.

When a company reduces its registered capital, it must reduce the amount of capital contribution or shares in proportion to the capital contribution or shares held by the shareholders, unless otherwise prescribed by any law, or otherwise specified in the articles of association of a joint stock company.

If a company is still in a loss position after covering losses in accordance with the relevant provisions of the Company Law, it may reduce the registered capital to cover the losses. If the registered capital is reduced to cover the losses, the Company shall not make any distribution to the shareholders, nor shall it exempt the shareholders from the obligations to make capital contributions or pay up the amounts of shares. Where the registered capital is reduced in accordance with the preceding paragraph, the provisions of paragraph (iii) and paragraph (iv) of the preceding Article shall not shall not apply, but it shall be announced in the newspapers or the National Enterprise Credit Information Publicity System within 30 days from the date on which the general meeting made a resolution to reduce the registered capital. After a company reduces its registered capital in accordance with the provisions of the preceding paragraph, it shall not distribute profits until the cumulative amount of the statutory reserve and the discretionary reserve reaches 50% of its registered capital.

If the registered capital is reduced in violation of the provisions of the Company Law, the shareholders shall return the funds they have received, and the shareholders shall restore the capital contributions to the original state if their capital contributions are reduced or exempted; if losses are caused to the company, the shareholders and directors, supervisors, and senior management members who are held accountable for the losses shall be liable for compensation.

Repurchase of Shares

Under the Company Law, a company shall not acquire its own shares, except for any following circumstances: (i) reducing the registered capital of the company; (ii) merging with other companies that hold the shares of the company; (iii) using the shares for employee stock ownership plans or equity incentives; (iv) requesting the company to repurchase its shares from shareholders who object to resolutions made at the general meeting concerning merger or division of the company; (v) using the shares for the conversion of convertible corporate bonds issued by the listed company; (vi) as required for maintenance of the corporate value and shareholders' rights and interests of a listed company. The acquisition of shares of a company for reasons specified in the case of (i) to (ii) above shall be subject to the resolution of the general meeting; the purchase of shares of a company for reasons specified in the case of (iii), (v) and (vi) above shall be subject to the resolution of the Board meeting attended by more than two-thirds of the directors in accordance with the articles of association or the authorization from the general meeting.

Following the acquisition of a company's shares by a company in accordance with the above provisions, such shares shall be canceled within 10 days from the date of acquisition in the case of item (i) above; such shares shall be transferred or canceled within six months in the case of items (ii) and (iv) above; the total numbers of shares of the Company held by a company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or canceled within 3 years in the case of items (iii), (v) and (vi) above.

Transfer of Shares

Shares held by a shareholder may be transferred according to the Company Law. A shareholder of a joint stock company should transfer of his/her/its shares through a legally established stock exchange or by any other means as required by the State Council. Shares may be transferred by endorsement of shareholders or by other means stipulated by laws or administrative regulations. After the transfer, a company shall record the name and domicile of the transferee in the register of shareholders. The shareholder register shall not be changed during a period of twenty days prior to the convening of the general meeting or five days prior to the record date for a company's distribution of dividends. If any law, administrative regulation, or any provision by the securities regulatory authority of the State Council specifies otherwise for the modification of the register of shareholders of a listed company, such provisions should prevail.

Under the Company Law, shares issued by a company prior to the public offering of shares shall not be transferred within one year from the date on which the shares of a company are listed and traded on a stock exchange. The directors, supervisors and senior management members of a company should declare to the company the shares they hold and the changes thereof. During the term of office as determined when they assume the posts, the shares transferred each year should not exceed 25% of the total shares they hold of a company. Shares

of a company held by its directors, supervisors and senior management shall not be transferred within one year from the date on which the shares of a company are listed and traded on a stock exchange, nor within half a year after their resignation from their positions with a company.

Where the shares are pledged within the time limit for transfer prescribed by laws or administrative regulations, the pledgee may not exercise the pledge right within the time limit for transfer.

Shareholders

Under the Company Law and the Guidelines for Articles of Association of Listed Companies, the rights of shareholders of ordinary shares of a joint stock company include:

(1) to receive dividends and other forms of benefit distribution in proportion to the number of shares they hold;

(2) to lawfully require, convene, preside over, attend or appoint proxies to attend the general meeting and exercise corresponding voting rights;

(3) to supervise the operation of the company and make suggestions and inquiries;

(4) to transfer, gift or pledge their shares in accordance with laws, administrative regulations, and the articles of association;

(5) to inspect and copy the articles of association, the register of shareholders, minutes of general meetings, resolutions of board meetings, financial and accounting reports; and (for shareholders who meet the relevant requirements) to inspect the company's accounting books and vouchers;

(6) upon termination or liquidation of the company, to participate in the distribution of the remaining assets of the company in proportion to the number of shares they hold;

(7) to require the company to repurchase their shares by shareholders who disagree with the resolutions for the merger and division of the company made at the general meetings;

(8) other rights provided by laws, administrative regulations, departmental rules or the articles of association.

The obligations of shareholders of ordinary shares of a joint stock company include:

(1) to comply with laws, administrative regulations and the articles of association;

(2) to pay subscription monies according to the shares subscribed for and the method of subscription;

(3) not to withdraw their share capital unless required by laws and regulations;

(4) not to abuse their shareholders' rights to jeopardize the interests of the company or other shareholders; and not to abuse the status of the company as an independent legal person and the limited liability of shareholders to jeopardize the interests of the creditors of the company;

(5) other obligations imposed by laws, administrative regulations and the articles of association.

General Meetings

Under the Company Law, the general meeting of a joint stock company consists of all shareholders. The general meeting is the organ of authority of a company, which exercises the following functions and powers: (i) to elect and replace directors and supervisors and to decide on matters relating to the remuneration of directors and supervisors; (ii) to examine and approve reports of the board; (iii) to examine and approve reports of the supervisory committee; (iv) to examine and approve the company's profit distribution plans and loss recovery plans; (v) to resolve on the increase or reduction of the company's registered capital; (vi) to resolve on the issuance of corporate bonds; (vii) to resolve on the merger, division, dissolution, liquidation or change of corporate form of the company; (viii) to amend the articles of association; (ix) other functions and powers specified in provision of the articles of association.

Under the Company Law, the annual general meetings are required to be held once every year. An extraordinary general meeting is required to be held within two months after the occurrence of any of the following circumstances: (i) the number of directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the articles of association; (ii) when the unrecovered losses of a company amount to one-third of the total share capital; (iii) the shareholder(s) individually or jointly holding 10% or more of the company's shares request; (iv) the board of directors considers it necessary; (v) the supervisory committee proposes to convene the meeting; (vi) other circumstances as stipulated in the articles of association.

The general meeting shall be convened by the board, and presided over by the chairman of the board. In the event that the chairman of the board is incapable of performing or not performing his/her duties, the meeting shall be presided over by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his/her duties, a director nominated by more than half of directors shall preside over the meeting.

If the board of directors is incapable of performing or is not performing its duties to convene the general meeting, the supervisory committee should convene and preside over the general meeting in a timely manner. If the supervisory committee fails to convene and preside over the general meeting, the shareholder(s) individually or jointly holding 10% or more of the company's shares for more than 90 consecutive days may convene and preside over the general meeting on their own.

If the shareholder(s) who individually or jointly hold more than 10% of the shares of the company request to convene an extraordinary general meeting, the board of directors and the supervisory committee should, within 10 days after the receipt of such request, decide whether to hold an extraordinary general meeting and reply to the shareholders in writing.

Notice of general meeting shall state the time and venue of and matters to be considered at the meeting and shall be given to all shareholders 20 days before the meeting. A notice of extraordinary general meeting shall be given to all shareholders 15 days prior to the meeting.

The shareholder(s) who individually or jointly hold more than 1% of the company's shares may put forward interim proposals and submit them to the board of directors in writing 10 days before the general meeting. The board of directors shall notify other shareholders within 2 days after receiving the proposal, and submit the interim proposal to the general meeting for consideration.

Under the Company Law, a shareholder may entrust a proxy to attend a general meeting, and it should clarify the matters, power and time limit of the proxy. The proxy shall present a power of attorney issued by the shareholder to a company and shall exercise his/her voting rights within the scope of authorization.

Under the Company Law, shareholders present at a general meeting have one vote for each share they hold, except the shareholders of classified shares. However, shares of the company held by the company itself are not entitled to any voting rights.

The cumulative voting system may be adopted for the election of directors and supervisors at the general meeting in accordance with the provisions of the articles of association or the resolutions of the general meeting. Under the cumulative voting system, in an election of directors or supervisors at the general meeting, each share shall have the same number of voting rights as the number of directors or supervisors to be elected, and shareholders may consolidate their voting rights when casting a vote.

Under the Company Law and the Guidelines for Articles of Association of Listed Companies, the passing of any resolution requires affirmative votes of shareholders representing more than half of the voting rights represented by the shareholders who attend the general meeting. Matters relating to merger, division or dissolution of a company, increase or

reduction of registered capital, change of corporate form or amendments to the articles of association must be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Board of Directors

Under the Company Law, a joint stock company should have a board of directors, which consists of more than three members. The term of office of a director shall be stipulated in the articles of association, but each term of office shall not exceed three years. Directors may serve consecutive terms if re-elected.

Board meetings shall be convened at least twice a year. All directors and supervisors shall be notified 10 days before the meeting for every meeting. The board of directors exercises the following functions and powers: (i) to convene general meetings and report its work to general meetings; (ii) to implement the resolutions of the general meeting; (iii) to decide on a company's business plans and investment plans; (iv) to formulate a company's profit distribution plan and loss recovery plan; (v) to formulate proposals for the increase or reduction of a company's registered capital and the issue of corporate bonds; (vi) to formulate plans for merger, division, dissolution or change of corporate form of a company; (vii) to decide on the internal management structure of a company; (viii) to decide on the appointment or dismissal of the manager of a company and his/her remuneration; to decide on the appointment or dismissal of the deputy manager and the person-in-charge of finance of a company based on the nomination of the manager and as well as remuneration; (ix) to formulate a company's basic management system; (x) other functions and powers specified in the articles of association or granted by the general meeting.

No board meeting shall be held unless attended by a majority of directors. If a director is unable to attend a board meeting for any reason, he/she may appoint another director by a written power of attorney specifying the scope of the authorization for another director to attend the meeting on his/her behalf. If a resolution of the board of directors violates the laws, administrative regulations or the articles of association or resolution of the general meeting, and as a result of which the company suffers serious losses, the directors participating in the resolution shall be liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be exempt from such liability.

Under the Company Law, a person may not serve as a director of a company if he/she is: (i) a person without capacity or with restricted capacity for civil conduct; (ii) a person who has been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property, or disrupting the order of the socialist market economy, or has been deprived of political rights due to a crime, where a five-year period has not elapsed since the date of completion of the sentence; if he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension period;

(iii) a person who was a director, factory director or manager of a company or enterprise which has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise; (iv) a person who was a legal representative of a company or enterprise which had its business license revoked due to violation of the law and had been closed down by order, and who was personally liable, where less than three years have elapsed since the date of the revocation of the business license of the company or enterprise or the order for closure; and (v) being listed as one of dishonest persons subject to enforcement by the people's court due to his/her failure to pay off a relatively large amount of due debts.

The board of directors shall have one chairman, who shall be elected by more than half of all the directors. The chairman of the board of directors shall exercise the following functions and powers (including but not limited to): (i) to preside over general meetings and convene and preside over board meetings; (ii) to examine the implementation of resolutions of the board of directors; (iii) to exercise other powers conferred by the board of directors.

Supervisory Committee

A joint stock company may, as stipulated in its articles of association, establish an audit committee within the board of directors composed of directors to exercise the functions and powers prescribed for the supervisory committee by the Company Law, without establishing a supervisory committee.

A joint stock company with a smaller scale or fewer shareholders may appoint one supervisor without establishing a supervisory committee to exercise the functions and powers prescribed for the supervisory committee by the Company Law.

Except for the above two special circumstances, a joint stock company shall establish a supervisory committee, with no less than three members. The supervisory committee shall comprise representatives of the shareholders and an appropriate proportion of representatives of the employees of the company. The actual proportion shall be stipulated in the articles of association, provided that the proportion of representatives of the employees shall not be less than one third of the supervisors. Representatives of the employees of the company in the supervisory committee shall be democratically elected by the employees at the employees' representative assembly, employees' meeting or otherwise. The directors and senior management may not act concurrently as supervisors.

The supervisory committee shall appoint a chairman and may appoint a vice chairman. The chairman and the vice chairman of the supervisory committee are elected with approval of more than half of all the supervisors. The chairman of the supervisory committee shall convene and preside over the meetings of the supervisory committee. In the event that the chairman of the supervisory committee is incapable of performing or not performing his/her duties, the vice chairman of the supervisory committee shall convene and preside over the meeting of the

supervisory committee. In the event that the vice chairman of the supervisory committee is incapable of performing or not performing his/her duties, a supervisor nominated by more than half of the supervisors shall convene and preside over the meeting of the supervisory committee.

Each term of office of a supervisor is three years and he or she may serve consecutive terms if reelected. A supervisor shall continue to perform his/her duties in accordance with the laws, administrative regulations and articles of association until a duly re-elected supervisor takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office, or if the resignation of a supervisor results in the number of supervisors being less than the quorum.

The supervisory committee shall hold at least one meeting every six months. According to the Company Law, a resolution of the supervisory committee shall be passed by more than half of all the supervisors.

The supervisory committee exercises the following functions and powers: (i) to examine the company's financial affairs; (ii) to supervise the directors and senior management members in their performance of their duties and to propose the removal of directors and senior management members who have violated laws, administrative regulations, the articles of association or resolutions of general meetings; (iii) when the acts of directors and senior management members are harmful to the company's interests, to require their correction of those acts; (iv) to propose the convening of extraordinary general meetings, and to convene and preside over general meetings when the board of directors fails to perform the duty of convening and presiding over general meetings under the Company Law; (v) to submit proposals to the general meeting; (vi) to initiate legal proceedings against directors and senior management members in accordance with the Company Law; (vii) other functions and powers specified in the articles of association.

