

PRESS RELEASE

Ad hoc announcement pursuant to article 53 LR

LEPU Medical Technology(Beijing) Announces 2023 Annual Report

Beijing, China, April 20, 2024- LEPU Medical Technology(Beijing) Co.,Ltd.(the “Company”) today announced its performance for the financial year of 2023:

- During the reporting period, the Company realized an operating income of RMB 7979.8993 million, with a year-on-year decrease of 24.78%; Net profit attributable to shareholders of the Company was RMB 1258.2003 million, with a year-on-year decrease of 42.91%; Net profit deducting non-recurring profits and losses attributable to shareholders of the Company was RMB 1123.1163 million, with a year-on-year decrease of 47.60%. The expenses related to equity incentives implemented by the Company were excluded, the net profit attributable to shareholders of listed companies after the non-recurring profits and losses were deducted was RMB 1259.4839 million, with a year-on-year decrease of 43.36%. Net cash flow from operating activities amounted to RMB 990.3598 million, with a year-on-year decrease of 64.51%. The main reason for the decrease in operating income and net cash flow from operating activities is that the products of detection reagents related to the epidemic situation in COVID-19 contributed a lot to the income and net cash flow from operating activities in the same period of the last year.
- At the end of the reporting period, the Company systematically tested the goodwill formed by all investments in accordance with the *Risk Warning for Accounting Supervision No. 8 - Goodwill Impairment* issued by the CSRC and the relevant requirements of the Accounting Standards for Business Enterprises, and hired an independent professional evaluation agency to evaluate the specific company. Based on the Company's prudent assessment, the impairment loss of goodwill and

other specific assets totaled RMB 147.9586 million and the impact on the net profit attributable to shareholders of listed companies was RMB 126.2929 million. Mainly including: The goodwill formed by the acquisition of Suzhou Bonsmile was RMB 122.5536 million, and the provision for impairment was RMB 33.4519 million; The Company's inventory of epidemic products has been carefully evaluated, and the provision for impairment was RMB 114.5067 million.

- At the end of the reporting period, total assets of the Company were RMB 25022.3315 million, with an increase of 2.19% compared with that at the beginning; Net asset attributable to shareholders of the Company was RMB 15976.1020 million, with an increase of 5.47% compared with that at the beginning; The weighted average return on equity was 8.23%.
- Medical device :During the reporting period, the sector realized an operating income of RMB 3674.2841 million, with a year-on-year decrease of 37.50%, wherein: The operating income of coronary intervention business had a year-on-year increase of 2.9%; Structural heart disease business had a good development momentum, the operating income had a year-on-year increase of 29.08%; The operating income of surgical anesthesia business had a year-on-year increase of 9.37%; In vitro diagnosis business in the same period of the last year, the sales of detection products related to COVID-19 contributed a lot to the operating income, the operating income had a year-on-year decrease of 77.79%. Excluding in vitro diagnosis business, the overall income of the medical device sector had a year-on-year increase of 6.7%.
- Pharmaceutical :During the reporting period, the pharmaceutical sector realized an operating income of RMB 3043.7856 million, with a year-on-year decrease of 11.47%. Among them, the preparations (generic drugs) realized an operating income of RMB 2633.1603 million, with a year-on-year decrease of 11.90%; The operating income of active pharmaceutical ingredients reached RMB 410.6253 million, with a year-on-year decrease of 8.60%.
- Medical service and health management :During the reporting period, medical service and health management sector realized an operating income of RMB

1261.8296 million with a year-on-year decrease of 2.37%, wherein, the operating income of Hefei Cardiovascular Hospital had a year-on-year increase of 42.45%. Excluding emergency examination, the operating income had a year-on-year increase of 6.53%.

Financial Results

	End of 2023	End of 2022		Increase/decrease at the end of the current year over the end of the previous year	End of 2021	
		Before adjustment	After adjustment		After adjustment	Before adjustment
Total assets	25,022,331,486.69	24,484,033,145.01	24,484,950,282.44	2.19%	20,698,662,317.96	20,698,665,077.42
Net assets attributable to shareholders of the Company	15,976,101,963.31	15,146,202,761.30	15,147,212,379.41	5.47%	11,473,861,050.60	11,473,900,684.62
	End of 2023	2022		Increase/decrease at the current year over the previous year	2021	
		Before adjustment	After adjustment		After adjustment	Before adjustment
Operating incomes	7,979,899,319.74	10,609,442,080.61	10,609,442,080.61	-24.78%	10,659,734,875.07	10,659,734,875.07
Net profits attributable to shareholders of the Company	1,258,200,337.67	2,202,809,390.54	2,203,779,374.63	-42.91%	1,719,324,578.02	1,719,364,212.04
Net profits attributable to shareholders of the listed company after deducting non-recurring profits and losses	1,123,116,336.93	2,142,486,458.55	2,143,456,442.64	-47.60%	1,854,940,941.11	1,854,980,575.13
Net cash flow from operating activities	990,359,814.31	2,790,709,307.02	2,790,709,307.02	-64.51%	3,061,991,851.71	3,061,991,851.71
Basic earnings per share (RMB/share)	0.6757	1.2223	1.2228	-44.74%	0.9596	0.9596
Diluted	0.6757	1.2124	1.2129	-44.29%	0.9510	0.9510

earnings per share (RMB/share)						
Weighted average return on net assets	8.23%	17.60%	17.61%	-9.38%	16.00%	16.00%

Full 2023 Annual report

The full 2023 annual report is available on our website at

<https://en.lepumedical.com/investors/>.

Contact information

Ms. Weina Jiang

Phone: +86 010 80120622

E-mail: zqb@lepumedical.com

About LEPU

LEPU Medical Technology(Beijing) Co.,Ltd was the total-solution provider in the PRC across the full life cycle of cardiovascular disease management, with products and services encompassing medical devices, pharmaceuticals, and medical care solutions Company is one of the earliest companies in the PRC to offer coronary interventional products and have consolidated our first-mover advantage through relentless innovation since our inception in 1999. Our key products, namely, coronary drug-eluting stent, coronary bioresorbable scaffold, coronary drug-coated balloon, congenital heart disease occluder and coronary cutting balloon. Our leading R&D expertise and capabilities have enabled us to develop and successfully commercialize a comprehensive portfolio of products. We focus our R&D efforts on unmet clinical needs. We have developed and commercialized the first fully biodegradable occluder in the world and many first Chinese brand products, such as coronary stent, cardiac pacemaker, bioresorbable scaffold and coronary cutting balloon. In addition, we are

the first PRC company to apply AI technology to ECG devices. Furthermore, benefiting from our diverse technology platforms, we have developed over 80 product candidates for cardiovascular devices and peripheral artery devices across coronary artery diseases, structural heart diseases, cardiac rhythm management, electrophysiology and other segments.

Disclaimers

This announcement contains forward-looking statements, estimates, opinions and projections with respect to anticipated future performance of the Company ("forward-looking statements"). These forward-looking statements can be identified by the use of forward looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. Forward-looking statements are based on the current views, expectations and assumptions of the management of the Company and involve significant known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Forward-looking statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. Any forward-looking statements included herein only speak as at the date of this release.