2026

Semi-Annual Report

Winner Medical Co., Ltd.

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Brand Vision

Caring Health, Cherishing Life, and Protecting the Environment for A Better World.

Core Business Principles

Quality over the Profit, Brand over the Speed, Social Value over the Corporate Value.

Brand Ethics

Integrity in Operation, Respect for Consumers, Fair Competition, Social Responsibility, Intellectual Property Rights, Continuous Improvement.

Section I

Important Notes, Contents, and Definitions

Important Notes

The Board of Directors, the Directors, and senior management of the Company guarantee that this semi-annual report is truthful, accurate, and complete; it contains no false records, misleading statements, or significant omissions; and they bear individual and joint legal liabilities.

Li Jianquan, the Company's principal executive officer, Fang Xiuyuan, the person in charge of accounting affairs, and Zhao Yan, the person in charge of the accounting department (chief accounting officer), declare that they guarantee the truthfulness, accuracy, and completeness of the financial report in this semi-annual report.

All Directors have attended the Board of Directors meeting to review this semi-annual report.

The profit distribution plan approved at this Board of Directors meeting is as follows: based on 574,924,166 shares, representing the total share capital of 582,970,928 shares as of 21 August 2026 less the 8,046,762 shares held in the special securities account for repurchases, the Company will distribute a cash dividend of RMB5.0 (tax inclusive) for every 10 shares to all shareholders, for an estimated total cash dividend of RMB287,462,083.00 (tax inclusive). No bonus shares will be issued, and no shares will be converted from capital reserves. During the period from the disclosure of the profit distribution plan through its implementation, if the total number of shares entitled to the distribution changes, the Company will make corresponding adjustments based on the principle that the cash dividend per share remains unchanged while the total cash dividend amount is adjusted accordingly.

The forward-looking statements contained in this semi-annual report, regarding future development strategies, performance plans, and other similar matters, represent the Company’s goals and are of a planning nature. Their realization depends on various factors, including market conditions, and therefore involves uncertainties. These statements do not constitute a forecast of the Company’s future annual profitability nor do they represent a substantive commitment to investors or other stakeholders. Both investors and other stakeholders should maintain sufficient awareness of the risks involved and understand the differences between plans, forecasts, and commitments. Investors are advised to exercise caution and be aware of investment risks.

The Company has detailed the possible risks and corresponding countermeasures in its operations in "XI. Risks Faced by the Company and Countermeasures" under "Section III Management Discussion and Analysis" of this report. Investors are advised to pay close attention to the relevant information.

The Company's total cash dividends and share repurchases for the first half of 2026 amounted to RMB416,903,087.74, representing 81.19% of the net profit attributable to shareholders of the listed company for the first half of 2026. This amount includes: (1) a cash dividend of RMB5.0 (tax inclusive) for every 10 shares to all shareholders for the first half of 2026, with an estimated total cash dividend of RMB287,462,083.00 (tax inclusive), representing approximately 55.98% of the net profit attributable to shareholders of the listed company for the first half of 2026; and (2) from January to June 2026, the Company repurchased 4,604,262 shares through the special securities account for repurchases via centralized bidding, with a total transaction amount of RMB129,441,004.74 (excluding transaction costs), representing approximately 25.21% of the net profit attributable to shareholders of the listed company for the first half of 2026.

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List of Documents Available for Inspection

(1) Financial statements signed and sealed by the Company's principal executive officer, the person in charge of accounting affairs, and the head of the accounting department (chief accounting officer).
(2) Originals of all documents and announcements of the Company publicly disclosed during the Reporting Period.

Definitions

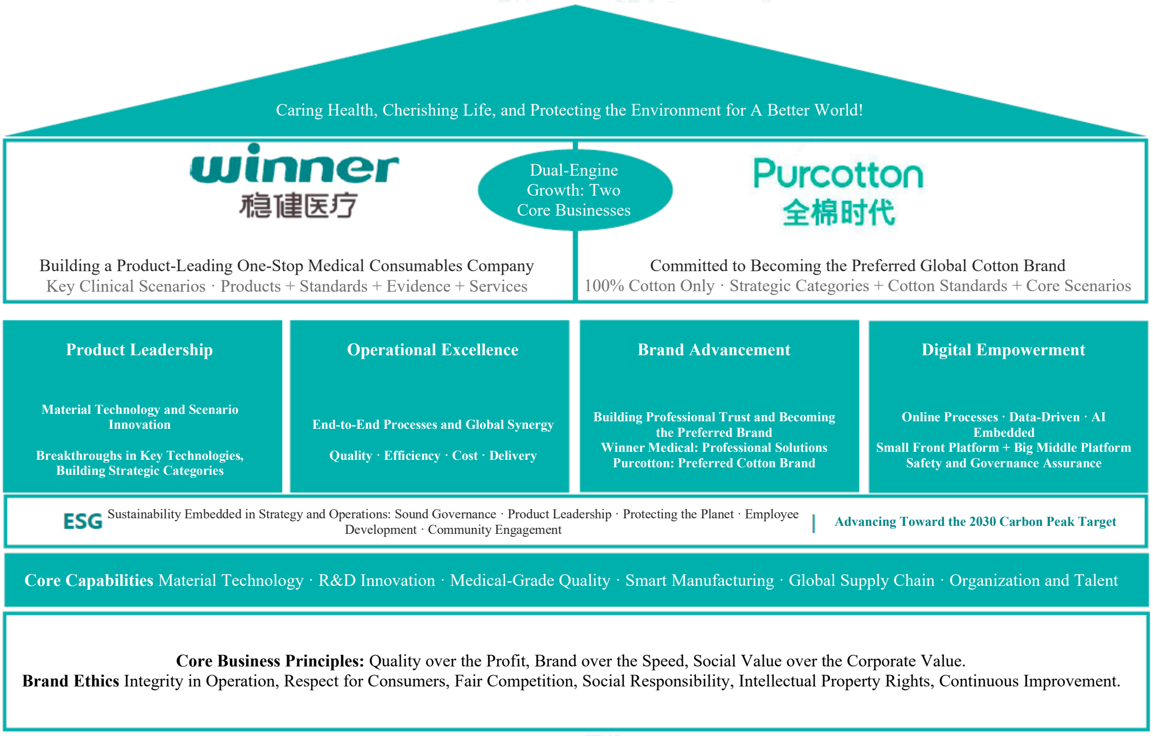
Term	Definition
Winner Group, Group, Company	Winner Medical Co., Ltd.
Reporting Period	1 January 2026 to 30 June 2026
Winner Medical	Serious medical care under the medical business and consumer medical care business
Purcotton	Shenzhen Purcotton Technology Co., Ltd. and its subsidiaries, a wholly-owned subsidiary of the Company
Longterm Medical	Zhejiang Longterm Medical Technology Co., Ltd., a company in which the Company acquired a 55% stake in 2022
Winner Medical (Hunan)	Winner Medical (Hunan) Co., Ltd., a company in which the Company acquired a 68.70% stake after acquisition and capital increase in 2022
Winner Guilin	Winner Guilin Latex Co., Ltd., a company in which the Company acquired a 91.74% stake in 2022
Junjian Medical	Shenzhen Junjian Medical Device Co., Ltd., of which the Company has acquired 100% equity in 2022
GRI, GRI USA	Global Resources International, Inc., a company in which the Company acquired a 75.20% stake in 2024
Yuan, 10 thousand Yuan, 100 million Yuan	RMB, RMB10,000, RMB100 million

Section II

Company Profile and Key Financial Indicators

Company Overview

Founded in 1991, Winner Group (300888.SZ) went public on the Shenzhen Stock Exchange in September 2020. Through 35 years of exploration and practice, it has evolved into a holistic health enterprise, synergistically converging medical innovation and consumer wellness ecosystems. Winner Group, driven by the vision of "Caring Health, Cherishing Life, and Protecting the Environment for A Better World", owns two major brands: "Winner Medical" and "Purcotton". Its products cover a wide range of segments including wound care, infection prevention, operating room consumables, personal care, home care, maternity and baby care, and home textiles and apparel. Adhering to the core business principles of "Quality over the Profit, Brand over the Speed, Social Value over the Corporate Value", and guided by the development strategy of "Product Leadership, Operational Excellence, Brand Advancement and Digital Empowerment", the Company is pursuing dual-track advancement in medical and consumer goods sectors; driving collaborative expansion across domestic and global markets; enabling convergent growth of online and offline channels; upholding altruism and long-termism — committed to delivering safe, premium-quality, cost-effective, and experience-driven products and services for global users.