Supervisors may be present at board meetings and make inquiries or proposals in respect of the resolutions of the board of directors. The supervisory committee may investigate any irregularities identified in the operations of the company and, when necessary, may engage an accounting firm to assist its work at the cost of the company.

According to the Guidelines for Articles of Association of Listed Companies, the board of directors of a company shall establish an audit committee, which shall exercise the powers and functions of the supervisory committee as stipulated in the Company Law.

Managers and Senior Management Members

Under the Company Law, a company should have managers who shall be appointed or removed by the board of directors. Managers shall be accountable to the board of directors, and exercise functions and powers according to the articles of association or the authorization of the board of directors. Managers shall attend board meetings.

According to the Company Law, senior management members shall refer to the managers, deputy managers, the person-in-charge of finance, secretary of the board of a listed company and other personnel as stipulated in the articles of association.

Directors, supervisors and senior management members of a company are required under the Company Law to comply with the relevant laws, regulations and the articles of association, and owe duties of loyalty and diligence to the company. Directors, supervisors and senior management members are prohibited from: (i) embezzling the company's property or misappropriating the company's funds; (ii) depositing the company's funds into accounts under their own names or the names of other individuals; (iii) accepting bribes or any other illegal proceeds by taking advantage of their powers; (iv) accepting and possessing commissions paid by others for transactions conducted with the company; (v) disclosing the company's secrets without authorization; or (vi) other acts in violation of their duties of loyalty to the company.

If any director, supervisor or senior management members directly or indirectly concludes a contract or conducts a transaction with the company, he/she should report the matters relating to the conclusion of the contract or transaction to the board of directors or general meeting, subject to the approval of the board of directors or general meeting according to the articles of association. The above-mentioned provisions shall apply if any near relatives of the directors, supervisors or senior management members, or any of the enterprises directly or indirectly controlled by the directors, supervisors or senior management members or any of their near relatives, or any of the related persons with any other related relationship with the directors, supervisors or senior management members, concludes a contract or conducts a transaction with the company.

Neither directors, supervisors nor senior management members may take advantage of their positions to seek any business opportunity that belongs to the company for themselves or any other person, except under one of the following circumstances: (i) where they have reported the matter to the board of directors or the general meeting and the matter has been approved by a resolution of the board of directors or the general meeting according to the articles of association; or (ii) where the company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the articles of association.

Where any director, supervisor or senior management member fails to report to the board of directors or the general meeting and obtains approval by a resolution of the board of directors or the general meeting according to the articles of association, he/she may not engage in any business that is similar to that of the company where he/she serves for himself/herself or for any other person.

A director, supervisor or senior management member who contravenes any laws, administrative regulations or the articles of association in the performance of his/her duties, thus causing any loss to the company, shall assume compensation liabilities.

Directors shall, in accordance with laws, administrative regulations and the articles of association, owe diligence duties to the company. In performing their duties, they shall exercise the reasonable care that shall be generally possessed by a manager for the best interests of the

company. Directors shall owe the following diligence duties to the company: (i) shall exercise the rights conferred by the company with due discretion, care and diligence to ensure the business operations of the company comply with the state's laws, administrative regulations and requirements of the state's economic policies, not exceeding the scope of business specified in the company's business license; (ii) shall treat all shareholders impartially; (iii) master the operation and management conditions of the company in time; (iv) shall sign the written confirmation opinions for the regular reports of the company, to ensure that the information disclosed by the company is true, accurate and complete; (v) shall honestly provide the audit committee with relevant information and data, and not interfere with the audit committee in performing its duties and powers; (vi) shall fulfill other diligence duties as stipulated by laws, administrative regulations, departmental rules and the articles of association.

Minority Shareholders' Derivative Actions

Under the Company Law, if a director or a senior management member, in the performance of his/her duties, violates any laws, regulations or the articles of association, causing losses to the company, the shareholders may initiate legal proceedings. The shareholder(s) individually or jointly holding over 1% of the company's shares for more than 180 consecutive days shall have the right to request the supervisory committee in writing to initiate legal proceedings before the people's court. If a supervisor, in the performance of his/her duties, violates any laws, regulations or the articles of association, causing losses to the company, the shareholder(s) individually or jointly holding over 1% of the company's shares for more than 180 consecutive days shall have the right to request the board of directors in writing to initiate legal proceedings before the people's court.

The above-mentioned shareholders may initiate legal proceedings before the people's court directly in their own names for the benefit of the company, in the event that the supervisory committee or the board of directors refuses to initiate legal proceedings after receiving the aforesaid written request of shareholders, or fails to initiate such legal proceedings within 30 days on which such request is received, or in case of emergency where failure to initiate such legal proceedings immediately will result in irreparable damage to the company's interest.

Finance and Accounting

Under the Company Law, a company shall establish its financial and accounting systems according to the laws, administrative regulations and the regulations of the financial authority under the State Council. At the end of each fiscal year, the company shall prepare a financial and accounting report which shall be audited by an accounting firm in accordance with the law. The financial and accounting report shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial authority under the State Council.

Under the Company Law, a company shall make its financial and accounting report available at the company for inspection by the shareholders 20 days before the convening of an annual general meeting. A joint stock company issuing its shares in public must publish its financial and accounting report.

When distributing the current year's after-tax profits, the company shall allocate 10% of its after-tax profits to its statutory reserve fund. Further appropriations are not required, if its statutory reserve fund has accumulated to 50% of its registered capital.

If the statutory reserve fund of the company is insufficient to make up for the losses of the previous years, the current year's profits shall be used to make up for the losses before making allocations to the statutory reserve fund in accordance with the above-mentioned provisions.

After the company has made an allocation to the statutory reserve fund from its after-tax profit, it may also make an allocation to the discretionary reserve fund from its after-tax profit upon a resolution of the general meeting.

A joint stock company may distribute profits in proportion to the number of shares held by its shareholders, unless otherwise provided by the articles of association.

The premium obtained by a company from issuing shares at an issue price higher than the nominal value of the shares, the amount of share proceeds from the issuance of no-par shares that have not been credited to the registered capital and other items required by the financial authority under the State Council to be included in the capital reserve fund shall be accounted for as the capital reserve fund of the company.

The reserve fund of a company shall be used to make up losses of the company, expand the production and operation of the company or increase the registered capital of the company. The discretionary reserve fund and statutory reserve fund shall be used first to make up the company's losses; if losses still cannot be made up, the capital reserve fund can be used according to the provisions. When the statutory reserve fund is converted to registered capital, the balance of the statutory reserve fund shall not be less than 25% of the registered capital before such conversion.

The company shall not set up other account books except for the statutory account books. The company' funds shall not be deposited in any account opened in the name of any individual.

Appointment and Dismissal of an Accounting Firm

Pursuant to the Company Law, the appointment or dismissal of an accounting firm responsible for a company's auditing shall be determined by the general meeting, the board of directors or the supervisory committee in accordance with the articles of association. The

accounting firm shall be allowed to state its opinions when the general meeting, the board of directors or the supervisory committee votes on the dismissal of the accounting firm. The company shall provide true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting materials to the engaged accounting firm, and shall not refuse, conceal or make false statements.

Profits Distribution

Under the Company Law, the remaining profits after tax after a company has made up its losses and allocated to its reserve fund may be distributed to its shareholders in proportion to their shareholdings unless otherwise provided by the articles of association.

No profits shall be distributed in respect of the company's shares held by the company.

Amendment to the Articles of Association

Any amendment to the articles of association of a company must be in accordance with the procedures in the company's articles of association. Where any amendment involves the registered particulars of the company, the procedures for change registration shall be handled with the registration authority. According to the Company Law, resolutions on amendments to the articles of association at the general meeting shall be approved by more than two-thirds of the voting rights held by the shareholders present at the general meeting.

According to the Guidelines for Articles of Association of Listed Companies, a company shall amend its articles of association under any of the following circumstances: (i) subsequent to the amendments to the Company Law or the relevant laws and administrative regulations, the matters stipulated in the articles of association are in conflict with the provisions of the amended laws and administrative regulations; (ii) changes in the state of the company are inconsistent with the matters stipulated in the articles of association; and (iii) the general meeting has resolved to amend the articles of association.

Dissolution and Liquidation

According to the Company Law, a company shall be dissolved for the following reasons: (i) the term of business stipulated in the articles of association has expired or other events of dissolution specified in the articles of association have occurred; (ii) a resolution on dissolution is adopted by the general meeting; (iii) dissolution is required due to the merger or division of the company; (iv) the business license is revoked, or the company is ordered to be closed down or is dissolved in accordance with the law; (v) where the company encounters serious difficulties in its operation and management, and its continued existence will cause significant losses to the interests of shareholders, and where the issue cannot be resolved through other means, shareholders holding more than 10% of the total shareholders' voting rights of the company may request the people's court to dissolve the company.

If any of the reasons as mentioned in the preceding paragraph arises, the company shall publicize the reason through the National Enterprise Credit Information Publicity System within ten days.

Where the company is dissolved in accordance with items (i) and (ii) above, it may carry on its existence by amending its articles of association or upon a resolution of the general meeting, which must be approved by more than two-thirds of the voting rights held by the shareholders present at the general meeting. Where the company is dissolved pursuant to items (i), (ii), (iv) or (v) above, it shall be liquidated. The directors, who are the liquidation obligors of the company, shall form a liquidation committee to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution. The liquidation committee shall be composed of directors, unless the articles of association stipulate otherwise or it is resolved to elect other person(s) at the general meeting. The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the company or the creditors.

If the liquidation committee fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the people's court to designate relevant persons to form a liquidation committee. The people's court shall accept such request and organize a liquidation committee to carry out the liquidation in a timely manner.

The liquidation committee shall exercise the following functions and powers during the liquidation period: (i) to liquidate the company's property and prepare the balance sheet and the list of property; (ii) to notify creditors by sending notices or making public announcements; (iii) to deal with the outstanding business of the company involved in the liquidation; (iv) to pay all outstanding taxes and taxes arising in the course of liquidation; (v) to settle claims and debts; (vi) to distribute the remaining property of the company after paying off debts; (vii) to participate in civil litigation activities on behalf of the company.

The liquidation committee shall notify the company's creditors within 10 days from the date of its formation, and make an announcement in the newspapers or the National Enterprise Credit Information Publicity System within 60 days from the date of its formation. The creditors shall declare their claims to the liquidation committee within 30 days from the date on which they receive such notice or within 45 days from the date of the announcement if no such notice is received.

After paying the liquidation expenses, employees' salaries, social insurance fees and statutory compensation, outstanding taxes and debts of the company, the remaining property of the company will be distributed in proportion to the number of shares held by shareholders. During the liquidation period, the company continues to exist, but can not carry out any business operation that is not for purpose of carrying out liquidation. The company's property shall not be distributed to its shareholders prior to repaying debts in accordance with the foregoing provisions.

If the liquidation committee, having checked the company's property and having prepared a balance sheet and an inventory of property, discovers that the company's assets are insufficient to pay off its debts, it shall apply to the people's court for insolvency liquidation. After the people's court accepts the application for insolvency, the liquidation committee shall transfer all liquidation affairs to the insolvency administrators appointed by the people's court.

Upon completion of the company's liquidation, the liquidation committee shall prepare a liquidation report, submit the report to the general meeting or the people's court for confirmation, and submit the report to the company registration authority and apply for deregistration of the company.

Members of the liquidation committee shall perform liquidation duties and owe duties of loyalty and diligence. Any member of the liquidation committee who neglects to fulfill his/her liquidation duties and thus causes any loss to the company shall be liable for compensation, and any member of the liquidation committee who causes any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Where, after three years since the business license of the company is revoked, or the company is ordered to close down or is deregistered, the company fails to apply for its deregistration with the company registration authority, the said authority may announce the company's deregistration through the National Enterprise Credit Information Publicity System for a period of no less than 60 days. If there is no objection after the announcement period expires, the company registration authority may deregister the company.

Loss of Share Certificates

If the share certificates are either stolen, lost or destroyed, the shareholders may, in accordance with the Civil Procedure Law (《民事訴訟法》), apply to the people's court for a declaration that such certificates will no longer be valid. After the people's court declared that such certificates would no longer be valid, the shareholders may apply to the company for the issue of replacement certificates.

Merger and Division

Under the Company Law, the merger of a company may take the form of either a merger by absorption or a merger by incorporation. For a merger by absorption, the company being absorbed shall be dissolved. A merger by incorporation means that a merger of two or more companies through the establishment of a new company and the companies being consolidated shall be dissolved.

Overseas Listing

According to the Overseas Listing Trial Measures (《境外上市試行辦法》), a domestic enterprise shall file application documents for listing with the CSRC within 3 working days after submitting the application documents for overseas issuance and listing. If an issuer issues securities in the same overseas market after overseas issuance and listing, it shall file with the

CSRC within 3 working days after the completion of the issuance. If an issuer issues and lists in other overseas markets after overseas issuance and listing, it shall file in accordance with the provisions of Paragraph 1, Article 16 of the Overseas Listing Trial Measures.

Suspension and Termination of Listing

According to the PRC Securities Law (《中華人民共和國證券法》) (the "Securities Law"), which was last amended by the Standing Committee of the NPC on December 28, 2019 and became effective on March 1, 2020, where listed securities fall under the delisting circumstances stipulated by the stock exchange, the stock exchange shall terminate its listing and trading in accordance with the business rules. Where the stock exchange decides on delisting of securities, it shall promptly announce and file records with the securities regulatory authority of the State Council.

According to the Overseas Listing Trial Measures, in case of voluntary or compulsory termination of listing, the issuer shall report the specific situation to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters.

SECURITIES LAW AND REGULATIONS

CSRC, a ministerial-level public institution directly under the State Council, performs a unified regulatory function, according to the laws and regulations, and with the authority by the State Council, over the securities and futures market of China, maintains an orderly securities and futures market order, and ensure a legal operation of the capital market.