Business Overview

Global Production Capacity

Country	Location of Facilities
China	Guangdong Province (1), Hubei Province (8), Hunan Province (1), Zhejiang Province (2), Guangxi Zhuang Autonomous Region (1), Anhui Province (1)
Overseas	Mexico, Vietnam, the United States, the Dominican Republic

Awards

01 The Project of Winner Medical was awarded the second prize in the Science and Technology Progress Awards by the China National Textile and Apparel Council

02 Winner Medical (Huanggang), Winner Medical (Jiayu), and Winner Medical (Tianmen) were awarded the "Five-Star Environmental Factory" by the China Nonwovens & Industrial Textiles Association

03 In July 2026, Wind updated its annual ESG rating, upgrading the Company from A to AA

04 Winner Medical (Jingmen) received the Gold Medal on the Ecovadis platform

05 Winner Medical (Chongyang) received the Gold Medal on the Ecovadis platform

06 Purcotton was recognised as a "Continuous Innovation Unit" by the Ministry of Industry and Information Technology & China Textile Information Center

07 Purcotton won the "London Design Awards" in 2025

08 The "Baby Welcome Gift Organic Cotton 10-Piece Set Gift Box" submitted by Shenzhen Purcotton Technology Co., Ltd. was selected for the "2025 Top Ten Innovative Textile Products" list

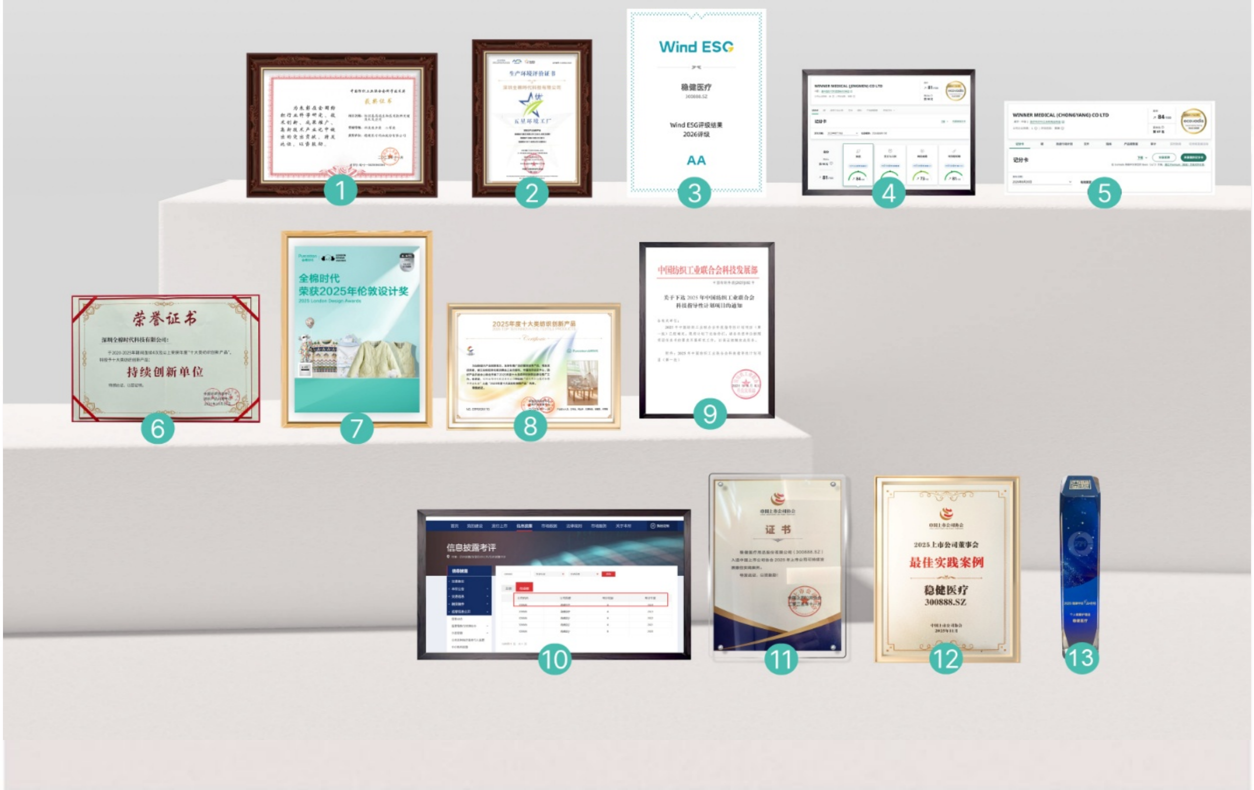
09 The comfort evaluation of Purcotton's pure cotton sleepwear was included in the "Science and Technology Guidance Project of the China National Textile and Apparel Council"

10 The Company was awarded the highest A rating for information disclosure of listed companies by the Shenzhen Stock Exchange for 2024

11 Selected for 2025 Outstanding Practice Cases in Sustainability of Listed Companies by the China Association for Public Companies

12 Selected for 2024 Best Practice Cases in the Directors of Board of Listed Companies by the China Association for Public Companies

13 Winner Medical was selected for the "2025 Health Industry Brand List" at the China Health Industry Ecological Conference and won the "CPEO Gold Award"



I. Company Information

Stock Abbreviation	Winner Medical	Stock Code	300888
Stock Exchange	Shenzhen Stock Exchange		
Chinese Name	稳健医疗用品股份有限公司		
Abbreviated Chinese Name	稳健医疗		
English Name (if any)	Winner Medical Co., Ltd.		
Abbreviated English Name (if any)	Winner Medical		
Legal Representative	Li Jianquan		

II. Contact Information

	Board Secretary	Securities Representatives
Name	Chen Huixuan	Xu Jia, Liu Yanxiang
Address	F42, Building 2, Huilong Business Center, Beizhan Community, Minzhi Subdistrict, Longhua District, Shenzhen	F42, Building 2, Huilong Business Center, Beizhan Community, Minzhi Subdistrict, Longhua District, Shenzhen
Tel.	0755-28066858	0755-28066858
Email	investor@winnermedical.com	investor@winnermedical.com

III. Other Information

1. Contact Information

Whether the Company’s registered address, office address and postal code, company website and email were changed during the Reporting Period

☐Applicable √N/A

The Company's registered address, office address and postal code, website, email address, etc. remained unchanged during the Reporting Period. For details, please refer to the 2025 Annual Report.

2. Designated Locations for Information Disclosure and for Keeping Records

Whether information disclosure and the place where the semi-annual report is kept were changed during the Reporting Period

☐Applicable √N/A

The stock exchange website and media name and website for disclosure of the Company's semi-annual reports, and the location for keeping the Company's semi-annual reports remained unchanged during the Reporting Period. For details, please refer to the

2025 Annual Report.

3. Change of Registration

Whether the registration status was changed during the Reporting Period

☐Applicable √N/A

There were no changes in the Company's registration during the Reporting Period. See the 2025 Annual Report for details.

IV. Key Accounting Data and Financial Indicators

Does the Company need to retrospectively adjust or restate accounting data of previous year

☐Yes √No

	Current Reporting Period	Same period last year	Increase/decrease in this Reporting Period compared with the same period of the previous year
Operating revenue (RMB)	5,486,211,258.52	5,296,211,956.92	3.59%
Net profit attributable to shareholders of the listed company (RMB)	513,499,129.90	491,998,009.07	4.37%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	462,326,436.70	460,623,731.26	0.37%
Net cash flows from operating activities (RMB)	313,432,891.06	339,925,774.07	-7.79%
Basic earnings per share (RMB/share)	0.8821	0.8449	4.40%
Diluted earnings per share (RMB/share)	0.8821	0.8449	4.40%
Weighted average return on net assets	4.36%	4.32%	0.04%
	End of the Reporting Period	End of the previous year	Increase/decrease at the end of the Reporting Period compared to the end of the previous year
Total assets (RMB)	18,971,905,602.01	18,404,858,027.22	3.08%
Net assets attributable to shareholders of listed companies (RMB)	11,682,259,501.02	11,516,711,030.45	1.44%

V. Differences in Accounting Data under Domestic and Overseas Accounting Standards

1. Differences in Net Profit and Net Assets between Financial Reports Prepared under International Accounting Standards and Chinese Accounting Standards

☐Applicable √N/A

The Company had no difference in net profit and net assets between financial reports prepared under International Accounting Standards and Chinese Accounting Standards during the Reporting Period.

2. Differences in Net Profit and Net Assets between Financial Reports Prepared under Overseas Accounting Standards and Chinese Accounting Standards

□Applicable √N/A

The Company had no difference in net profit and net assets between financial reports prepared under overseas accounting standards and Chinese Accounting Standards during the Reporting Period.

VI. Items and Amounts of Non-recurring Gains and Losses

√Applicable □N/A

Unit: RMB

Item	Amount	Description
Gains and losses on disposal of non-current assets (including reversal of previously recognised impairment losses)	-1,131,350.65	
Government grants recognised in profit or loss (excluding those related to the company's normal operating activities, consistent with national policy, granted based on established criteria, and having a continuing impact on the Company's profit and loss)	21,604,303.31	
Changes in fair value and gains and losses from the disposal of financial assets and financial liabilities held by non-financial enterprises (excluding effective hedging transactions directly related to the Company's normal operating activities)	48,085,316.51	
Other non-operating revenue and expenses, excluding the items above	-1,997,579.37	
Less: Income tax effect	11,880,929.13	
Effect on non-controlling interests (after tax)	3,507,067.47	
Total	51,172,693.20	

Details of other items classified as non-recurring gains and losses:

□Applicable √N/A

The Company had no details of other items classified as non-recurring gains and losses.

Explanation on circumstances under which items specifically identified as non-recurring gains and losses in the Information Disclosure Interpretative Announcement No. 1 for Companies Publicly Issuing Securities – Non-recurring Gains and Losses are classified as items of recurring gains and losses

√Applicable □N/A

Item	Reasons
Cotton transportation subsidies	Complies with national policy regulations, meets established standards, and has a continuing impact on profit or loss
Interest income from large-denomination certificates of deposit	The Company's routine cash management practices, with a continuing impact on profit or loss

Section III
Management Discussion and Analysis

I. Main Operations of the Company during the Reporting Period

The Company is subject to the disclosure requirements for "Medical Device Business" in the Shenzhen Stock Exchange Listed Company Self-Regulation Guidelines No. 4 – Industry Information Disclosure for Growth Enterprise Market.

The Company is subject to the disclosure requirements for "Textile and Apparel Related Business" in the Shenzhen Stock Exchange Listed Company Self-Regulation Guidelines No. 3 – Industry Information Disclosure.

(I) Main Operations of the Company

Winner Group, driven by the vision of "Caring Health, Cherishing Life, and Protecting the Environment for A Better World", owns two major brands: "Winner Medical" and "Purcotton", specializing in medical and consumer segments, respectively. With continuous innovation and expansion of our business scope, our products cover a wide range of segments, including wound care, infection prevention, operating room consumables, personal care, home care, maternity and baby care, and home textiles and apparel. Adhering to the core business principles of "Quality over the Profit, Brand over the Speed, Social Value over the Corporate Value", and guided by the development strategy of "Product Leadership, Operational Excellence, Brand Advancement, and Digital Empowerment", the Company dedicates itself to providing safe, high-quality, cost-effective products and services with a strong user experience for customers worldwide.

1. Medical consumables

In the 1990s, the international medical dressing market was dominated by European and American companies in terms of technical standards and market share. Domestic Chinese products lacked competitiveness due to lagging production standards and inconsistent quality. Against this backdrop, driven by the vision of "Bringing Chinese Medical Dressings to the World", Mr. Li Jianquan, the founder of Winner Group, established the Winner Medical brand in 1991. Over the 35 years of development, Winner Medical has built a complete industrial chain encompassing "raw material procurement – core material R&D – product manufacturing – terminal sales". Through continuous R&D and upgrades, the Company's product portfolio has been optimized and now includes traditional wound care and bandaging, advanced wound dressings, operating room consumables, infection prevention, and healthcare and personal care products. Winner Medical has maintained stringent quality standards throughout its development, establishing an international level quality management system early on in the industry. Its products have received authoritative international certifications, including the EU CE marking, US FDA clearance, and Japanese Ministry of Health, Labour and Welfare approval. With production capacity in China, the United States, Vietnam, and the Dominican Republic, Winner Medical has established global credibility and supply capabilities as a professional medical brand. In terms of distribution, Winner Medical pursues a three-pronged approach: "overseas business + domestic professional medical market + daily consumer medical market". Through OEM, ODM, and its own brand, Winner Medical exports to over 110 countries and regions. This brand's high quality has earned widespread recognition from hospitals and trust from consumers in the domestic market, resulting in higher brand awareness and a stronger reputation. Looking ahead, Winner Medical will accelerate R&D in biomedical and tissue engineering, adhering to the innovation philosophy of technology-driven development and product upgrades, prioritizing product leadership and advancements in basic materials. By integrating Chinese manufacturing with the global supply chain and expanding into global markets, Winner Medical continues to advance towards its strategic goal of becoming a "one-stop solution for medical consumables".

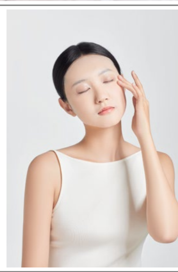
2. Consumer goods

To address the global industry challenge of cotton gauze shedding lint and fluff, the Winner Medical team conducted thousands of experiments and developed a patented pure cotton spunlace non-woven fabric technology. Capitalizing on the natural, soft, breathable, biodegradable, and eco-friendly properties of cotton fiber, the Group launched the brand Purcotton in 2009, innovatively applying rigorous production standards born of its medical heritage to pure cotton goods. From its inception, Purcotton has insisted on using high-quality cotton from around the world, maintaining strict quality control, and aiming to build a nationally trusted brand. Driven by the vision of "Pure Cotton Changes the World", Purcotton continuously promotes the benefits of cotton and has pioneered over ten new product categories, including cotton tissues, pure cotton top sheet sanitary napkins, and pure cotton top sheet diapers. Currently, Purcotton operates hundreds of brand stores in over 100 cities across China and has established an omni-channel sales network across major e-commerce platforms, social commerce platforms, and nationally renowned supermarket chains. Leveraging its core competitive edges of "Medical Heritage; Cotton-Centric Philosophy; Quality DNA", Purcotton has cultivated a brand image of "Comfort Commitment; Health Assurance; Eco-Consciousness", earning the favor of a broad consumer base. In the future, Purcotton will remain committed to its brand initial aspiration of "We focus on 100% cotton and unlock its full potential to develop the high standard with the best quality of cotton products", creating and leading a "Reassurance, Wellbeing, Sustainability" pure cotton lifestyle.

(II) Main Products and Applications

The Company's products in the medical segment include advanced wound dressings, operating room consumables, traditional wound care and bandaging, infection prevention, healthcare and personal care, and other products. The products in the consumer segment include dry and wet cotton tissues, feminine hygiene products, other non-woven products, baby and child apparel and products, adult apparel, and other woven products.

The main product categories and illustrations of some products in the Company's medical segment are shown below:

Product Categories	Main Applications	Specific Products	Illustrations of Some Products
Advanced wound dressings	Applied in wound care to provide a moist wound healing environment, reduce dressing change frequency, and minimize further trauma	Hydrocolloid dressings, scar dressings, foam dressings, alginate dressings, etc.	
Operating room consumables	Applied in prevention of surgical site infections	Surgical gloves, surgical packs, surgical gowns, etc.	
Traditional wound care and bandaging	Applied in wound exudate absorbing, wound dressing, and sports protection	Medical cotton, gauze, bandages, etc.	
Infection prevention	Applied in occupational protection for medical personnel and patient isolation	Face masks, protective clothing, isolation gowns, gloves, shoe covers, caps, etc.	
Healthcare & personal care	Applied in wound cleaning and disinfection, daily healthcare	Cleaning and disinfection, oral and nasal care, medical-aesthetic repair, menstrual care, travel protection, etc.	
Other products	Applied in health management to meet medical needs	Injection and puncture products, test kits, etc.	

The main product categories and selected product illustrations from the Company's consumer business are shown below:

Product Categories	Specific Products	Illustrations of Some Products
Dry and wet cotton tissues	Cotton tissues, wet wipes etc.	
Feminine hygiene products	Sanitary napkins, overnight pads, etc.	
Other non-woven products	Cotton pads, diapers, disposable travel products, etc.	
Baby and child apparel and products	Baby and children's sleepwear, outerwear, underwear, bath towels, handkerchiefs and swaddles, etc.	
Adult apparel	Adult sleepwear, outerwear, underwear, socks, etc.	
Other woven products	Bedding, bath products, etc.	

(III) Main Business Model

Over the 35 years of continuous exploration and development, Winner Group's business model has undergone significant transformation and upgrading. Our business scope has expanded from medical consumables to consumer goods; our business model has shifted from OEM to proprietary brand building, from B2B to B2C, from a sole focus on overseas markets to a balanced approach between domestic and international markets; and our listing status has transitioned from voluntary delisting on the US Nasdaq to listing on China's A-share market. We have evolved from "Made in China" to "Created in China", from product export to brand empowerment, and ultimately to thought leadership.