The Securities Law was promulgated on December 29, 1998 and implemented on July 1, 1999. It was amended on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014, and December 28, 2019, respectively. The Securities Law comprehensively regulates activities in the PRC securities market, including issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities, etc. The Securities Law further regulates that a domestic enterprise issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council and for subscription and trading of shares of domestic companies using foreign currencies, detailed measures shall be stipulated by the State Council separately. The CSRC is the securities regulatory body set up by the State Council to supervise and administer the securities market according to law, maintain order in the market, and ensure the market operates in a lawful manner. At present, the issuance and trading of H shares are mainly regulated by regulations and rules promulgated by the State Council and the CSRC.

Under the Securities Law and the Measures for the Administration of Acquisition of Listed Companies (《上市公司收購管理辦法》) last amended by the CSRC on March 27, 2025, for securities trading on a stock exchange, when the voting shares (including A shares and H shares) issued by a listed company as held by an investor (including a foreign investor) or jointly with others through agreements or other arrangements have reached 5%, the investor shall, within 3 days after such event occurs, submit a written report to the CSRC and SZSE,

notify the listed company in writing and publish an announcement. Whenever the proportion of voting shares issued by the listed company held by it increases or decreases by 1%, the investor shall notify the listed company and make an announcement on the day immediately after such event occurs.

JUDICIAL JUDGMENT AND ITS ENFORCEMENT

According to the Arrangements of the Supreme People's Court for Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Cases between Courts of the Chinese Mainland and Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) promulgated by the Supreme People's Court on January 25, 2024 and effective on January 29, 2024, a party with an enforceable final court judgment rendered by any designated people's court of China or any designated Hong Kong court regarding civil and commercial cases, excluding certain types, may apply for recognition and enforcement of the judgment in the relevant people's court of China or Hong Kong court.

China has not entered into a treaty for the reciprocal recognition and enforcement of court judgments with the United States, the United Kingdom, Japan, and many other countries. Moreover, Hong Kong has no arrangement with the United States for reciprocal enforcement of judgments. In accordance with the Civil Procedure Law of the PRC and other applicable laws, regulations, and interpretations, a court judgment obtained in the United States or any of the other jurisdictions mentioned above may be recognized and enforced in China or Hong Kong, considering the treaties providing for the reciprocal enforcement of judgments between China and the country where the judgment was made.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

The Arbitration Law of the PRC (《中華人民共和國仲裁法》) (the "Arbitration Law") was passed by the Standing Committee of the NPC on August 31, 1994, became effective on September 1, 1995 and was amended on August 27, 2009 and September 1, 2017, respectively. Under the Arbitration Law, an arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with the Arbitration Law and the Civil Procedure Law. Where the parties have reached an arbitration agreement, but one party initiates legal proceedings before the people's court, the people's court will refuse to handle the case except when the arbitration agreement is invalid.

Under the Arbitration Law and the Civil Procedure Law, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the people's court for enforcement. If the composition of the arbitration tribunal or the arbitration procedure violates the statutory procedure, or the matters are not within the scope of the arbitration agreement or the arbitration commission has no jurisdiction to arbitrate in such matters, the people's court may refuse to enforce the arbitral award.

A party seeking to enforce a legally effective arbitral award of foreign arbitration commission against a party who or whose property is not within the PRC shall apply to a foreign court with jurisdiction over the case for recognition and enforcement. Similarly, an arbitral award made by a foreign arbitration body may be handled by the PRC courts in accordance with any international treaty concluded or acceded to by the PRC, or the principles of reciprocity. The PRC acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards 《承認及執行外國仲裁裁決公約》 (the "New York Convention") adopted on June 10, 1958 pursuant to a resolution of the Standing Committee of the NPC passed on December 2, 1986. The New York Convention provides that all arbitral awards made in a state which is a party to the New York Convention shall be recognized and enforced by all other parties to the New York Convention, subject to their right to refuse enforcement under certain circumstances, including where the enforcement of the arbitral award is against the public policy of the state to which the application for enforcement is made. It was declared by the Standing Committee of the NPC simultaneously with the accession of the PRC that (i) the PRC will only recognize and enforce foreign arbitral awards on the principle of reciprocity; and (ii) the PRC will only apply the New York Convention in disputes considered under PRC laws to arise from contractual and non-contractual mercantile legal relations.

The Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Chinese Mainland and Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》) (the "Arrangement") was entered into between Chinese Mainland and Hong Kong. The Arrangement was promulgated in Chinese Mainland on January 24, 2000, as a judicial interpretation by the Supreme People's Court and took effect on February 1, 2000. On November 26, 2020, the Supreme People's Court promulgated the Supplemental Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between Chinese Mainland and Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》) (hereinafter referred to as the "Supplemental Arrangement"), which amended the Arrangement. The Supplemental Arrangement took effect on November 27, 2020. Under the Arrangement and the Supplemental Arrangement, subject to certain conditions, arbitral awards rendered by arbitration institutions in Chinese Mainland pursuant to the Arbitration Law can be enforced in Hong Kong, and arbitral awards made in Hong Kong can similarly be enforced in Chinese Mainland.

ISSUE OF SHARES

Shares of the Company shall take the form of registered share certificates.

The Company shall issue shares in accordance with the principles of openness, fairness, and equality, and each share of the same class shall have the same right. The issue terms and price per share of the same class in the same issue shall be the same; and the same price shall be paid for each share subscribed for by any subscriber.

INCREASE, DECREASE AND REPURCHASE OF SHARES

Subject to the provisions of laws and regulations, upon special resolutions by the general meeting, the Company may increase its capital on the basis of its business and development needs by any of the following means:

(1) public offering of shares;

(2) non-public offering of shares;

(3) distributing bonus shares to existing shareholders;

(4) transferring reserve funds to increase share capital;

(5) any other ways stipulated by laws, administrative regulations and requirements of the CSRC and the Hong Kong Stock Exchange.

The Company's increase of share capital by means of issuance of new shares shall, after being approved pursuant to the provisions of the Articles of Association and the Hong Kong Listing Rules, be conducted in accordance with the procedures stipulated by relevant PRC laws, administrative regulations, the Articles of Association and the Hong Kong Listing Rules.

The Company shall not repurchase its shares, however, under the following circumstances, the Company may repurchase its own shares in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association:

(1) reducing the registered capital of the Company;

(2) merging with another company that holds the shares of the Company;

(3) granting the shares for the employee shareholding scheme or as share incentives;

(4) requesting the Company to repurchase its shares from shareholders who object to resolutions made at the general meeting concerning merger or division of the Company;

(5) using the shares to satisfy the conversion of corporate bonds convertible into the shares issued by the Company;

(6) it is necessary for the Company to maintain its value and shareholders' equity;

(7) other circumstances as permitted by laws, administrative regulations, departmental rules and the regulatory rules of the place(s) where the Company's shares are listed.

Save as aforementioned, the Company shall not trade in its shares. For any repurchase of its shares by the Company, the obligation of information disclosure shall be fulfilled in accordance with relevant laws, regulations, the Hong Kong Listing Rules, and relevant provisions of the CSRC and the Hong Kong Stock Exchange.

The Company may repurchase its shares through open and centralized trading or other methods permitted by laws, administrative regulations, the Hong Kong Listing Rules, the securities regulatory rules of the place(s) where the Company's shares are listed and the CSRC (if necessary).

Where the Company repurchases its shares under the circumstances described in items (3), (5) and (6) set out above, it shall be carried out by open and centralized trade.

Where the Company repurchases its shares under the circumstances described in items (1) and (2) set out above, it shall be subject to a resolution of the general meeting; where the Company repurchases its shares under the circumstances described in items (3), (5) and (6) set out above, it can be, in accordance with the provisions of the Articles of Association or authorization by the general meeting, resolved by a Board meeting with the attendance of more than two-thirds of the Directors.

Shares repurchased by the Company under item (1) set out above shall be canceled within 10 days from the date of repurchase; shares repurchased under items (2) and (4) set out above shall be transferred or canceled within 6 months thereafter; and all of the shares repurchased under items (3), (5) and (6) set out above shall not exceed 10% of the total issued shares of the Company, and shall be transferred or canceled within 3 years.

If it is otherwise specified in laws, regulations, normative documents, and the relevant regulatory rules in the place(s) where the Company's shares are listed on the matters involving the repurchase of shares of the Company, such provisions shall prevail.

TRANSFER OF SHARES

Unless otherwise stipulated by laws, administrative regulations and securities regulatory authorities at the place(s) where the Company's shares are listed, paid-up shares of the Company shall be freely transferable and are not subject to any lien. Shares of the Company

may be presented, inherited and pledged pursuant to relevant laws, administrative regulations and the Articles of Association. The transfer of the Company's shares shall be registered with the local stock registration institution entrusted by the Company.

Instrument of transfer and other documents relating to or affecting the ownership of any H Share shall be registered with the local stock registration institution in Hong Kong entrusted by the Company.

The listing and trading of the Company's H Shares on the Main Board of the Hong Kong Stock Exchange, and the termination of listing of the Company's H Shares shall be handled in accordance with the Hong Kong Listing Rules and other relevant requirements. The Company shall not accept its own shares as the subject of mortgage.

Shares issued prior to the public offering of any shares of the Company shall not be transferred within one year from the date on which the shares of the Company are listed and traded on the stock exchange(s). If any law or administrative regulation, or any provision by the securities regulatory authorities of the State Council specifies otherwise for the transfer of Company's shares held any shareholder or de facto controller of a listed company, such provisions should prevail.

Directors and senior management members of the Company shall declare to the Company their shareholdings in the Company and any changes thereof, and shall not transfer more than 25% of the total number of shares of the Company held by them each year during their terms of office. The shares of the Company held by them shall not be transferred within one year from the date on which the shares of the Company are listed and traded. The aforementioned personnel shall not transfer the shares of the Company directly held by them within 18 months after they apply for resignation from the Company within 6 months from the date of the initial public offering of shares. The aforementioned personnel shall not transfer the shares of the Company directly held by them within 12 months after they apply for resignation from the Company within 7 to 12 months from the date of the initial public offering of shares. If there are other requirements for restrictions on the transfer of shares imposed by the Hong Kong securities regulatory institutions, such requirements shall prevail.

REGISTER OF SHAREHOLDERS

The Company shall keep the register of shareholders in accordance with the law. The register of shareholders shall be the sufficient evidence to prove the shareholders' holding of the Company's shares. A shareholder shall enjoy the rights and assume the obligations attached to the class of shares held. Shareholders holding the same class of shares shall be entitled to the same rights and assume equal obligations.

The Company shall keep the original register of shareholders for overseas listed shares in Hong Kong and a duplicate register of shareholders for overseas listed shares at the domicile of the Company. The entrusted overseas agent shall ensure the consistency between the original and duplicate register of shareholders at all times. The branch register of shareholders of the

Company in Hong Kong must be available for inspection by shareholders, provided that the Company may handle the registration of shareholders in accordance with applicable laws and regulations and the securities regulatory rules of the place(s) where the Company's shares are listed.

If any person who has his/her name registered or requests to have his/her name registered on the register of shareholders loses his/her share certificate(s), he/she may apply to the Company for issuing replacement share certificate(s) representing the same shares. In the event that a holder of domestic shares loses his/her share certificate(s) and applies for issuing replacement share certificate(s), the matter shall be handled in accordance with the relevant provisions of the Company Law. In the event that a holder of overseas listed foreign shares loses his/her share certificate(s) and applies for issuing replacement share certificate(s), he/she should follow the procedures as required by the laws, regulations of the stock exchange or other related rules in the place where the register of shareholders for such overseas listed foreign shares is kept.

SHAREHOLDERS AND GENERAL MEETINGS

Rights and Obligations of Shareholders

Shareholders of the Company shall enjoy the following rights:

(1) to receive dividends and other forms of benefit distribution in proportion to the number of shares they hold;

(2) to lawfully request, convene, preside over, attend or appoint a proxy to attend the general meeting and exercise corresponding voting rights;

(3) to supervise the operation of the Company and make suggestions and inquiries;

(4) to transfer, gift or pledge their shares in accordance with laws, administrative regulations, the Articles of Association and the Hong Kong Listing Rules;

(5) to inspect and copy the Articles of Association, the register of shareholders, minutes of general meetings; resolutions of Board meetings, and the financial and accounting reports according to law;

(6) upon termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company in proportion to the number of Shares they hold;

(7) to require the Company to repurchase their shares by shareholders who disagree with the resolutions for the merger and division of the Company made at the general meeting;

(8) other rights stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association.

The shareholders of the Company shall assume the following obligations:

(1) to comply with laws, administrative regulations and the Articles of Association;

(2) to pay subscription monies according to the shares subscribed and the method of subscription;

(3) not to withdraw their shares unless required by laws and regulations;

(4) not to abuse their shareholders' rights to jeopardize the interests of the Company or other shareholders; and not to abuse the status of the Company as an independent legal person and the limited liability of shareholders to evade repayment of debts and jeopardize the interests of any creditors of the Company;

(5) other obligations imposed by laws, administrative regulations, the regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association.

Proxies of Shareholders

An individual shareholder who attends the general meeting in person shall produce his/her own identity card or other valid documents or proof evidencing his/her identity. Where a shareholder intends to appoint a proxy to attend the general meeting on his/her behalf, the proxy shall produce his/her own valid identity documents and the power of attorney issued by the shareholder.

A corporate shareholder shall designate its legal representative or a proxy appointed by the legal representative to attend the meeting. If the legal representative attends the meeting, he or she shall produce his or her own identity card and valid proof of his or her legal representative status. If a proxy has been appointed to attend the meeting, such proxy shall produce his/her own identity card and the written power of attorney issued by the legal representative of the corporate shareholder according to law.

The power of attorney issued by a shareholder authorizing others to attend the general meeting shall state the following:

(1) the name of the appointer and the number and class of the Company's shares held by him/her;

(2) the name of the proxy;

(3) the specific instructions of the shareholder, including instructions to vote for, against or abstain from voting on each matter to be deliberated on the agenda of the general meeting;

(4) date of issuance and validity period of the power of attorney;

(5) signature (or seal) of the appointer. If the appointer is a corporate shareholder, the seal of the legal entity shall be affixed.

The power of attorney shall contain a statement that, in the absence of specific instructions from the shareholder, the proxy may vote according to his/her own discretion. Without such a statement, such proxy shall be deemed to have the right to vote at its own discretion.

Where the appointer has deceased, incapacitated to act, withdrawn the appointment or the power of attorney, or where the relevant shares have been transferred prior to the voting, a vote given by the proxy in accordance with the power of attorney shall remain valid provided that no written notice of such event has been received by the Company prior to the commencement of the relevant meeting. The power of attorney shall contain a statement that, in the absence of specific instructions from the shareholder, the proxy of the shareholder may vote according to his/her own discretion.

In the event that the power of attorney is signed by another person authorized by the appointer, the signed authorization or other authorization instrument shall be notarized, and such notarized authorization, other authorization instrument and the power of attorney shall be maintained at the domicile of the Company or at such other location as specified in the notice regarding the convening of the meeting.

Where the appointer is a legal person, its legal representative or a person authorized by the Board or other decision-making body shall be entitled to attend the general meeting of the Company as the representative of such legal person.

Where the shareholder is a recognized clearing house (or its agent) as defined in the Hong Kong Securities and Futures Ordinance or the relevant ordinance enacted from time to time in Hong Kong, the shareholder may authorize one or more person(s) as it thinks fit to act as its representative(s) at any general meeting provided that, if one or more person(s) is/are so authorized, the power of attorney shall clearly state the number and class of shares for which each person is so authorized. The person so authorized may represent the recognized clearing house (or its agent) to exercise the rights (without being required to present a share certificate, notarized authorization and/or further evidence of due authorization), as if such person was an individual shareholder of the Company, who shall have the same statutory rights as other shareholders, including the right to speak and vote.

Power of the General Meeting and Matters Determined by It

The general meeting shall comprise all shareholders. The general meeting is the organ of authority of the Company, and shall exercise the following functions and powers according to law:

(1) to elect and replace Directors and decide on matters relating to the remuneration of Directors;

(2) to consider and approve reports of the Board of Directors;

(3) to consider and approve the Company's profit distribution plans and plans for making up losses;

(4) to resolve on increases or reductions in the Company's registered capital;

(5) to resolve on issuance of corporate bonds of the Company;

(6) to resolve on the Company's merger, division, dissolution, liquidation or change of its corporate form;

(7) to amend the Articles of Association;

(8) to resolve on the engagement or dismissal of the accounting firm that undertakes the Company's audit;

(9) to consider and approve the guarantees as stipulated in the Articles of Association;

(10) to consider matters relating to the acquisition or disposal of material assets by the Company within one year in an amount exceeding 30% of the latest audited total assets of the Company;

(11) to consider and approve matters relating to the changes in the use of proceeds;

(12) to consider share incentive plans and employee stock ownership plans;

(13) to consider other matters to be resolved by the general meeting as required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association.

The general meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.

The following acts of external guarantees of the Company shall be considered and passed by the general meeting:

(1) any guarantee to be provided once the total amount of external guarantees provided by the Company or its controlled subsidiary has exceeded 50% of the Company's latest audited net assets;

(2) any guarantee to be provided once the total amount of external guarantees provided by the Company has exceeded 30% of the Company's latest audited total assets;

(3) any guarantee provided by the Company to others, where the amount of guarantees within one year exceeds 30% of the Company's latest audited total assets;

(4) any guarantee provided to any party with a gearing ratio in excess of 70%;

(5) any single guarantee with an amount more than 10% of the Company's latest audited net assets;

(6) any guarantee to be provided to a shareholder or a de facto controller or a related party thereof;

(7) other circumstances stipulated by laws, regulations, normative documents, the Hong Kong Listing Rules, other regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association.

When the guarantee mentioned in item (3) in the preceding paragraph is reviewed at the general meeting, it shall be passed by more than two-thirds of the voting rights held by the shareholders present at the meeting.

When a proposal on providing any guarantees for a shareholder or a de facto controller or a related party thereof is being reviewed at the general meeting, the shareholder or the shareholder controlled by the de facto controller shall abstain from voting on the proposal. Except for the provisions in the preceding paragraph, the proposal shall be subject to approval by more than half of the voting rights of other shareholders attending the general meeting.

Where a guarantee is provided by the Company to a wholly-owned subsidiary or a guarantee is provided to its controlled subsidiary and other shareholders of such controlled subsidiary provided guarantees in proportion to their rights and interests, and such guarantees fall within the items (1) to (4) of the first paragraph on the powers and functions of the general meeting, they may be exempted from being submitted to the general meeting for consideration.

Transactions of the Company meeting the standards for submission to the general meeting for approval based on the definition of transactions and relevant calculations as stipulated in the Hong Kong Listing Rules, shall be submitted to the general meeting for consideration in accordance with the Hong Kong Listing Rules, in addition to consideration and approval by the Board.

The resolutions of the general meeting shall be classified as ordinary resolutions and special resolutions.

Ordinary resolutions at a general meeting shall be passed by more than half of the voting shares held by shareholders (including their proxies) attending the meeting.

Special resolution at a general meeting shall be passed by more than two-thirds of the voting rights held by shareholders (including their proxies) attending the general meeting.

The following matters shall be resolved by an ordinary resolution at a general meeting:

(1) work reports of the Board of Directors;

(2) profit distribution plans and loss recovery plans formulated by the Board of Directors;

(3) removal and appointment of members of the Board of Directors, and their remuneration and method of payment of their remuneration;

(4) the engagement or dismissal of the accounting firm or not to renew the appointment thereof, and its remuneration;

(5) other significant matters exceeding the investment and decision-making authority of the Board of Directors as stipulated in the Articles of Association;

(6) matters other than those required to be approved by special resolutions under laws, administrative regulations, the Hong Kong Listing Rules, the securities regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association.

The following matters shall be resolved by a special resolution at a general meeting:

(1) any increase or reduction in the Company's registered capital;

(2) division, spin-off, merger, dissolution, liquidation or changes in the form of the Company;

(3) amendments to the Articles of Association and its annexes (including the rules of procedure for the general meetings, the rules of procedure for the Board meetings);

(4) acquisition or disposal of material assets or provision of guarantees by the Company within one year with an amount exceeding 30% of the latest audited total assets of the Company;

(5) any share incentive plan;

(6) any adjustment or change of the Company's profit distribution policy;

(7) repurchasing shares to reduce the registered capital;

(8) any material asset restructuring;

(9) voluntary winding up of the Company;

(10) any other matter specified in laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association, and confirmed by an ordinary resolution at a general meeting that it may have a material impact on the Company and accordingly shall be approved by special resolutions.

The shareholders (including their proxies) shall exercise their voting rights according to the number of voting shares that they represent and each share shall have one vote, except for class shareholders.

Where any material matter that has an impact on the interests of minority investors is considered at a general meeting, the votes cast by minority investors shall be disclosed to the public in a timely manner in accordance with the relevant laws and regulations, and the Hong Kong Listing Rules.

Shares of the Company held by the Company shall carry no voting rights, and be excluded from the total voting shares held by shareholders present at a general meeting.

If a shareholder's purchase of the Company's voting shares violates the paragraphs of (1) and (2) of Article 63 of the Securities Law, the portion of the shares over the prescribed ratio shall not be allowed to exercise voting rights for a period of thirty-six months after the purchase and shall not be counted towards the total number of voting shares held by shareholders present at the general meeting.

The Board of Directors, independent non-executive Directors and shareholders holding more than 1% of the voting shares may solicit rights from shareholders. The solicitor shall not publicly solicit voting rights from shareholders in a paid or disguised pay way. Except for statutory conditions, the Company may not pose obstacles, such as minimum shareholding ratio restrictions on the solicitation of voting rights.

Where any shareholder is, under the applicable laws and regulations and the Hong Kong Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirements or restrictions shall not be counted.

Convening, Proposals and Notices of Meetings

The Board of Directors shall convene the general meeting on time within the specified period.

With the approval of a majority of all independent non-executive Directors, the independent non-executive Directors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting. Where an independent Director proposes that an extraordinary general meeting be held, the Board of Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, furnish a written reply on whether to convene the extraordinary general meeting within 10 days upon receipt of the proposal. If the Board of Directors agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon the passing of the Board resolution. If the Board of Directors does not agree to convene the extraordinary general meeting, it shall explain the reasons and make an announcement.

The Audit Committee shall have the right to propose to the Board of Directors to convene an extraordinary general meeting, and such proposal shall be made to the Board of Directors in writing. The Board of Directors shall, in accordance with laws, administrative regulations and the Articles of Association, furnish a written reply on whether to convene the extraordinary general meeting within 10 days upon receipt of the proposal.

If the Board of Directors agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon the passing of the Board resolution. Any changes to the original proposal made in the notice shall be approved by the Audit Committee.

If the Board of Directors does not agree to convene the extraordinary general meeting or fails to furnish a reply within 10 days upon receipt of such proposal, the Board of Directors shall be deemed to be unable or fail to perform the duty of convening the general meeting, and the Audit Committee may convene and preside over the meeting on its own.

Any shareholder(s) individually or jointly holding over 10% of the Company's shares shall have the right to request the Board of Directors to convene an extraordinary general meeting, and such request shall be made in writing to the Board of Directors. The Board of Directors shall, in accordance with laws, administrative regulations and the Articles of Association, furnish a written reply on whether to convene the extraordinary general meeting within 10 days upon receipt of the proposal.

If the Board of Directors agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon the passing of the Board resolution. Any changes to the original request made in the notice shall be approved by the relevant shareholders.

If the Board of Directors does not agree to convene the extraordinary general meeting or fails to furnish a reply within 10 days upon receipt of such request, the shareholder(s) individually or jointly holding over 10% of the shares of the Company shall have the right to request the Audit Committee to convene an extraordinary general meeting, and such request shall be made in writing.

If the Audit Committee agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon receipt of the request. Any changes to the original request in the notice shall be approved by the relevant shareholders.

If the Audit Committee fails to issue the notice of the general meeting within the prescribed period, it shall be deemed that the Audit Committee does not convene and preside over the general meeting, and the shareholder(s) individually or jointly holding over 10% of the shares of the Company for more than 90 consecutive days may convene and preside over the meeting on its/their own.

The contents of the proposals shall fall within the terms of reference of the general meeting, have clear topics and specific resolutions, and comply with the relevant provisions of laws, administrative regulations and the Articles of Association.

The Board of Directors, the Audit Committee and the shareholder(s) individually or jointly holding more than 1% of the Company's shares shall have the right to make proposals to the Company.

The shareholder(s) individually or jointly holding more than 1% of the Company's shares may put forward interim proposals and submit such proposals in writing to the convener ten days before the general meeting is held. The convener shall issue a supplemental notice of the general meeting within 2 days upon the receipt of such proposals, announce the contents of the interim proposals and submit the same to the general meeting for consideration, provided that such proposals shall not violate laws, administrative regulations or the Articles of Association, and shall fall within the terms of reference of the general meeting.

Except for the circumstances set out above, the convener shall not modify the proposals listed or add any new proposal in the notice of the general meeting after sending it out.

Proposals not set out in the notice of the general meeting or not in compliance with applicable laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules and the Articles of Association shall not be voted on or resolved on at the general meeting.

The Company shall not increase the shareholding of shareholders who put forward interim proposals.

Proposals not set out in the notice of the general meeting or in the notice of interim proposals or not in compliance with the provisions shall not be voted on or resolved on at the general meeting.

The notice of a general meeting shall include the following:

(1) the time, venue and duration of the meeting;

(2) matters and proposals to be considered at the meeting;

(3) a prominent written statement that all shareholders have the right to attend the general meeting, and may appoint a proxy in writing, who need not be a shareholder, to attend and vote on his/her behalf;

(4) the shareholding registration date for shareholders entitled to attend the general meeting;

(5) the name and telephone number of permanent contact persons for the affairs of the meeting;

(6) the voting time and procedure via the Internet or through other means;

(7) other requirements stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association.

The specific details of all proposals shall be adequately and fully disclosed in all general meeting notices and supplementary notices. Where matters to be discussed require independent non-executive Directors' opinions, the opinions and reasons given by the independent non-executive Directors shall be disclosed when the general meeting notice or supplementary notice is issued.

Where other voting methods are to be adopted at the general meeting, the notice shall also specify the voting time and the matters to be voted on. Where the general meeting is to be convened via the internet or in any other manner, the notice of the general meeting shall clearly state the time and procedure of voting via the internet or any other manner. The time to start voting at a general meeting held via the internet or any other mean shall not be earlier than 3:00 p.m. of the day immediately preceding the date of the physical general meeting but not later than 9: 30 a.m. of the date of the physical general meeting, and shall not conclude earlier than 3: 00 p.m. of the date on which the physical general meeting is concluded.

The interval between the record date and the date of the meeting shall conform to the requirements of the relevant regulatory authorities at the place(s) where the shares of the Company are listed. Once the record date is confirmed, no change may be made thereto.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Directors of the Company are natural persons. A person shall not serve as a Director if:

(1) a person without capacity or with restricted capacity for civil conduct;

(2) a person who has been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property, or disrupting the order of the socialist market economy, or has been deprived of political rights due to a crime, where a five-year period has not elapsed since the date of completion of the sentence; if he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension period;

(3) a person who was a director, factory director or manager of a company or enterprise which has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise;

(4) a person who was a legal representative of a company or enterprise which had its business license revoked due to violation of the law and had been closed down by order, and who was personally liable, where less than three years have elapsed since the date of the revocation of the business license of the company or enterprise or the order for closure;

(5) being listed as one of dishonest persons subject to enforcement by the people's court due to his/her failure to pay off a relatively large amount of due debts;

(6) a person who has been banned from entering the securities market by the CSRC and whose term has not yet expired;

(7) a person who is publicly deemed to be disqualified to act as a director or senior management of listed companies by the stock exchange, where the disqualification period remains effective;

(8) other requirements stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed.