Currently, Winner Group has upgraded its digitalization from back-office support to a strategic infrastructure spanning the entire value chain, with a "small front platform + big middle platform" system established to balance resource concentration and value creation. In R&D, we focus on independent development of core basic materials and continuous iteration and upgrading of key product categories. Our medical sector actively pursues global patent and product registration strategies, while our consumer goods business leads the development of several national standards and conducts carbon footprint verification for various products. Simultaneously, we actively promote smart manufacturing and green manufacturing technologies to enhance production efficiency and energy management. In procurement, we utilize diverse strategies, including strategic sourcing and centralized purchasing, combined with mechanisms such as supplier qualification, tiered classification management, and performance evaluation, to build a sustainable supply chain ecosystem. We leverage digital systems like SRM and PLM to achieve transparent, full-process control and strengthen cost and risk management. In production, aligned with the Company's strategic objectives, we use Sales & Operations Planning (S&OP) to guide the development of medium- and long-term strategic plans and short-term production and procurement plans. This process involves all relevant upstream and downstream departments, balancing inventory and lead times based on dynamic customer demand to ensure flexible production and efficient responsiveness. In sales, Winner Medical has established a professional sales network within the medical industry, covering a vast number of medical institutions and retail pharmacies, and exporting medical consumables to numerous countries and regions worldwide. Purcotton employs an omni-channel sales strategy in the consumer goods market, covering major e-commerce and social media platforms online, while operating brand stores in key cities and entering various supermarkets, convenience stores, and other retail outlets offline. This online-offline integration enhances consumer experience and strengthens brand influence.

(IV) Key Performance Drivers

1. Alignment with industry trends: medical and consumer sectors in rapid development

In recent years, improvements in global healthcare standards and increasing demand for daily healthcare have driven a steady growth in the medical industry. Globally, the aging population and rising healthcare needs are expanding the medical device market, providing ample room for industry development. Domestically, increasing government support for the medical device industry and accelerated import substitution are creating a favorable environment for medical consumables. Furthermore, the implementation of policies such as centralized procurement, volume-based procurement, SPD, and DRG is continuously optimizing the medical consumables industry towards stricter quality standards, transparent competition, and higher requirements for comprehensive capabilities in R&D, service, and distribution. These industry changes benefit large, integrated companies and are expected to increase industry concentration.

In the consumer goods industry, steady macroeconomic recovery and stable income growth are contributing to a positive trend of recovery and growth. The consumer market is diversifying and becoming more personalized, with notable trends including quality consumption, environmentally sustainable consumption, Guochao economy, and brand trust. Consumers' pursuit of a better life increases their willingness to pay premium prices for high-quality products and services, creating significant market opportunities for companies focused on quality enhancement and emotional value. The growing consumer preference for green and environmentally friendly products is driving companies to increase investment and innovation in sustainable development. The increasing popularity of Guochao economy favors products with cultural significance and national characteristics. Brand trust is becoming a competitive barrier, with consumers increasingly choosing brands that consistently deliver reliable quality and excellent service. Additionally, niche segments such as health focused consumption, self-care consumption, and aesthetically driven consumption are expanding rapidly. The current consumer market offers substantial growth potential and opportunities for companies that can effectively identify and adapt to trends.

2. Differentiated competitive advantages accelerating business growth

Driven by the brand vision of “Caring Health, Cherishing Life, and Protecting the Environment for A Better World”, Winner Group is pursuing dual-track advancement in medical and consumer goods sectors; driving collaborative expansion across domestic and global markets; enabling convergent growth of online and offline channels; upholding altruism and long-termism, and continues to strive towards Centennial Visionary Winner, guided by the development strategy of “Product Leadership, Operational Excellence, Brand Advancement, and Digital Empowerment”.

Winner Group began with its medical consumables business, cultivating the industry for 35 years. It is one of the first domestic companies to establish a fully integrated industrial chain encompassing “raw material procurement – core material R&D – product manufacturing – terminal sales”. Winner Medical maintains stringent quality standards throughout its history and established an international-level quality management system at the initial stage of its engagement in the industry. Its products have received authoritative international certifications, including the EU CE marking, US FDA clearance, and Japanese Ministry of Health, Labour and Welfare approval, establishing global credibility for the brand. Through strategic acquisitions of leading companies in niche segments, such as Longterm Medical, Winner Medical (Hunan), and Winner Guilin, Winner Medical rapidly entered the injection and puncture consumables and latex gloves markets, laying the foundation for a one-stop medical consumables solution. Furthermore, the Company continuously invests in R&D, optimizes its product portfolio, and upgrades its advanced wound dressings, operating room consumables, and healthcare and personal care products, increasing the percentage of high-value-added products. Winner Medical pursues a three-pronged distribution strategy: “overseas business + domestic professional medical market + daily consumer medical market”. In particular, the Company’s rapid provision of high-quality products in recent years significantly enhanced brand awareness and reputation, leading to the rapid development of its distribution channels. While strengthening its core business, Winner Medical also accelerates its global expansion through mergers and acquisitions. The acquisition of a controlling interest in the US-based medical company GRI strengthens its overseas production capacity, sales channels, and localized operations. In the future, Winner Medical will continue to advance towards its strategic goal of becoming a “one-stop solution for medical consumables”.

Purcotton, the Winner Group’s consumer goods brand, was established in 2009 with the vision of “Pure Cotton Changes the World”. Adhering to the principle of “We focus on 100% cotton and unlock its full potential to develop the high standard with the best quality of cotton products”, Purcotton continuously promotes the benefits of cotton and has built a unique business model focused on “pure cotton, all categories, all people”. In terms of products, Purcotton insists on using high-quality cotton from around the world, applies rigorous standards born of its medical heritage, actively implements a popular product strategy, continuously leverages technology and innovation to meet consumer needs, and has developed popular product categories such as cotton tissues, sanitary napkins, newborn products, and intimate apparel. Many of these categories hold leading market positions, driving overall sales growth. In terms of distribution, Purcotton employs an omnichannel strategy covering major e-commerce platforms, social commerce platforms, and brand supermarkets. It also operates its own brand stores offline, serving as platforms for brand promotion, product experience, and customer service, and establishes a presence in physical supermarkets and convenience stores. This online-offline synergy drives overall quality and growth. In brand building, Purcotton leverages delivery of cotton value, celebrity endorsements, original IP, and cotton field runway shows to expand brand influence. With its core competitive edges of “Medical Heritage; Cotton-Centric Philosophy; Quality DNA”, Purcotton has cultivated a brand image of “Comfort Commitment; Health Assurance; Eco-Consciousness” and has become a nationally trusted brand.

II. Core Competitiveness Analysis

1. Dual-Engine Growth: Medical and Consumer Synergies for Enhanced Risk Resilience

Winner Group operates as a holistic health enterprise, synergistically converging medical innovation and consumer wellness ecosystems through its Winner Medical and Purcotton brands. The Company’s business scope has expanded from solely medical consumables manufacturing to footprint in diverse fields, including wound care, infection prevention, personal care, home care, maternity and baby care, and home textiles and apparel. Winner Medical’s emphasis on product quality and innovative R&D forms the foundation of the Group’s development. As a proprietary technology, the “pure cotton spunlace non-woven fabric” process has seen its application cross over from the medical sector to consumer goods, pioneering new categories such as cotton tissues and cotton inner layer masks. The Group’s two major business segments centrally procure raw materials like cotton, which enhances bargaining power and stabilizes costs. Furthermore, the sharing of production, warehousing, and logistics across the entire industry chain effectively reduces manufacturing and management costs. Simultaneously, the medical heritage in quality control provides a solid foundation of quality for Purcotton’s safety and trust, enhancing Purcotton’s professional credibility, brand reputation, and customer loyalty. The synergistic and balanced development of these two business segments creates complementary growth engines, strengthens the Company’s resilience against economic cycles, effectively balances short-term industry fluctuations with long-term performance growth, and establishes a solid foundation for high-quality development.

2. Long-Termism: the Cultural Core for Development

Winner Group embraces the long-termism and altruism philosophy, prioritizing brand ethics and adhering to compliant operations and sustainable development. We uphold the core business principles of “Quality over the Profit, Brand over the Speed, Social Value over the Corporate Value” to ensure high-quality products and services. Guided by the values of “Relentless Endeavor; Pioneering Innovation; Self-Critique; Long-Termism”, we remain committed to our entrepreneurial spirit and brand-building mission. Throughout our development, we adhere to the brand ethics of “Integrity in Operation, Respect for Consumers, Fair Competition, Social Responsibility (ESG), Intellectual Property Rights, Continuous Improvement”, integrating compliant operations and social responsibility into our corporate development, earning widespread recognition and fueling brand building and long-term growth.