Any election or appointment of a Director in violation of this Article shall be invalid. If a Director falls under the circumstances stipulated in this Article during his/her term of office, the Company will remove him/her from his/her position and suspend his/her duties.

The Directors shall be elected or replaced by the general meeting, and each term of office of a Director is three years. A Director shall be eligible for re-election upon the expiration of the term of office. However, an independent non-executive Director shall be re-elected upon corresponding consideration procedures in accordance with the Hong Kong Listing Rules if such Director has served in his/her position for more than six years.

Provided that there is no violation of relevant laws, regulations and regulatory rules, shareholders are entitled to remove any Director (including the managing director or other executive Directors) prior to the expiration of his/her term of office by passing an ordinary resolution at a general meeting; however, such removal shall not prejudice such Director from making claims for damages under any contract.

The term of office a Director shall start from the date on which the said Director takes office until the expiry of the term of the prevailing session of the Board. If the term of office of a Director expires without timely re-election, the original Director shall still perform the duties of a Director in accordance with laws, administrative regulations, departmental rules, the securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association before a newly elected Director takes office.

A Director may serve concurrently as a member of the senior management, but the Directors serving concurrently as such and the Directors being employee representatives shall not be more than half of all Directors of the Company.

Board of Directors

The Board of Directors shall exercise the following functions and powers:

(1) to convene the general meeting and report to the general meeting;

(2) to implement the resolutions passed at the general meeting;

(3) to determine the business plans and investment plans of the Company;

(4) to prepare the plans for profit distribution and plans for making up losses of the Company;

(5) to formulate plans in respect of any increase or reduction of the registered capital, the issuance of bonds or other securities, and the listing of the Company;

(6) to formulate plans for material acquisition, repurchase of the Company's shares, or merger, division, dissolution, and change of the corporate form of the Company;

(7) to determine, within the authority granted by the general meeting, matters such as external investment, the acquisition and disposal of assets, asset mortgages, external guarantees, consigned financial management, related (connected) transactions, and external donations and gifts;

(8) to determine the establishment of the internal management structure of the Company;

(9) to determine the appointment or dismissal of the General Manager, the secretary to the Board of Directors and other senior management members of the Company, and determine their remunerations, rewards and punishments; and according to the nomination by the General Manager, to determine the appointment or dismissal of other senior management members, such as deputy general managers and the person-in-charge of finance of the Company, and determine their remunerations, rewards and punishments;

(10) to formulate the Company's basic management system;

(11) to draw up proposals for any amendment to the Articles of Association;

(12) to manage the matters of information disclosure of the Company;

(13) to propose at the general meeting the appointment or change of any accounting firm which provides auditing services for the Company;

(14) to receive work reports of the General Manager and review his/her work;

(15) to consider and handle the transfer of the Company's domestic shares held by shareholders to overseas investors, or the approval for the conversion of the Company's domestic shares held by shareholders into overseas listed shares which can be listed on an overseas stock exchange;

(16) to decide to apply to relevant domestic and foreign government authorities and regulatory bodies regarding matters related to the "full circulation" of H-shares, and separately or jointly handle all matters related to the "full circulation" of H-shares in its sole discretion;

(17) to separately or jointly deal with matters relating to the additional issuance of the Company's H Shares under the authorization of the annual general meeting, i.e. to determine separately or jointly allot, issue and deal with H Shares of the Company (not exceeding 20% of the H Shares in issue (excluding Treasury Shares) as at the date on which the authorization resolution was passed at the general meeting and to determine the terms and conditions for the allotment, issuance and dealing with new Shares; meanwhile, the Board of Directors has rights to obtain approvals from or complete filings with the CSRC, Hong Kong Stock Exchange and other relevant

regulatory authorities in connection with the aforementioned additional issuance under the provisions of relevant laws and regulations; provided that the capital contribution in the form of non-monetary property shall be resolved at the general meeting; and

(18) to exercise other functions and powers conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed, the Articles of Association, or the general meeting.

Matters beyond the authorization of the general meeting shall be submitted to the general meeting for consideration.

Special Committees under the Board

The Company's Board of Directors shall establish an audit committee, which shall exercise the powers and functions of the supervisory committee as stipulated in the Company Law.

The members of the Audit Committee shall be non-executive Directors, and the convener shall be an independent non-executive Director with professional accounting qualifications.

The Audit Committee shall be responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal control, and the following matters shall be submitted to the Board of Directors for deliberation after being approved by more than half of all members of the Audit Committee:

(1) disclosing financial information in financial and accounting reports and periodic reports, and internal control evaluation reports;

(2) appointing or dismissing the accounting firm engaged to undertake the audit of the Company;

(3) appointing or dismissing the Company's chief financial officer;

(4) making changes to accounting policies or accounting estimates, or correcting material accounting errors, for reasons other than changes in accounting standards;

(5) other matters stipulated by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association.

The Audit Committee shall convene at least one meeting every quarter. An extraordinary meeting may be convened upon the proposal of two or more members, or when the convener deems it necessary. A meeting of the Audit Committee requires the attendance of more than two-thirds of its members to be held.

Resolutions made by the Audit Committee shall be passed by more than half of its members.

Voting on resolutions of the Audit Committee shall be on a one-person, one-vote basis.

Resolutions of the Audit Committee shall be recorded in minutes of meetings prepared in accordance with regulations, and members of the Audit Committee present at the meeting shall sign the minutes.

In addition to the Audit Committee, the Board of Directors shall establish a nomination committee, a remuneration and appraisal committee and other special committees. These committees shall perform their duties in accordance with these Articles and the authorization of the Board of Directors, and the proposals of special committees shall be submitted to the Board of Directors for deliberation and decision. The working regulations of the special committees shall be formulated by the Board.

The Nomination Committee shall be responsible for formulating the standards and procedures for the selection of Directors and senior management members, selecting and reviewing the candidates for Directors and senior management members and their qualifications for office, and making recommendations to the Board of Directors on the following matters:

(1) nominating or appointing and removing of Directors;

(2) appointing or dismissing senior management members;

(3) other matters as provided by laws, administrative regulations, the requirements of the CSRC and the Articles of Association.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Nomination Committee, the opinions of the Nomination Committee and the specific reasons for not adopting such recommendations shall be recorded in the resolution of the Board of Directors and shall be disclosed in accordance with laws and regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed, and the Articles of Association.

The Remuneration and Appraisal Committee shall be responsible for formulating the evaluation criteria for Directors and senior management members; conducting the evaluation; preparing and reviewing the remuneration policies and programs for Directors and senior

management members such as the mechanism for determining the remuneration of directors and senior management, the decision-making process, and the arrangements for the payment and stop-payment recourse; and making recommendations to the Board of Directors on the following matters:

(1) the remuneration of Directors and senior management members;

(2) formulating or changing share incentive plans and employee stock ownership plans, the granting of entitlements to participants in such plans, and the satisfaction of conditions for the exercise of such entitlements;

(3) arranging share ownership plans for Directors and senior management in the subsidiaries proposed to be spun off;

(4) other matters as prescribed by laws, administrative regulations, the requirements of the CSRC and the Articles of Association.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Remuneration and Appraisal Committee, the opinions of the Remuneration and Appraisal Committee and the specific reasons for not adopting such recommendations shall be recorded in the resolution of the Board of Directors and shall be disclosed in accordance with laws and regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed, and the Articles of Association.

Independent Non-executive Directors

The independent non-executive Directors shall conscientiously perform their duties in accordance with laws, administrative regulations, the regulatory rules of the CSRC and the place(s) where the Company's shares are listed, and the Articles of Association, play the roles of participating in the decision-making, supervising, checking and balancing, and professional consulting in the Board, safeguard the interests of the Company as a whole, and protect the lawful rights and interests of minority shareholders.

Independent non-executive Directors must maintain their independence. The following persons shall not be independent non-executive Directors:

(1) Persons working in the Company or its affiliated enterprises, and their spouses, parents, children and main social relations;

(2) Natural person shareholders directly or indirectly holding more than 1% of the issued shares of the Company or among the top ten shareholders of the Company, and their spouses, parents and children;

(3) Shareholders directly or indirectly holding more than 5% of the issued shares of the Company or persons among the top five shareholders of the Company, and their spouses, parents and children;

(4) Persons working in the affiliated enterprises of the controlling shareholders or de facto controllers of the Company, and their spouses, parents and children;

(5) Persons who have material business dealings with the Company and its controlling shareholders or de facto controllers or their respective affiliated enterprises, or who work in entities that have material business dealings with the Company and its controlling shareholders or de facto controllers;

(6) Persons who provide financial, legal, consulting and sponsorship services for the Company, its controlling shareholders, de facto controllers or their respective affiliated enterprises, including but not limited to, all project team members, review persons at all levels, report signing persons, partners, directors, senior management members and principal persons of the intermediary agency providing services;

(7) Persons who have experienced any of the conditions listed in items (1) to (6) within the last twelve months;

(8) Other persons who do not possess independence as stipulated by laws, administrative regulations, the requirements of the CSRC, the business rules of stock exchange(s), the Hong Kong Listing Rules and the Articles of Association.

The affiliated enterprises of the controlling shareholders and the de facto controllers of the Company mentioned in items (4) to (6) of the preceding paragraph exclude the enterprises which are controlled by the same state-owned assets management institution together with the Company and are not related (connected) with the Company according to the relevant regulations.

Independent non-executive Directors shall conduct an annual self-examination of independence and submit the self-examination to the Board. The Board of Directors shall evaluate and issue a special opinion on the independence of the incumbent independent non-executive Directors on an annual basis, which shall be disclosed at the same time as the annual report.

An independent non-executive Director of the Company shall meet the following conditions:

(1) be qualified to serve as a Director of a listed company in accordance with laws, administrative regulations and other relevant provisions, and regulatory rules of the place(s) where the Company is listed;

(2) comply with the independence requirements stipulated in the Articles of Association;

(3) possess basic knowledge of the operation of a listed company and be familiar with relevant laws, regulations and rules;

(4) have at least five years of working experience in law, accounting or economics necessary for the fulfillment of his/her duty as an independent non-executive Director;

(5) possess good personal integrity and no major breach of trust or other adverse records;

(6) other conditions as stipulated by laws, administrative regulations, departmental rules, Hong Kong Listing Rules, other regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association.

If at any time the independent non-executive Directors of the Company do not meet the quorum, qualification or independence requirements set out in the Hong Kong Listing Rules, the Company shall immediately notify the Hong Kong Stock Exchange and make an announcement stating the relevant details and reasons and appoint a sufficient number of independent non-executive Directors to meet the requirements of the Hong Kong Listing Rules within three months after the occurrence of the non-compliance condition.

Independent non-executive Directors, as members of the Board of Directors, owe loyalty duties and diligence duties to the Company and all shareholders, and shall prudently perform the following duties:

(1) to participate in the decision-making of the Board and express clear opinions on matters under discussion;

(2) to supervise any potential material conflict of interest between the Company and its controlling shareholders, de facto controllers, Directors or senior management, and protect the legitimate rights and interests of minority shareholders;

(3) to provide professional and objective advice on the Company's operations and development to promote improvement in the decision-making quality of the Board;

(4) other duties stipulated by laws, administrative regulations, departmental rules, Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association.

Independent non-executive Directors shall exercise the following special functions and powers:

(1) to engage an intermediary institution independently for auditing, consultation or verification on specific matters of the Company;

(2) to propose to the Board of Directors for the convening of extraordinary general meetings;

(3) to propose for the convening of Board meetings;

(4) to publicly solicit shareholders' rights from shareholders in accordance with the law;

(5) to express independent opinions on matters that may jeopardize the rights and interests of the Company or minority shareholders;

(6) other functions and powers stipulated by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association.

In the event that independent non-executive Directors exercise any of the functions and powers listed in items (1) to (3) of the preceding paragraph, the exercise of such functions and powers shall be subject to the approval of a majority of all the independent non-executive Directors.

When independent non-executive Directors exercise the functions and powers set forth in the first paragraph, the Company shall disclose in time. If the aforesaid functions or powers cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.

The General Manager and Other Senior Management Members

The Company shall have one general manager who shall be appointed or dismissed by the Board of Directors. The Company shall have deputy general managers according to the needs of work, who shall be appointed or dismissed by the Board of Directors.

The provisions of the Articles of Association regarding the circumstances under which one is not allowed to serve as a Director and the management system on resignations shall also apply to the senior management. The provisions of the Articles of Association regarding the loyalty duties and diligence duties of Directors shall also apply to the senior management.

Any person working with the controlling shareholders or de facto controllers of the Company other than as a director shall not serve as a senior management member of the Company. The senior management members of the Company shall only be entitled to the salaries paid by the Company. The controlling shareholders shall not pay the salaries on behalf of the Company.

The term of office of the General Manager shall be three years, renewable upon re-appointment. The General Manager shall be accountable to the Board of Directors, attend Board meetings and exercise the following functions and powers:

(1) to be in charge of the Company's production, operation and management, to organize and implement the resolutions of the Board and to report his/her work to the Board;

(2) to organize and implement the Company's annual business plans and investment plans;

(3) to formulate the Company's plans for the establishment of its internal management structure;

(4) to formulate the Company's basic management system;

(5) to formulate specific rules and regulations of the Company;

(6) to propose to the Board to appoint or dismiss deputy general managers and the chief financial officer and other senior management members of the Company;

(7) to appoint or dismiss the management officers other than those required to be appointed or dismissed by the Board of Directors;

(8) to exercise other functions and powers as conferred by the Articles of Association or the Board.

If a senior management member, in the performance of his/her duties, causes damage to others, the Company shall be liable for compensation; and the senior management member shall also be liable for compensation if there is intentionality or gross negligence on his/her part.

Any senior management member who violates any laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association, causing losses to the Company, shall be liable for compensation.

ACCOUNTING AND AUDIT

The Company shall establish its financial and accounting system in accordance with laws, administrative regulations and the provisions of relevant PRC authorities. Where the securities regulatory authorities of the place(s) where the Company's shares are listed provide otherwise, such provisions shall prevail.

The controlling shareholders, de facto controllers and their related parties shall respect the financial independence of the Company and shall not interfere with the financial and accounting activities of the Company.

Profits Distribution

When distributing the current year's after-tax profits, the Company shall allocate 10% of its profits to its statutory reserve fund. Further appropriations are not required, if its statutory reserve fund has accumulated to more than 50% of its registered capital.

If the statutory reserve fund of the Company is insufficient to make up for the losses of the previous years, the current year's profits shall be used to make up for the losses before making allocations to the statutory reserve fund in accordance with the preceding paragraph.

After the Company has made an allocation to the statutory reserve fund from its after-tax profit, it may also make an allocation to the discretionary reserve fund from its after-tax profit upon a resolution of the general meeting.

The remaining profits after tax after the Company has made up its losses and allocated to its reserve fund may be distributed to its shareholders in proportion to their shareholdings unless otherwise provided by the Articles of Association.

If a general meeting has, in violation of the Company Law, distributed profits to shareholders before making up losses and allocating to the statutory reserve fund, shareholders shall return to the Company the profits distributed in violation of the provisions.

The shares of the Company held by the Company shall not participate in the distribution of profits.

The Company must appoint one or more collection agent(s) in Hong Kong for the shareholders of H shares. The collection agent shall receive and hold on behalf of the relevant shareholders of H shares any dividends distributed and other payments payable by the Company in respect of H Shares and make payment to such shareholders of H Shares. The collection agent appointed by the Company shall be in compliance with the laws, regulations and the securities regulatory rules of the place(s) where the shares of the Company are listed.

The Company's reserve fund shall be used to make up the losses of the Company or expand the production operations, or be converted to increase the registered capital of the Company.

The discretionary reserve fund and statutory reserve fund shall be used first to make up the Company's losses; if the losses cannot be covered, the capital reserve fund can be used in accordance with the regulations.

When the statutory reserve fund is converted into registered capital, the remainder of the reserve fund shall not be less than 25% of the Company's registered capital prior to such conversion.

MERGER, DIVISION, DISSOLUTION AND LIQUIDATION OF THE COMPANY

In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and an inventory of property. The Company shall notify its creditors within 10 days from the date of the Company's resolution on merger and shall publish an announcement in the newspapers or the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. The creditors may require the Company to repay debts or provide corresponding guarantees for debt repayment within 30 days after the receipt of the notice, or within 45 days after the announcement for creditors if the creditors have not received the notice.

In the event of a merger, creditors' rights or debts of each of the parties to the merger shall be assumed by the company which survives the merger or the newly established company.

In the event of a division of the Company, its properties shall be divided up accordingly.

In the event of a division, a balance sheet and an inventory of property shall be prepared. The Company shall notify its creditors within 10 days from the date of the Company's resolution on division and shall publish an announcement in the newspapers or the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution.

For the debts of the Company prior to the division, the companies after the division shall bear joint and several liabilities, unless otherwise specified in the written agreement on debt repayment reached between the Company and its creditors before the division.

The Company shall be dissolved for the following reasons:

(1) the expiration of the business period as stipulated in the Articles of Association or the occurrence of other grounds for dissolution as stipulated in the Articles of Association;

(2) dissolution resolved by the general meeting;

(3) required dissolution due to the merger or division of the Company;

(4) the business license being revoked, ordered to close, or revoked in accordance with the law;

(5) serious difficulties in its business operation management and serious damages to the interests of its shareholders for its continued existence which cannot be resolved through any other means, shareholders who hold over 10% of the voting rights of the Company may apply to the people's court to dissolve the Company.

If any reason for dissolution as mentioned in the preceding paragraph arises, the Company shall publicize the reason through the National Enterprise Credit Information Publicity System within ten days.

Where the Company falls under any of the circumstances specified in above-mentioned items (1) and (2) and has not distributed any property to its shareholders, the Company may continue to exist by amending these Articles or by resolutions of the general meeting.

Any amendment to these Articles according to the preceding paragraph shall be approved by more than two-thirds of the voting rights of the shareholders present at the meeting of the Board of Shareholders.

Where the Company is dissolved pursuant due to above-mentioned items (1), (2), (4) and (5), a liquidation shall be conducted. The Directors, who are the liquidation obligors of the Company, shall form a liquidation committee to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution.

The liquidation committee shall be composed of Directors, unless the Articles of Association stipulate otherwise or it is resolved to elect other person(s) at the general meeting.

The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the Company or the creditors.

If the liquidation committee fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the people's court to designate relevant persons to form a liquidation committee.

The liquidation committee shall notify the creditors within 10 days from the date of its formation, and make an announcement in the newspapers or the National Enterprise Credit Information Publicity System within 60 days from the date of its formation. The creditors shall declare their claims to the liquidation committee within 30 days from the date on which they receive such notice or within 45 days from the date of the announcement if no such notice is received.

When declaring the claims, the creditors shall specify the relevant matters about the claims and provide evidence. The liquidation committee shall register such claims.

During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.

The liquidation committee shall, after checking the Company's property and preparing a balance sheet and an inventory of property, formulate a liquidation plan and present it to the general meeting or the people's court for confirmation.

After paying the liquidation expenses, employees' salaries, social insurance fees and statutory compensation, outstanding taxes and debts of the Company, the remaining property of the Company will be distributed in proportion to the number of shares held by shareholders.

During the liquidation period, the Company continues to exist, but can not carry out any business operation that is not for purpose of carrying out liquidation. Before the settlement of payments as prescribed in the preceding paragraph, the Company's property will not be distributed to shareholders.

If the liquidation committee, having checked the company's property and having prepared a balance sheet and an inventory of property, discovers that the Company's assets are insufficient to pay off its debts, it shall apply to the people's court for insolvency liquidation.

After the people's court accepts the application for insolvency, the liquidation committee shall transfer all liquidation affairs to the insolvency administrators appointed by the people's court.

Upon completion of the Company's liquidation, the liquidation committee shall prepare a liquidation report, submit the report to the general meeting or the people's court for confirmation, and submit the report to the company registration authority and apply for deregistration of the company, and publish an announcement on the termination of the Company.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In any of the following circumstances, the Company shall amend the Articles of Association:

(1) upon revision of the Company Law or the relevant laws, administrative regulations, the Hong Kong Listing Rules or other securities regulatory rules of the place(s) where the Company's shares are listed, the provisions of the Articles of Association conflict with the revised laws, administrative regulations, the Hong Kong Listing Rules or other securities regulatory rules of the place(s) where the Company's shares are listed;

(2) changes in the state of the Company are inconsistent with the matters stipulated in the Articles of Association;

(3) the general meeting has resolved to amend the Articles of Association.

Amendments to the Articles of Association passed by resolutions at the general meeting, which require examination and approval by the competent authorities, shall be submitted to the competent authorities for approval. Where any amendment involves the registered particulars of the Company, the procedures for change registration shall be handled in accordance with the law.

The Board of Directors shall amend the Company's Articles of Association in accordance with the resolution of the general meeting to amend the Articles of Association and the approval opinions of relevant competent authorities.

Any amendment to the Articles of Association which involves information to be disclosed as required by the laws or regulations, shall be announced as required.

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of our Company

Our Company, formerly known as True Health (Beijing) Medical Technology Co., Ltd. (真健康(北京)醫療科技有限公司), was incorporated in the PRC on March 16, 2018. On August 2, 2023, our Company was renamed as True Health (Guangdong Hengqin) Medical Technology Co., Ltd. (真健康(廣東橫琴)醫療科技有限公司). On October 29, 2025, our Company was converted from a limited liability company into a joint stock company with limited liability and renamed as Guangdong True Health Medical Technology Development Co., Ltd. (廣東真健康醫療科技開發股份有限公司). Our registered office is located at Room 101, 1/F, Building 9, 1889 Huandao East Road, Hengqin New District, Zhuhai, Guangdong Province, PRC.

Our Company has established a principal place of business in Hong Kong at 40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong and was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on December 10, 2025. Our Company has appointed Ms. Lam Wai Yee Sophie (林慧怡) as its authorized representative under the Companies Ordinance for the acceptance of service of process and notices in Hong Kong. The address for service of process on our Company in Hong Kong is the same as our principal place of business in Hong Kong as set out above.

As our Company is incorporated in the PRC, we are subject to relevant laws and regulations of the PRC. A summary of the relevant aspects of laws and regulations of the PRC and our Articles of Association is set out in Appendix IV and Appendix V to this prospectus, respectively.

2. Changes in the share capital of our Company

Save as disclosed in "History and Corporate Structure—Corporate Development—Our Company," there has been no alteration in the share capital of our Company within two years immediately preceding the date of this prospectus.

3. Shareholders' resolutions of our Company

Pursuant to the general meeting held on November 20, 2025, the following resolutions, among others, were duly passed by our Shareholders:

(a) the issue by our Company of H Shares of nominal value of RMB1.00 each and such H Shares be listed on the Stock Exchange;

(b) the number of H Shares to be issued before the exercise of the Over-allotment Option shall be not more than 25% of the enlarged share capital of our Company upon completion of the Global Offering (in fulfillment of the lowest applicable public float requirement pursuant to the Listing Rules) and granting the Underwriters the Over-allotment Option of no more than 15% of the above number of H Shares to be issued;

(c) subject to the completion of the Global Offering, 32,082,303 Domestic Unlisted Shares in aggregate held by our Shareholders will be converted into H Shares on a one-for-one basis;

(d) subject to the completion of the Global Offering, the conditional adoption of the Articles of Association, which shall become effective on the Listing Date; and

(e) authorization of our Board and its authorized persons to handle all matters relating to, among other things, the Global Offering, the issue and listing of the H Shares on the Stock Exchange.

4. Changes in the registered capital of our subsidiaries

The list of our subsidiaries is set out in Note 1 to the Accountants' Report, the text of which is set out in Appendix I to this prospectus.

The following alterations in the share capital of our subsidiaries have taken place within two years immediately preceding the date of this prospectus:

(a) On July 28, 2025, the registered capital of True Health (Macau) was increased from MOP3,000,000 to MOP10,000,000.

(b) On March 13, 2026, the registered capital of True Health (HK) was increased from HKD10,000 to HKD10,000,000.

5. Restriction on share repurchases

For details of the restrictions on share repurchases by our Company, see "Summary of the Articles of Association" which is set out in Appendix V to this prospectus.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of material contracts

We have entered into the following contract (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this prospectus, which is or may be material:

(a) the investment agreement of our Company (《真健康(廣東橫琴)醫療科技有限公司增資協議》) dated January 23, 2025 entered into among (1) our Company, (2) True Health (Guangdong Henqin), (3) True Health (Hainan), (4) True Health (Beijing), (5) Zhenyida (Huzhou), (6) Zhenyida (Beijing), (7) True Health Jiesheng (Guangdong Hengqin), (8) True Health (Macau), (9) Ms. Cheong, (10) Renyang Biotechnology, (11) Chengzhen Health, (12) Jiarun Tongchuang, (13) Jiarun Hechuang, (14) Zhuhai Meijirui, (15) Jiarun Xinchuang and (16) Hengqin

Guangdong-Macao Development & Investment Co., Ltd.* (橫琴粵澳開發投資有限公司) ("**Guangdong-Macao Investment**"), pursuant to which Guangdong-Macao Investment agreed to subscribe for the increased registered capital of our Company of RMB2,877,336.2 at a consideration of RMB200,000,000;

(b) the shareholders' agreement of our Company (《真健康(廣東橫琴)醫療科技有限公司股東協議》) dated January 23, 2025 entered into among (1) our Company, (2) Ms. Cheong, (3) Renyang Biotechnology, (4) Chengzhen Health, (5) Jiarun Tongchuang, (6) Jiarun Hechuang, (7) Zhuhai Meijirui, (8) Jiarun Xinchuang, (9) Zhuhai Taike Maidi Technology Development Center (Limited Partnership)* (珠海泰科麥迪科技發展中心(有限合夥)) ("**Taike Maidi**"), (10) Beijing Shuimu Dongfang Medical Robotic Technology Innovation Center Co., Ltd.* (北京水木東方醫用機器人技術創新中心有限公司) ("**Shuimu Dongfang**"), (11) Beijing New Energy Technology Innovation Fund (Limited Partnership)* (北京新動能科技創新基金(有限合夥)) ("**Beijing New Energy**"), (12) Beijing Gaorong Phase IV Kangteng Equity Investment Partnership (Limited Partnership)* (北京高榕四期康騰股權投資合夥企業(有限合夥)) ("**Gaorong Phase IV**"), (13) JingDe (Guangzhou) Equity Investment Partnership (LP)* (景得(廣州)股權投資合夥企業(有限合夥)) ("**JingDe (Guangzhou)**"), (14) KIP (ZhangJiaGang) Venture Capital LLP* (韓投(張家港)股權投資合夥企業(有限合夥)) ("**KIP (ZhangJiaGang)**"), (15) Beijing Zhongguancun Zhiyou Investment Partnership (L.P.) (北京中關村智友投資合夥企業(有限合夥)) ("**Zhongguancun Zhiyou**"), (16) Beijing Jingantai Technology Development Co., Ltd.* (北京京安泰科技發展有限公司) ("**Beijing Jingantai**"), (17) Zhuhai Hengqin Golden Investment Venture Capital Fund Partnership (Limited Partnership)* (珠海橫琴金投創業投資基金合夥企業(有限合夥)) ("**Hengqin Golden Investment**"), (18) Qingdao Rongyu Venture Capital Fund Partnership (Limited Partnership)* (青島榮昱創業投資基金合夥企業(有限合夥)) ("**Qingdao Rongyu**"), (19) Beijing Shuimu Linghang Entrepreneurship Investment Center (Limited Partnership)* (北京水木領航創業投資中心(有限合夥)) ("**Shuimu Linghang**"), (20) Novel Robotics Limited ("**Novel Robotics**"), (21) X Technology Fund, L.P. ("**X Technology**"), (22) Zhuhai Huajin Lingyue Intelligent Manufacturing Industry Investment Fund (Limited Partnership)* (珠海華金領越智能製造產業投資基金(有限合夥)) ("**Huajin Lingyue**"), (23) Zhuhai Hengqin Xinti Investment Partnership (Limited Partnership)* (珠海橫琴辛醍投資合夥企業(有限合夥)) ("**Hengqin Xinti**"), (24) Zhuhai Ligao No. 2 Equity Investment Fund Partnership (Limited Partnership)* (珠海力高貳號股權投資基金合夥企業 (有限合夥)) ("**Ligao No. 2**"), (25) Beijing Dongsheng Bozhan Science & Technology Development Co., Ltd.* (北京東升博展科技發展有限公司) ("**Dongsheng Bozhan**"), (26) Chengdu Tianfu New Area Gaorong Phase IV Kangyong Investment Partnership (Limited Partnership)* (成都市天府新區高榕四期康永投資合夥企業(有限合夥) ("**Kangyong Investment**"), (27) Beijing Lide Gongchuang Intelligent Robotic Technology Co., Ltd.* (北京立德共創智能機器人科技有限公司) ("**Lide Gongchuang**"), (28) Beijing Deruida Wealth Technology Management Center (Limited Partnership)* (北京德睿達財富科技管理中心(有限合夥)) ("**Deruida Wealth**"), (29) Xinhui Runkang, (30) Shenzhen Ruisheng Equity Investment Fund Partnership (Limited Partnership)* (深圳瑞昇股