3. Brand Advancement Towards Centennial Visionary Winner

With a Centennial Visionary Winner, Winner Group is committed to brand advancement. In the medical field, Winner Medical has established a sound reputation for professionalism, innovation, and high quality over 30 years, becoming an industry benchmark. In the consumer goods field, Purcotton, centering on cotton and leveraging its core competitive edges of “Medical Heritage; Cotton-Centric Philosophy; Quality DNA”, has cultivated a brand image of “Comfort Commitment; Health Assurance; Eco-Consciousness”, creating differentiated brand advantages. Through continuous brand building and marketing, both business segments enhance brand awareness and reputation, establishing themselves as preferred choices for consumers. This strong brand recognition supports product sales and market expansion, with the synergy between professional medical products and quality consumer goods, forming a unique brand moat.

4. Product Leadership: Innovation-Driven Quality Development

Winner Group upholds a “Product Leadership” strategy, driving development through innovation and consistently delivering high-quality products. In the medical field, we focus on independent R&D of core basic materials and continuous iteration and upgrading of key product categories, ensuring market-leading product performance and quality. In the consumer goods field, driven by the vision of “Pure Cotton Changes the World”, we select premium cotton from around the globe as raw materials and apply rigorous standards born of our medical heritage to create differentiated consumer products. We leverage market insights to rapidly launch new products that meet consumer needs and lead market trends. Furthermore, the Company promotes the transformation of research outcome, through industry-academia collaboration and actively explores cutting-edge fields like life sciences. Through continuous R&D investment, the Company leads and participates in the development of numerous national standards and maintains a leading position in patent and product registration numbers, solidifying its industry leadership through “Product Leadership”.

5. Operational Excellence: Advanced Technologies for Lean Management

Winner Group continuously promotes the implementation of its Group-wide “Operational Excellence” strategy. In smart manufacturing, we actively advance the automation and intelligent upgrading of our production processes, achieving automated equipment operation throughout the entire process from raw materials to finished products. We also actively leverage AI tools to empower operations, and continue to strengthen our efforts in expansion of deep coverage across all business segments, solidification of data foundation, process streamlining and efficiency leap-up, and deep AI empowerment in key scenarios to establish a robust bedrock for value upgrades across every business sector. In terms of refined channel operations, we prioritize both online and offline channels. Offline stores enhance the consumer experience through optimized layouts and improved services, while online channels leverage precise management and targeted marketing to improve conversion and repurchase rates. Simultaneously, we utilize membership systems and community operations to deepen customer relationships, achieving synergistic development and efficient operation across all channels.

6. Organization and Talent: Building an International Professional Team

Winner Group is dedicated to establishing a systematic organization and talent development program encompassing talent acquisition, training, assessment, and incentives. The Company actively promotes the Four-High Talent Philosophy – "High Personal Quality; High Academic Qualifications; High Performance; High Compensation" – with the goal of developing Winner career partners and continuously providing a nurturing environment for talent growth. In terms of organization, the Company is building professional teams that support integrated business operations, focusing on "Organizational Capability, Strategic Goal Enablement", and continuously improving organizational efficiency through various methods. In terms of incentives, we actively implement performance-based sharing systems to foster a results-oriented corporate culture. We also utilize tools such as equity incentives and employee stock ownership plans to enhance talent cohesion and centripetal force, providing a solid talent foundation for the Company's sustainable development and building a stable and internationally oriented professional team.

III. Analysis of Main Business

1. Overview

Winner Group operates as a holistic health enterprise, synergistically converging medical innovation and consumer wellness ecosystems. Its unique “medical + consumer” dual-engine business model generates mutually reinforcing synergies. The Company’s emphasis on product quality and innovative R&D forms the foundation of the Group’s development. As a proprietary technology, the “pure cotton spunlace non-woven fabric” process has seen its application cross over from the medical sector to consumer goods, pioneering new categories such as cotton tissues and cotton inner layer masks. In procurement, with cotton as the core raw material, the combined demand from our two major business segments—exceeding that of any single sector—facilitates centralized purchasing, which enhances bargaining power and stabilizes cost fluctuations. Regarding the supply chain, our integrated industry chain system enables shared production, warehousing, and logistics, effectively reducing manufacturing and administrative costs. In brands, the medical heritage in quality control provides a solid foundation of quality for Purcotton’s safety and trust, enhancing Purcotton’s professional credibility, brand reputation, and customer loyalty. The synergistic and balanced development of these two business segments creates complementary growth engines. Characterized by essential demand and high-frequency usage, our products effectively balance short-term industry fluctuations with long-term performance growth, strengthens the Company’s resilience against economic cycles, and establishes a solid foundation for high-quality development.

(I) Financial performance analysis

In the first half of 2026, the external environment remained complex and challenging. Factors such as RMB appreciation, rising raw material prices, and geopolitical conflicts had a certain impact on the Company's production and operations. Winner Group adhered to the strategic guidelines of "Product Leadership, Operational Excellence, Brand Advancement, and Digital Empowerment," rising to challenges, proactively seeking breakthroughs, and navigating pressure to achieve growth in both revenue and profit, demonstrating the resilience of the Company's business. During the Reporting Period, the Company achieved operating revenue of RMB5.49 billion, representing a year-on-year increase of 3.6%. Net profit attributable to shareholders of the listed company was RMB510 million, while net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses was RMB460 million, representing year-on-year increases of 4.4% and 0.4%, respectively.

① Medical consumables business: full-scale breakthroughs in high-end positioning, brand building, and global expansion

Committed to developing into a brand that provides a "one-stop solution for medical consumables", Winner Medical's products encompass advanced wound dressings, operating room consumables, healthcare and personal care products, infection prevention products, and traditional wound care and bandaging products. The Company prioritizes R&D investment and holds a significant advantage in the number of medical product registration certificates, establishing a competitive barrier in the stable medical sector. In the first half of 2026, the medical segment generated operating revenue of RMB2.59 billion, accounting for 48% of the Company's main business revenue and representing a year-on-year increase of 2.9%. Gross margin was 38.7%, up 1.3 percentage points from the same period last year. Despite external challenges, the medical segment maintained steady growth.

By product category, operating room consumables, including surgical gloves, surgical packs, surgical gowns for angiography, cesarean section, urology, and other procedures, continued to expand their coverage of domestic and international end markets. Advanced wound dressings continued to strengthen their technological capabilities, expand their customer base, and enhance brand awareness. Against the high base of overseas exports in the previous year, operating room consumables and advanced wound dressings generated operating revenue of RMB800 million and RMB490 million, respectively, during the Reporting Period, representing year-on-year increases of 7.7% and 2.8%, respectively. As of the end of the Reporting Period, the medical consumables segment held 1,115 patents and 901 medical product registration certificates (including 32 Class III medical product registration certificates and 505 overseas product registration certificates).

By channel, in the first half of 2026, the Company continued to pursue its three-pronged approach of "overseas business + domestic professional medical market + daily consumer medical market," continuously developing and expanding its marketing channels through various initiatives. During the Reporting Period, overseas markets were significantly affected by the high export base of the previous year. In the first half of the year, the Company's overseas sales channels generated operating revenue of RMB1.46 billion, representing a year-on-year increase of 2.5% and accounting for 57% of the medical segment's revenue. Domestic hospital channels expanded steadily, generating operating revenue of RMB440 million in the first half of the year, representing a year-on-year increase of 6.0% and accounting for 17%. The B2C business, which encompasses domestic pharmacies as well as domestic and international e-commerce channels, recorded cumulative revenue of RMB450 million, accounting for 17% of total revenue. Notably, cross-border e-commerce platforms recorded cumulative year-on-year growth of nearly double digits, delivering strong growth. As of the end of the Reporting Period, the total number of followers across domestic e-commerce platforms reached 18.04 million.

② Consumer products business: Double-digit growth in cotton tissues and online channels in Q2

In the consumer products business, Purcotton has built a loyal customer base seeking "Reassurance, Wellbeing, Sustainability" supported by its three core competitive advantages: "Medical Heritage; Cotton-Centric Philosophy; Quality DNA." During the Reporting Period, Purcotton implemented a popular-product strategy, refined channel operations, remained focused on delivering value to consumers, and continued to strengthen its brand. In the first half of 2026, Purcotton achieved operating revenue of RMB2.84 billion, accounting for 52% of the main business revenue and representing a year-on-year increase of 3.6%. Gross margin and operating margin continued to improve steadily.