權投資基金合夥企業(有限合夥)) ("**Shenzhen Ruisheng**"), (31) Huzhou CICC Qihe Equity Investment Partnership (Limited Partnership)* (湖州中金啟合股權投資合夥企業(有限合夥)) ("**CICC Qihe**"), (32) Dongrong No. 1 (Zhuhai Hengqin) Equity Investment Partnership (Limited Partnership)* (東融壹號(珠海橫琴)股權投資合夥企業(有限合夥)) ("**Dongrong No. 1**"), (33) Hengqin Guangdong Macao Deep Cooperation Zone Industrial Investment Fund (Limited Partnership)* (橫琴粵澳深度合作區產業投資基金(有限合夥)) ("**Hengqin Industrial**"), (34) Beijing Jinke Huiyu Venture Capital Partnership (Limited Partnership)* (北京金科匯鈺創業投資合夥企業(有限合夥)) ("**Jinke Huiyu**"), (35) Taiping (Shenzhen) Medical and Health Industry Private Equity Investment Fund Partnership (Limited Partnership)* (太平(深圳)醫療健康產業私募股權投資基金合夥企業(有限合夥)) ("**Taiping Medical Investment Fund**"), (36) Hengqin Shenhe Industrial Investment Co., Ltd.* (橫琴深合產業投資有限公司) ("**Hengqin Shenhe Industrial Investment**") and (37) Guangdong-Macao Investment, pursuant to which the parties thereto agreed on shareholders' matters, among other things the special rights granted to the parties thereto;

(c) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated May 20, 2025 entered into among (1) Lide Gongchuang, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Lide Gongchuang;

(d) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated May 23, 2025 entered into among (1) Zhongguancun Zhiyou, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Zhongguancun Zhiyou;

(e) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated May 27, 2025 entered into among (1) Deruida Wealth, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Deruida Wealth;

(f) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated May 27, 2025 entered into among (1) Hengqin Xinti, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Hengqin Xinti;

(g) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated May 30, 2025 entered into among (1) Jinke Huiyu, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Jinke Huiyu;

(h) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated May 30, 2025 entered into among (1) Novel Robotics, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Novel Robotics;

(i) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated May 30, 2025 entered into among (1) Shuimu Dongfang, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Shuimu Dongfang;

(j) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated May 30, 2025 entered into among (1) Taike Maidi, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Taike Maidi;

(k) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated May 30, 2025 entered into among (1) Xinhui Runkang, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Xinhui Runkang;

(l) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated June 4, 2025 entered into among (1) Beijing Jingantai, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Beijing Jingantai;

(m) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated June 9, 2025 entered into among (1) X Technology, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to X Technology;

(n) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated June 16, 2025 entered into among (1) Beijing New Energy, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Beijing New Energy;

(o) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated June 16, 2025 entered into among (1) Qingdao Rongyu, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Qingdao Rongyu;

(p) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated June 20, 2025 entered into among (1) JingDe (Guangzhou), (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to JingDe (Guangzhou);

(q) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated June 20, 2025 entered into among (1) KIP (ZhangJiaGang), (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to KIP (ZhangJiaGang);

(r) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated July 4, 2025 entered into among (1) Dongsheng Bozhan, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Dongsheng Bozhan;

(s) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated July 4, 2025 entered into among (1) Shenzhen Ruisheng, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Shenzhen Ruisheng;

(t) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated July 9, 2025 entered into among (1) Shuimu Linghang, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Shuimu Linghang;

(u) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated August 6, 2025 entered into among (1) Huajin Lingyue, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Huajin Lingyue;

(v) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated August 20, 2025 entered into among (1) Dongrong No. 1, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Dongrong No. 1;

(w) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated August 20, 2025 entered into among (1) Gaorong Phase IV, (2) Kangyong Investment, (3) our Company, (4) Ms. Cheong, (5) Renyang Biotechnology, (6) Chengzhen Health, (7) Jiarun Tongchuang, (8) Jiarun Hechuang, (9) Zhuhai Meijirui and (10) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Gaorong Phase IV and Kangyong Investment;

(x) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated August 20, 2025 entered into among (1) Hengqin Industrial, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Hengqin Industrial;

(y) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated November 26, 2025 entered into among (1) Hengqin Shenhe Industrial Investment, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Hengqin Shenhe Industrial Investment;

(z) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated September 17, 2025 entered into among (1) Hengqin Golden Investment, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Hengqin Golden Investment;

(aa) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated October 20, 2025 entered into among (1) Taiping Medical Investment Fund, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Taiping Medical Investment Fund;

(bb) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated October 23, 2025 entered into among (1) Ligao No. 2, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Ligao No. 2;

(cc) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated November 25, 2025 entered into among (1) CICC Qihe, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to CICC Qihe;

(dd) the special rights termination agreement (《關於終止特殊權利條款的協議》) dated November 28, 2025 entered into among (1) Guangdong-Macao Investment, (2) our Company, (3) Ms. Cheong, (4) Renyang Biotechnology, (5) Chengzhen Health, (6) Jiarun Tongchuang, (7) Jiarun Hechuang, (8) Zhuhai Meijirui and (9) Jiarun Xinchuang in relation to the termination of special rights that were previously granted to Guangdong-Macao Investment; and

(ee) the Hong Kong Underwriting Agreement.

2. Our material intellectual property rights

(a) Trademarks

As of the Latest Practicable Date, our Group was the registered proprietor of the following trademarks which we considered to be material to our business:

No.	Trademark	Registered Owner	Place of Registration	Classes	Registration Number	Expiry Date
1.	TrueHealth	Our Company	PRC	10	61682652	June 27, 2033
2.	TrueHealth Technology	Our Company	Hong Kong	5, 10, 42	306214464	April 10, 2033
3.	眞健康科技	Our Company	Hong Kong	5, 10, 42	306214455	April 10, 2033
4.	真易达	Our Company	PRC	9, 10, 37, 42, 44	65129298	February 20, 2033
5.		Our Company	PRC	10	66078543	February 13, 2033

(b) Patents

As of the Latest Practicable Date, our Group was the registered proprietor of the following patents which we considered to be material to our business:

No.	Patent	Registered Owner	Patent Number	Patent Type	Jurisdiction	Date of Application
1. .	A Medical Image Segmentation Method and Device (一種醫學圖像分割方法及設備)	Our Company	202411005271.6	Invention	PRC	July 25, 2024
2. .	Method for Identifying Surface Landmarks, Surgical Robot Navigation Method and Device (體表定位標記物識別方法、手術機器人導航方法及設備)	Our Company	202410526257.4	Invention	PRC	April 29, 2024
3. .	An End-effector for Percutaneous Surgical Robot (一種用於穿刺手術機器人的末端夾具)	Our Company	202311710951.3	Invention	PRC	December 13, 2023
4. .	A Method and Device for Segmenting Surface-Based Localization Markers (一種體表定位標記物的分割方法及設備)	Our Company	202311709017.X	Invention	PRC	December 13, 2023
5. .	End-effector Gripper and Puncture Robot (末端套筒夾具和穿刺機器人)	Our Company	202210141016.9	Invention	PRC	February 16, 2022
6. .	Puncture Needle Holder and Puncture Robot (穿刺針夾具和穿刺機器人)	Our Company	202210141129.9	Invention	PRC	February 16, 2022
7. .	Puncture Sleeve Holder and Puncture Robot (穿刺套筒夾具和穿刺機器人)	Our Company	202210141124.6	Invention	PRC	February 16, 2022
8. .	3D Reconstruction Methods and Systems for Medical Images (醫學圖像三維重建方法及系統)	Our Company	202210024323.9	Invention	PRC	January 11, 2022
9. .	Control Method, Control Device, and Auxiliary System for Robotic Arms in Percutaneous Procedures (適用於穿刺手術機械臂的控制方法、控制設備和輔助系統)	Our Company	202210118435.0	Invention	PRC	December 23, 2021

No.	Patent	Registered Owner	Patent Number	Patent Type	Jurisdiction	Date of Application
10..	Registration Method for Body Surface Positioning Device, Puncture Guidance Method, and Equipment (體表定位裝置的配准方法、穿刺引導方法及設備)	Our Company	202110977438.5	Invention	PRC	August 24, 2021
11..	A Medical Image Registration Method and Device Based on a Body Surface Positioning Device (一種基於體表定位裝置的醫學圖像配准方法及設備)	True Health (Beijing)	202311268780.3	Invention	PRC	September 28, 2023
12..	Flexible Body Surface Positioning Device and Percutaneous Surgical Navigation System (柔性體表定位裝置及穿刺手術導航定位系統)	True Health (Beijing)	202311268808.3	Invention	PRC	September 28, 2023
13..	CT Image Segmentation Methods and Device (CT圖像分割方法及設備)	True Health (Beijing)	202310808690.2	Invention	PRC	July 4, 2023
14..	Navigation and Positioning Method and Device for Microwave Ablation Equipment (微波消融設備的導航定位方法及設備)	True Health (Guangdong Hengqin)	202311758699.3	Invention	PRC	December 19, 2023
15..	Control Method, Control Device, and Auxiliary System for Robotic Arm Used in Puncture Surgery (適用於穿刺手術機械臂的控制方法、控制設備和輔助系統)	True Health (Guangdong Hengqin)	202111584355.6	Invention	PRC	December 23, 2021

(c) Software copyrights

As of the Latest Practicable Date, our Group was the registered proprietor of the following software copyrights which we considered to be material to our business:

No.	Software Name	Owner	Registration Number	Date of Registration
1. .	True Health Pulmonary Minimally Invasive Surgery Spatial Registration System V1.0 (真健康肺部微創手術空間配准系統V1.0)	Our Company	2018SR778685	September 26, 2018
2. .	True Health Chest CT Medical Image 3D Reconstruction System V1.0 (真健康胸部CT醫學圖像三維重建系統V1.0)	Our Company	2018SR778800	September 26, 2018
3. .	True Health Pulmonary Minimally Invasive Surgery Optical Positioning Control System V1.0 (真健康肺部微創手術光學定位控制系統V1.0)	Our Company	2018SR778808	September 26, 2018
4. .	True Health Pulmonary Minimally Invasive Surgery Robotic Control System V1.0 (真健康肺部微創手術機器人控制系統V1.0)	Our Company	2018SR778816	September 26, 2018

(d) Domain names

As of the Latest Practicable Date, our Group was the registered proprietor of the following domain names which we considered to be material to our business:

No.	Domain Name	Registered Owner	Date of Registration	Date of Expiration
1. .	truehealth.cn	Our Company	September 25, 2013	September 25, 2028
2. .	truehealth.com.cn	Our Company	March 24, 2022	March 24, 2029
3. .	truehealth.ai	Our Company	March 16, 2018	March 19, 2032

C. FURTHER INFORMATION ABOUT OUR DIRECTORS

1. Particulars of Directors' contracts

Each of our Directors has entered into a service contract with our Company. The service contracts may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations.

Save as disclosed above, none of the Directors has or is proposed to enter into a service contract with any member of our Group, other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation).

2. Remuneration of Directors

For details of the remuneration or benefits in kind paid to our Directors during the Track Record Period, see "Directors and Senior Management" and Note 9 to the Accountants' Report in Appendix I to this prospectus.

During the Track Record Period, no fees were paid by our Group to any of our Directors or the five highest paid individuals as an inducement to join us or as compensation for loss of office, and there has been no arrangement under which a Director has waived or agreed to waive any emoluments.