By product category, Purcotton's core dry and wet cotton tissues, its No. 1 single product category, maintained solid sales growth, generating cumulative operating revenue of RMB900 million during the Reporting Period, representing a year-on-year increase of 10.4% (19.3% in the second quarter). Multiple cotton tissue products consistently ranked among the top sellers on major online platforms. In the sanitary napkin category, "Nice Princess," leveraging its "Five Supers" pure cotton sensory technology (super absorption, super breathability, super softness, super eco-friendliness, and super convenience) and Winner Medical's safe and hygienic production environment, achieved cumulative operating revenue of RMB480 million during the Reporting Period. Growth remained under some pressure due to the high base from the previous year (the year-on-year growth rate in the first half of 2025 was 68%), but the year-on-year decline narrowed quarter by quarter. In adult apparel, technologies from the "Cotton Tech" platform (Cotton Soft, Cotton Breathable, Cotton Warm, Cotton Cool, Cotton Anti-UV, Cotton Anti-Bacterial, Pure Cotton Core Technology, etc.) have been fully applied across products. The Company strategically focused on close-to-skin categories such as underwear and loungewear, generating cumulative operating revenue of RMB580 million in the first half of the year, representing a year-on-year increase of 10.8%. Baby and child apparel and products generated cumulative revenue of RMB520 million during the Reporting Period, representing a year-on-year increase of 12.1%, driven by improvements in product fabrics and design aesthetics. Purcotton continued to enrich its product portfolio and enhance product competitiveness through R&D and innovation. As of the end of the Reporting Period, Purcotton had been granted a total of 600 patents.

By channel, in the first half of 2026, Purcotton continued to develop its online channels, focusing on building a competitive new-product and popular-product matrix for its strategic products. During the Reporting Period, online channels generated operating revenue of RMB1.78 billion, representing a year-on-year increase of 4.1% and accounting for 63% of consumer products business revenue. Notably, online sales growth accelerated to double digits in the second quarter. Social commerce platforms continued to deliver strong growth; for example, Douyin recorded nearly 20% year-on-year growth in the first half of the year, accounting for 15% of online sales. As important touchpoints for brand promotion, product experience, and customer service, Purcotton's physical stores continued to develop steadily. As of the end of the first half of 2026, the Company had 508 stores, including 387 directly operated stores and 121 franchised stores. During the first half of the year, 11 new stores were opened, including 6 directly operated stores and 5 franchised stores. During the Reporting Period, physical stores generated operating revenue of RMB720 million, remaining flat year-on-year and accounting for 25%. The supermarket channel also continued to grow, generating revenue of RMB280 million during the Reporting Period, representing a year-on-year increase of 12.2% and accounting for 10%. As of the end of the Reporting Period, Purcotton's total omnichannel membership reached nearly 75 million, an increase of 7.1% from the end of last year, reflecting continued growth in brand penetration.

③ Analysis of the Company's profitability and assets

In the first half of 2026, the medical business faced significant cost-control challenges from rising raw material prices and sea freight costs. Through comprehensive measures, including new product iteration, cost reduction, and efficiency improvements, the Company increased the gross margin of its medical main business by 1.3 percentage points to 38.7%. However, the appreciation of the RMB adversely affected the export business, resulting in a 1.5-percentage-point decline in operating margin to 7.1%. For the consumer products business, the Company focused on strategic products, strengthened discount management, and refined its operations to mitigate the impact of rising raw material prices. As a result, the gross margin and operating margin of the main business both increased by 0.2 percentage points, reaching 58.9% and 14.2%, respectively. The Company's overall net profit attributable to the parent company was RMB510 million, representing a year-on-year increase of 4.4%. Due to RMB appreciation, exchange losses in the first half of the year increased by approximately RMB80 million compared with the same period last year.

In terms of assets, as of the end of the first half of 2026, the Company's total assets reached RMB18.97 billion, an increase of 3.1% from the beginning of the year. The asset-liability ratio was 34.2%, remaining at a relatively low level. Cash and wealth management products totaled RMB6.66 billion, accounting for 35.1% of total assets. Overall asset quality remained strong.

In terms of shareholder returns, the Company continued to implement its "Dual Improvement of Quality and Return" action plan, rewarding shareholders for their support through consistent cash dividends and share repurchases. The profit distribution plan for the first half of 2026 is as follows: a cash dividend of RMB5.0 per 10 shares (tax inclusive), with a proposed total cash dividend of RMB290 million. During the first half of the year, the Company paid RMB130 million in cash for share repurchases. Together, these two items accounted for approximately 81.2% of the net profit attributable to shareholders of the listed company for the first half of 2026. On 30 April 2026, the Company simultaneously disclosed the "Future Three-Year Shareholder Return Plan (2026-2028)" and the "Announcement on Repurchase of Company Shares for Cancellation." The Company clarified that, provided that its sustainable operations and long-term development are ensured, if the Company remains profitable and there are no material adverse changes in the external operating environment or its operating conditions, the annual cash dividend payout ratio will, in principle, be no less than 55% over the next three years. The Company also announced a share repurchase plan of RMB200 million to RMB400 million, with all repurchased shares to be cancelled to increase earnings per share. As of 21 August 2026, the Company had cumulatively repurchased approximately 8.0468 million shares, with a total transaction amount of approximately RMB230 million.

④ Outlook for future development

Throughout Winner Group's development, the Company has successfully navigated five economic cycles. Through this journey, we have remained true to our original aspirations, continuously building on our strengths, preserving our heritage, and carrying our values forward. The Company has consistently adhered to its core business principles of "Quality over the Profit, Brand over the Speed, and Social Value over the Corporate Value." Guided by the development strategy of "Product Leadership, Operational Excellence, Brand Advancement, and Digital Empowerment," the Company has continued to pursue dual-track growth across the medical and consumer products businesses, drive coordinated expansion across domestic and global markets, and promote integrated growth across online and offline channels. Upholding the principles of altruism and long-termism, the Company remains committed to delivering safe, high-quality, cost-effective products and exceptional experiences to consumers worldwide.

(II) Operational management

(1) Brand building

In the first half of 2026, Winner Group remained firmly focused on the core strategy of "Product Leadership, Operational Excellence, Brand Advancement, and Digital Empowerment," elevating the brand development of Winner Medical and Purcotton to new levels.

High-profile presence at CISCE, continuously amplifying brand visibility. In June, Winner Medical and Purcotton participated in the 4th China International Supply Chain Expo (CISCE). As two leading companies in the Healthy Life Chain Pavilion, they showcased a complete ecosystem spanning from cotton fields to operating rooms under the theme "One Cotton Flower Changes the World," attracting extensive coverage from authoritative media outlets including CCTV, CCTV.com, Xinhuanet, and People's Daily Online.

① Winner Medical brand building

Led by its green operating room strategy, accelerating the development of a professional brand system. Centered on its comprehensive "green operating room" solution, the Company is advancing toward its strategic goal of becoming "China's No. 1 green operating room brand." In the first half of the year, the Company actively participated in leading domestic and international academic conferences, independently organized in-hospital symposiums and departmental meetings, and engaged deeply in the optimization of clinical pathways through initiatives such as health economics research. These efforts have helped elevate its products from being merely "market accessible" to becoming the "preferred clinical choice," further strengthening Winner Medical's position as a trusted brand among healthcare professionals worldwide.

Brand warmth and professional expertise advancing in parallel. By extending medical-grade quality to mass-market sports protection scenarios, the Company sponsored the One Foundation "Walk for Love" public welfare activity and the "Blooming Her" Kunpeng Trail hiking activity. Through initiatives such as the "Scientific Wound Care Trilogy," the Company fulfilled its social responsibilities through professional expertise while fostering a deeper emotional connection between the brand and its target audiences.

Deepening global expansion. The Vietnam production investment project officially commenced construction, marking a shift from "product globalization" to "capacity globalization" and setting a new benchmark for Chinese medical brands with a global outlook.

Winner Medical continues to safeguard health through medical technology while driving the continued enhancement of brand value across the healthcare industry.

② Purcotton brand building

Guided by "Brand Advancement," Purcotton continues to deepen its emotional connection with consumers through authentic actions and meaningful communication. By conveying the values of reassurance, wellbeing, and sustainability, the brand is building an image that is both strong and warm. In January, Purcotton's New Year Happiness Red Pavilion was launched in Chengdu, Chongqing, Wuhan, Xi'an, Kunming, and Beijing, inviting consumers to experience the festive spirit through a variety of interactive activities. On March 2, Nice Princess, Purcotton's feminine care brand, officially announced Lu Yuxiao as its "Beautiful Life Ambassador." On March 18, Purcotton officially announced Zhang Linghe as the Global Brand Ambassador for home and leisure apparel. At the same time, the "More Comfortable Life with Purcotton at Home" brand-themed exhibition was launched in eight cities nationwide. At the end of March, Purcotton made its debut at China International Fashion Week, showcasing the comfort and sustainable fashion of cotton through a themed "Quality Craftsmanship" show. In April, Purcotton and brand ambassador Guo Jingjing jointly launched the themed short film "A Mother's Sense of Security" and the "Newborn Sense of Security Protection Plan." Extending beyond products to knowledge support and caring services in urban public spaces, the initiative brought the brand proposition "For the First Piece of Newborn, Choose Purcotton with Peace of Mind" to life and further embedded it in consumers' minds. In May, Nice Princess's "Beauty for Her" campaign returned, partnering with the China Hearing Medical Development Foundation to launch the "Menstrual Care Action for Hearing-Impaired Women." Through health education and care packages, the campaign delivered warmth and support to women with hearing impairments. On May 29, Purcotton's city flagship store at Xiamen MIXC opened, with "More Comfortable Life with Purcotton at Home" as its design concept. Featuring six major lifestyle scenarios, the store offers an immersive experience of a comfortable, healthy, and eco-friendly pure cotton lifestyle.

(2) Product R&D

① Winner Medical product R&D

In the first half of 2026, Winner Medical continued to advance innovation in pure cotton spunlace non-woven materials, advanced wound care technologies, and cutting-edge biomaterials, with a focus on upgrading core material formulations and continuously advancing product and technology development. In the field of operating room consumables, the Company continued to advance its strategy of "replacing synthetic fibers with pure cotton" while further enhancing the performance of pure cotton spunlace non-woven fabrics. By optimizing fiber interweaving processes and finishing technologies, the Company significantly improved the bacterial barrier properties, blood penetration resistance, and wearing comfort of high-volume consumables such as surgical gowns, further advancing its end-to-end "green operating room" solution. In the advanced wound dressings sector, the Company continued to strengthen its technological capabilities and domestic substitution strategy, focusing on the independent R&D and production of core raw materials for advanced wound dressings. Class III hydrocolloid dressings have entered the registration stage, while new-generation functional scar dressings and medical hydrogel dressings have successfully obtained medical device registration certificates. In the bioactive dressings business, the Company continued to advance the development and upgrading of collagen substrates while expanding into new antibacterial dressing categories. The Company's fully independently developed collagen raw materials have been applied to medical-aesthetic facial mask products, achieving large-scale production and commercial launch. This further establishes a pathway for the commercialization of bioactive raw materials in downstream medical-aesthetic and medical products, while strengthening the Company's technological advantages and commercialization capabilities across multiple product lines, including medical dressings, medical-aesthetic dressings, and functional protective dressings. In the field of respiratory protection, the Company made significant progress in product innovation. The activated carbon cotton inner-layer mask was successfully launched. By combining activated carbon with pure cotton substrates, the mask effectively adsorbs harmful gases such as formaldehyde and oil fumes, expanding the application of cotton inner-layer masks into new scenarios, including industrial protection and home air purification. Significant progress was also made in the R&D of double-sided cotton masks. Featuring a soft, double-layer cotton structure, the product provides a more skin-friendly feel and improved breathability while further enhancing its biodegradability and environmental performance. The Company also achieved key technological breakthroughs in developing medical surgical protective masks with cotton inner layers specifically for operating rooms. The products demonstrated significant clinical trial results and excellent performance, further strengthening the Company's core competitiveness in medical surgical masks.

② Purcotton product R&D

In the first half of 2026, Purcotton implemented its strategy of "Product Leadership, Material First." For non-woven products, the Company continued to advance technologies such as self-softening and sterilization while expanding their application scenarios. For woven products, leveraging its nine Cotton Tech technologies, the Company focused on core categories and promoted collaborative innovation and commercialization across cotton-based materials, weaving and functional technologies, and end products, comprehensively enhancing product experiences across multiple scenarios.

The Company's core R&D achievements during the period were significant. In spinning technology, ultra-low-twist, high-strength yarns entered mass production, achieving a 10% reduction in twist while maintaining stable strength. The fabric's anti-pilling performance reached Grade 4, enhancing the overall quality of intimate wear, baby and children's products, and home bedding. Wind Soft Cotton 5.0 was also upgraded, with a 45% increase in fluffiness and significantly improved resilience and resistance to deformation, making it suitable for close-to-skin applications for infants and people with sensitive skin.

In the fabric field, the Company independently developed a high-elasticity technology for pure cotton warp-knitted pants, optimizing fabric stability and stretchability to address deformation and restricted movement after prolonged wear. It also developed an innovative pure cotton softshell composite fabric that combines warmth, abrasion resistance, deformation resistance, and fluorine-free water repellency while retaining the breathability and skin-friendly properties of pure cotton, making it suitable for commuting and light outdoor activities. At the same time, the Company completed process upgrades for 200S high-count yarns, snow-touch fabrics, and self-softening technologies, significantly improving the texture and comfort of baby and children's products, intimate wear, and home textiles.

In functional materials, the Company implemented pure cotton odor-control, wash-resistant, and quick-drying finishing technologies to effectively address issues such as odor after prolonged wear and the slow drying of cotton products. The Company also combined fluorine-free water repellency with UV protection, delivering both environmental benefits and enhanced functionality and significantly improving product adaptability for commuting and outdoor scenarios.

Non-woven consumer products continued to be optimized and upgraded. Baby wipes adopted a minimalist preservative formula based on natural plant extracts, with fewer ingredients and mild properties, making them suitable for baby and children's care as well as sensitive skin. Pure cotton spunlace cotton tissues leveraged the excellent properties of pure cotton to meet a wide range of everyday needs. Disposable travel products were upgraded in terms of patterns and substrates, significantly improving comfort, fit, and portability for travel scenarios.

The Company further deepened industry-academia-research-medical collaboration, conducting specialized research on skin health, fabric comfort, ergonomics, and other areas in partnership with multiple institutions. By establishing a user experience-centered validation system, the Company is applying scientific research findings to product development and iteration with greater precision.

Going forward, the Company will continue to deepen its core cotton-based technologies and drive innovation across materials, processes, functions, and application scenarios. It will develop high-quality, safe, and environmentally friendly pure cotton products while strengthening its technological advantages and differentiated competitiveness in the cotton lifestyle sector.

(3) Digital and intelligent transformation

In the first half of 2026, the Company continued to deepen its digital transformation, leveraging artificial intelligence as a key driver to improve operational efficiency, optimize business processes, and strengthen decision-making capabilities. This accelerated the evolution of its digital capabilities from process digitization and data assetization toward intelligent business operations. The Company continued to enhance its AI application framework around a unified AI entry point, intelligent execution capabilities, and an enterprise-level technology foundation, steadily expanding AI applications from employee productivity scenarios to professional business processes and business decision-making. Based on business needs, the Company introduced and adapted mainstream large language model capabilities, strengthened the integration of knowledge, data, processes, and AI, and simultaneously enhanced data security, access controls, compliance reviews, and human review mechanisms. The medical business segment continued to advance the digitalization of marketing and customer operations by upgrading the end-to-end customer relationship management system for domestic retail and strengthening customer management, sales process collaboration, and marketing activity support. The development of the overseas core business management system made phased progress, with the overall plan and direction for global templates completed. The Company continued to promote the standardization of business processes, data standards, and management rules, laying a solid foundation for global business collaboration and more refined operations. The Group's financial shared services platform progressed in an orderly manner, with continuous improvements in shared services, organizational collaboration, approval efficiency, and the employee experience. The Purcotton business accelerated the integration of online and offline operations with AI applications, continuously strengthening its digital foundation of "unified platform, data-driven, and intelligent empowerment" across key areas including products, users, stores, marketing, and fulfillment. In product and store operations, the Company promoted applications such as intelligent picking, intelligent store inspections, and assisted display recognition, improving store operating standards and execution efficiency. In user operations, the Company applied capabilities such as intelligent customer outreach, consumer feedback analysis, and intelligent marketing to translate user insights into product and service improvements and support the transition of member operations from scale-driven growth to more refined, tiered management. In business management, the Company strengthened data analysis, anomaly detection, and operational decision support, improving management efficiency across multiple levels of the organization. The manufacturing and supply chain segment continued to advance the development of smart manufacturing and smart logistics, using digital and intelligent technologies to improve operational efficiency across warehousing networks, facilities and equipment, workforce allocation, inventory management, and operational processes. Using the Jingmen base as a pilot, the Company promoted data connectivity and system integration across products, production, warehousing, and logistics, exploring a digital closed loop spanning production planning, process execution, and warehouse fulfillment, while gradually building replicable capabilities in smart manufacturing and smart supply chain management. Overall, in the first half of 2026, the Company continued to strengthen its global business management platform, data governance, data applications, and AI capabilities, embedding artificial intelligence more deeply into actual business processes. Guided by the goals of improving efficiency, optimizing costs, enhancing quality, accelerating response times, and reducing risks, these efforts supported the implementation of the Company's strategy of "Product Leadership, Operational Excellence, Brand Advancement, and Digital Empowerment."