D. DISCLOSURE OF INTERESTS

1. Disclosure of interests of Directors and chief executive of our Company

Immediately following the completion of the Global Offering (assuming that the Over-allotment Option is not exercised), the interest and/or short position (as applicable) of our Directors and chief executives of our Company in the shares, underlying shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to our Company and the Stock Exchange, once the H Shares are listed, will be as follows:

		As of the Latest Practicable Date[1]		Immediately following the completion of the Global Offering (assuming that the Over-allotment Option is not exercised)[1]	
Name of Director or chief executive of our Company	Nature of interest	Number of Shares	Approximate percentage of interest in our Company	Number of H Shares	Approximate percentage of interest in our Company
Ms. Cheong .	Interest in controlled corporation[2]	14,959,232(L)	46.63%	14,959,232(L)	41.96%

Notes:

1. The letter "L" denotes the entity/person's long position (as defined under Part XV of the SFO) in such Shares.

2. See "Substantial Shareholders".

2. Disclosure of interests of substantial shareholders

Save as disclosed in the section headed "Substantial Shareholders" in this prospectus, our Directors are not aware of any person (other than our Director or chief executive of our Company) who will, immediately following completion of the Global Offering (assuming that the Over-allotment Option is not exercised), have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group.

3. Disclaimers

Save as disclosed in the sections headed "Business" and "Substantial Shareholders" in this prospectus and the paragraphs headed "C. Further Information about our Directors" and "D. Disclosure of Interests" in this section:

(a) none of our Directors or chief executive has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this prospectus been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(b) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;

(c) none of our Directors is interested in any business (other than the business of our Group) which competes or is likely to compete, directly or indirectly, with our business; and

(d) without taking into account any Shares which may be taken up under the Global Offering, none of our Directors knows of any person (not being a Director or chief executive of our Company) who will, immediately following completion of the Global Offering, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at shareholders' meetings of any member of our Group in the Shares or underlying Shares of our Company.

E. PRE-IPO EMPLOYEE INCENTIVE SCHEME

In May 2022, we adopted the Pre-IPO Employee Incentive Scheme, which is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve the grant of Shares or the grant of options by our Company to subscribe for the Shares after the Listing. Considering the underlying Shares under the Pre-IPO Employee Incentive Scheme have already been issued, there will not be any dilution effect to the issued Shares upon the vesting of the awards under the Pre-IPO Employee Incentive Scheme.

(a) Purpose

The purpose of the Pre-IPO Employee Incentive Scheme is to align the interests of the Participants (as defined below) with our Group's development objectives and to recognize their valuable contribution to our Group's overall performance.

(b) Participants

The participants of the Pre-IPO Employee Incentive Scheme (the "**Participants**") include full-time employees who have signed employment contracts and confidentiality agreements with our Company and have made material contributions to our Company's R&D, production and management, including our Directors, senior management, service backbones of our Group who are crucial to our Group's overall performance and long-term development.

(c) Administration

Our Board was authorized to manage the Pre-IPO Employee Incentive Scheme and our chairperson was authorized to determine the eligibility of the Participants, adjust or cancel the grant of Shares based on performance review of the Participants, and execute the relevant agreements in relation to the Pre-IPO Employee Incentive Scheme.

(d) Grant

Zhuhai Meijirui is our employee shareholding platform for the implementation of the Pre-IPO Employee Incentive Scheme. For details, see "History and Corporate Structure—Our Employee Shareholding Platform" in this prospectus. The Participants subscribed for limited partnership interests from Zhuhai Meijirui (the "**Awards**"), thereby indirectly holding the Shares in our Company by virtue of their capacity as limited partners of Zhuhai Meijirui.

As of the Latest Practicable Date, Zhuhai Meijirui held 2,071,682 Shares, representing approximately 6.46% of the share capital in issue of our Company immediately prior to the completion of the Global Offering and approximately 5.81% of the share capital in issue of our Company immediately following the completion of the Global Offering (assuming that the

Over-allotment Option is not exercised). No further awards will be granted under the Pre-IPO Employee Incentive Scheme after Listing. As of the Latest Practicable Date, all of the partnership interests in Zhuhai Meijirui have been granted to the Participants. Details of the Awards granted are as follows:

Name	Position(s)	Approximate partnership interests in Zhuhai Meijirui	Approximate number of Shares corresponding to partnership interests held by the grantees[(1)]	Approximate shareholding percentage of total issued Shares immediately prior to the Listing[(2)]
Ms. Cheong	Executive Director, chairperson of our Board and general manager of our Company	97%	2,030,248.36	6.33%
Ms. Guo Jian (郭健).	Executive Director and vice general manager of our Company	1%	20,716.82	0.06%
Mr. Shi Jipeng (史紀鵬)	R&D director of our Company	1%	20,716.82	0.06%

Notes:

(1) For illustrating the indirect interests of grantees in the Shares, the number of Shares is presented and calculated by multiplying their respective percentage of partnership interests in Zhuhai Meijirui by the total number of Shares held by Zhuhai Meijirui.

(2) All the Domestic Unlisted Shares held by Zhuhai Meijirui will be converted into H Shares, subject to the relevant regulatory approvals and registration.

(e) Restrictions on transfer

The awarded Shares are subject to a lock-up period starting from the date on which the Participants were granted the Shares until the expiry of twelve (12) months upon Listing. During the lock-up period, save for an exit from the employee shareholding platform, the Participants shall not dispose of the Shares held by them under the Pre-IPO Employee Incentive Scheme.

F. OTHER INFORMATION

1. Estate duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any member of our Group.

2. Litigation

As of the Latest Practicable Date, no member of our Group was engaged in any litigation or arbitration of material importance and, so far as our Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group.

3. Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Stock Exchange for listing of, and permission to deal in, (i) the H Shares to be converted from our Domestic Unlisted Shares, and (ii) our H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the exercise of the Over-allotment Option). All necessary arrangements have been made to enable the securities to be admitted into CCASS.

DBS Asia Capital Limited satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. As members of the sponsor group (as defined in the Listing Rules) of China International Capital Corporation Hong Kong Securities Limited collectively held or will hold, directly or indirectly, more than 5% of the number of issued shares of our Company as of the Latest Practicable Date and up to the Listing Date, China International Capital Corporation Hong Kong Securities Limited does not satisfy the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules.

The Joint Sponsors will receive an aggregate fee of US$700,000 for acting as the sponsors for the Listing.

4. Preliminary expenses

Our Company did not incur any material preliminary expenses.

5. Promoters

The promoters of our Company comprised all of the 35 then Shareholders of our Company as of October 29, 2025 before our conversion into a joint stock Company with limited liability.

Within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor is any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

6. Qualifications of experts

The qualifications of the experts, as defined under the Listing Rules, who have given opinions in this prospectus, are as follows:

Name of expert	Qualifications
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation under the SFO to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities as defined under the SFO
DBS Asia Capital Limited	Licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance
Beijing DeHeng Law Offices	Legal advisors to our Company as to the PRC law
China Insights Industry Consultancy Limited	Independent industry consultant

7. Consents of experts

Each of the parties named above has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or opinion and/or references to its name included herein in the form and context in which it is respectively included.

As of the Latest Practicable Date, none of the experts named above has any shareholding interests in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

8. Taxation of holders of H Shares

(a) Hong Kong

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are effected on the H Share register of members of our Company, including in circumstances where such transactions are effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

(b) Consultation with professional advisors

Intending holders of the H Shares are recommended to consult their professional advisors if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding, disposing of or dealing in the H Shares. It is emphasized that none of our Company, our Directors or the other parties involved in the Global Offering will accept responsibility for any tax effect on, or liabilities of, holders of H Shares resulting from their subscription for, purchase, holding or disposal of or dealing in the H Shares or exercise of any rights attaching to them.

9. Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

10. Related party transactions

Our Group entered into the related party transactions within the two years immediately preceding the date of this prospectus as mentioned in Note 32 to the Accountants' Report in Appendix I to this prospectus.

11. No material adverse change

Our Directors believe that there has been no material adverse change in the financial or trading position since December 31, 2025 (being the date to which the latest audited consolidated financial statements of the Group were prepared).

12. Miscellaneous

Save as disclosed in the sections headed "History and Corporate Structure", "Business", "Financial Information" and "Underwriting" in this prospectus and the paragraph headed "A. Further Information about our Group" in this section:

(a) within the two years immediately preceding the date of this prospectus:

(i) no share or loan capital of our Company or any of its subsidiaries has been issued or agreed to be issued or is proposed to be issued fully or partly paid either for cash or a consideration other than cash;

(ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share of our Company or any of our subsidiaries; and

(iv) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription for any share in or debentures of our Company;

(b) there are no founder, management or deferred shares or any debentures in our Company or any of our subsidiaries;

(c) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus;

(d) our Company has no outstanding convertible debt securities or debentures;

(e) there is no arrangement under which future dividends are waived or agreed to be waived;

(f) save for our H Shares to be issued in connection with the Global Offering, none of our equity and debt securities is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought;

(g) our Company currently does not intend to apply for the status of a sino-foreign investment joint stock limited liability company and does not expect to be subject to the Law of the PRC on Sino-foreign Equity Joint Ventures; and

(h) all necessary arrangements have been made to enable the H Shares to be admitted into CCASS for clearing and settlement.

13. Bilingual prospectus

The English language and Chinese language versions of this prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong). In case of any discrepancies between the English language version and Chinese language version of this prospectus, the English language version shall prevail.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to a copy of this prospectus and delivered to the Registrar of Companies in Hong Kong for registration were, amongst other documents, a copy of each of the written consents referred to in "Appendix VI—F. Other Information—7. Consents of experts", and a copy of each of the material contracts referred to in "Appendix VI—B. Further Information about our Business—1. Summary of material contracts."

DOCUMENTS ON DISPLAY

The following documents will be published on the websites of the Stock Exchange (**www.hkexnews.hk**) and our Company (**www.truehealth.cn**) up to and including the date which is 14 days from the date of this prospectus:

(a) the Articles of Association;

(b) the Accountants' Report from Ernst & Young, the text of which is set out in Appendix I to this prospectus);

(c) the report from Ernst & Young in relation to unaudited pro forma financial information of our Group, the text of which is set out in Appendix II to this prospectus;

(d) the audited consolidated financial statements of our Group for the years ended December 31, 2024 and 2025;

(e) the industry report from China Insights Industry Consultancy Limited;

(f) the material contracts referred to in the paragraph headed "Appendix VI—B. Further Information about Our Business—1. Summary of material contracts";

(g) the written consents referred to in the paragraph headed "Appendix VI—F. Other Information—Consents of experts";

(h) the legal opinion from Beijing DeHeng Law Offices, our PRC Legal Advisors, in respect of certain aspects of our Group in the PRC;

(i) the service contracts referred to in the paragraph headed "Appendix VI—C. Further Information about Our Directors—1. Particulars of Directors' Contracts"; and

(j) the PRC Company Law, the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, together with their unofficial English translations.

德恒律师事务所
DeHeng Law Offices

北京市西城区金融大街19号富凯大厦B座十二层 邮政编码：100033
电话：(+86)0571-86508080 传真：(+86)0571-87357755
邮箱：deheng@dehenglaw.com
网址：www.dehenglaw.com

Date: 22 June 2026

Guangdong True Health Medical Technology Development Co., Ltd.
(廣東真健康醫療科技開發股份股份有限公司)
Room 101, 1/F, Building 9
1889 Huandao East Road
Hengqin New District, Zhuhai
Guangdong Province
PRC

Attn: The Board of Directors

Dear Sirs

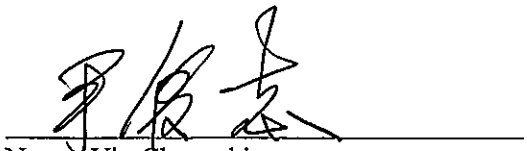
Re: Proposed Listing of the H shares of Guangdong True Health Medical Technology Development Co., Ltd. (廣東真健康醫療科技開發股份有限公司) (the "Company") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange")

We refer to the Company's prospectus (the "**Prospectus**") dated 22 June 2026 issued by the Company relating to the proposed global offering and listing of H shares of the Company on the Stock Exchange.

We hereby give you our consent and confirm that we have not withdrawn our consent to the issue of the Prospectus by the Company, with the inclusion therein of all statements in, and all reference to, our name (including our qualifications), confirmations and opinions as set out in the Prospectus, in the form and context in which they respectively appear in the Prospectus.

We also hereby consent and confirm that we have not withdrawn our written consent to make available copies of this letter and our opinions on display as described in "Appendix VII – Documents delivered to The Registrar of Companies in Hong Kong and Documents on Display" to the Prospectus and this letter being filed with the Registrar of Companies in Hong Kong and the Stock Exchange for the purpose of the registration of the Prospectus.

Yours faithfully,
For and on behalf of
Beijing DeHeng Law Offices



Name: Yin Chuanzhi
Title: Lawyer

灼识咨询
China Insights Consultancy

86 21 2356 0288
86 21 2356 0299
www.cninsights.com

Date: 22 June 2026

Guangdong True Health Medical Technology Development Co., Ltd.
(廣東真健康醫療科技開發股份股份有限公司)
Room 101, 1/F, Building 9
1889 Huandao East Road
Hengqin New District, Zhuhai
Guangdong Province
PRC

Attn: The Board of Directors

Dear Sirs

Re: Proposed Listing of the H shares of Guangdong True Health Medical Technology Development Co., Ltd. (廣東真健康醫療科技開發股份有限公司) (the "Company") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange")

We refer to the Company's prospectus (the "**Prospectus**") dated 22 June 2026 issued by the Company relating to the proposed global offering and listing of H shares of the Company on the Stock Exchange.

We hereby give you our consent and confirm that we have not withdrawn our consent to the issue of the Prospectus by the Company, with the inclusion therein of all statements in, and all reference to, our name (including our qualifications), our report, confirmations and opinions as set out in the Prospectus, in the form and context in which they respectively appear in the Prospectus.

We also hereby consent and confirm that we have not withdrawn our written consent to make available copies of this letter and our opinions on display as described in "Appendix VII – Documents delivered to The Registrar of Companies in Hong Kong and Documents on Display" to the Prospectus and this letter being filed with the Registrar of Companies in Hong Kong and the Stock Exchange for the purpose of the registration of the Prospectus.

灼识咨询
China Insights Consultancy

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Yours faithfully
For and on behalf of
China Insights Industry Consultancy Limited

Name: Luke Liu
Title: Managing Director

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