2. YoY Changes in Key Financial Data

	Current Reporting Period	Same period last year	Year-on-year increase/decrease	Reason for change
Revenue	5,486,211,258.52	5,296,211,956.92	3.59%	
Operating costs	2,798,167,916.13	2,736,394,780.72	2.26%	
Selling expenses	1,319,852,862.34	1,254,903,652.81	5.18%	
Administrative expenses	429,235,127.33	436,173,126.72	-1.59%	
Finance expenses	66,398,193.28	-11,332,380.95	685.92%	Primarily due to an increase in exchange losses during the period
Income tax expenses	117,100,459.42	127,441,441.90	-8.11%	
R&D expenses	192,440,074.86	194,377,566.90	-1.00%	
Net cash flows from operating activities	313,432,891.06	339,925,774.07	-7.79%	
Net cash flow from investing activities	-300,742,384.15	524,259,605.55	-157.37%	Primarily due to a higher purchase of wealth management products during the period
Net cash flow from financing activities	243,072,314.02	-741,438,610.09	132.78%	Primarily due to lower cash payments for the repayment of debts during the period

Net increase in cash and cash equivalents	210,128,119.36	129,989,002.56	61.65%	Primarily due to higher net cash flows from financing activities during the period

Significant changes in the profit composition or profit source of the Company during the Reporting Period

☐Applicable √N/A

There was no significant change in the profit composition or profit source of the Company during the Reporting Period.

Products or services accounting for more than 10%

√Applicable ☐N/A

Unit: RMB

	Revenue	Operating costs	Gross profit margin	Year-on-year increase/decrease of revenue	Increase or decrease in costs over the same period of the previous year	Year-on-year increase/decrease of gross profit margin
By products or services						
Medical consumables	2,588,000,112.47	1,585,851,406.86	38.72%	2.89%	0.70%	1.34%
Consumer goods	2,844,222,859.14	1,170,012,868.47	58.86%	3.60%	3.02%	0.23%
By products						
Medical consumables - Traditional wound care and bandaging products	555,166,300.32	367,678,208.74	33.77%	-2.29%	-5.16%	2.01%
Medical consumables – operating room consumables	800,115,315.89	538,872,560.47	32.65%	7.70%	3.75%	2.56%
Consumer goods – dry and wet cotton tissues	897,611,109.37	443,808,455.80	50.56%	10.42%	9.74%	0.30%
Consumer goods – adult apparel	577,238,711.57	180,864,466.20	68.67%	10.83%	7.09%	1.09%
By regions						
Domestic	3,841,148,120.05	1,801,648,431.79	53.10%	3.15%	3.15%	0.00%
Abroad	1,591,074,851.56	954,215,843.54	40.03%	3.55%	-1.00%	2.75%

The Company is subject to the disclosure requirements for "Textile and Apparel Related Business" in the Shenzhen Stock Exchange Listed Company Self-Regulation Guidelines No. 3 – Industry Information Disclosure.

Unit: RMB

	Revenue	Operating costs	Gross profit margin	Year-on-year increase/decrease of revenue	Increase or decrease in costs over the same period of the previous year	Year-on-year increase/decrease of gross profit margin
By industries						
Consumer goods	2,844,222,859.14	1,170,012,868.47	58.86%	3.60%	3.02%	0.23%
By products						
Consumer goods – dry and wet cotton tissues	897,611,109.37	443,808,455.80	50.56%	10.42%	9.74%	0.30%
Consumer goods – sanitary napkins	477,614,012.43	153,587,287.44	67.84%	-10.34%	-9.04%	-0.46%
Consumer goods – other non-woven products	178,556,012.37	108,149,940.99	39.43%	-10.51%	-9.30%	-0.81%
Consumer goods – baby and child apparel and products	521,066,535.17	202,593,871.46	61.12%	12.08%	11.19%	0.31%
Consumer goods – adult apparel	577,238,711.57	180,864,466.20	68.67%	10.83%	7.09%	1.09%
Consumer goods – other woven products	192,136,478.23	81,008,846.58	57.84%	-10.41%	-12.07%	0.79%
By regions						

In cases where the statistical criteria for the Company's main business data has been revised during the Reporting Period, the Company's main business figures for the most recent one-year period, restated in accordance with the criteria applied as of the end of the Reporting Period

☐Applicable √N/A

Does the Company have physical store sales terminals?

√Yes ☐No

Physical store distribution

Store type	Number of stores	Total area (square meters)	Number of new stores during the Reporting Period	Number of stores closed at the end of the Reporting Period	Reason for closures	Brands involved
Directly operated	387	113,936	6	6	Store closure due to contract expiration and strategic planning	Purcotton
Franchised	121	26,476	5	2	Store closure due to contract expiration and strategic planning	Purcotton

Note: During the Reporting Period, certain directly operated stores were converted to franchised stores, or vice versa. Such conversions are not counted as new store openings or closures, and the opening balances have been adjusted based on the number of stores.

Total area of directly-operated stores and store efficiency

Area range	Number of stores	Total area (square meters)	Operating revenue from January to June 2026 (RMB0'000)	Same period last year	Year-on-year change in average store efficiency	Reasons
Less than 300 square meters	227	47,803.43	31,237.08	31,173.21	0.20%	
300-500 square meters	108	39,178.20	21,312.12	21,714.59	-1.85%	
500-800 square meters	20	12,565.89	5,110.11	5,704.72	-10.42%	
More than 800 square meters	5	4,651.82	1,311.16	1,417.13	-7.48%	
Total	360	104,199.34	58,970.47	60,009.65	-1.73%	

Note: The above represents same-store year-on-year comparison for Purcotton stores that have been open for more than 12 months as of 30 June 2026.

The top five stores in terms of operating revenue

Serial number	Store name	Opening date	Operating revenue (RMB)	Store efficiency per square meter
1	Ranking first	25 October 2017	5,896,282.85	14,583.93
2	Ranking second	06 August 2012	5,102,375.20	19,181.86
3	Ranking third	11 November 2017	5,092,873.45	4,592.31
4	Ranking fourth	18 January 2018	4,793,946.89	11,496.28
5	Ranking fifth	15 May 2010	4,572,632.04	7,029.41
Total	--	--	25,458,110.43	8,942.71

New stores of listed companies

√Yes ☐No

Store name	Store address	Opening time	Area in contract (Square meter)	Investment amount (RMB0'000)	Product categories	Business format	Business model	Property ownership status	Number of stores
Purcotton directly operated store	East China Zhejiang-Shanghai-Fujian Region	2026	1,427.00	668.83	Consumer goods	Retail	Directly operated store	Leased by Purcotton	3
Purcotton directly operated store	East China Jiangsu-Anhui Region	2026	211.00	155.43	Consumer goods	Retail	Directly operated store	Leased by Purcotton	1
Purcotton directly operated	North China	2026	360.00	182.17	Consumer goods	Retail	Directly operated store	Leased by Purcotton	1

store									
Purcotton directly operated store	Northwest China	2026	527.00	194.34	Consumer goods	Retail	Directly operated store	Leased by Purcotton	1
Purcotton franchised stores	North China	2026	414.00	61.15	Consumer goods	Retail	Franchised stores	Franchised by Purcotton	2
Purcotton franchised store	South China	2026	208.00	42.01	Consumer goods	Retail	Franchised stores	Franchised by Purcotton	1
Purcotton franchised store	Northwest China	2026	294.10	60.60	Consumer goods	Retail	Franchised stores	Franchised by Purcotton	2
Total			3,441.10	1,364.53					11

Does the Company disclose information about its top five franchised stores?

☐Yes √No

IV. Other Information Required by the Disclosure Guidelines for Textile and Apparel-Related Sectors

1. Production capacity

The Company's own production capacity

	Current Reporting Period	Same period last year

Capacityutilization rate year-on-year change exceeding 10%

√Yes ☐No

Business category	Product Categories	Unit	January-June 2026			January-June 2025			Proportion of change in production capacity utilization rate	Change reason description
			Production capacity	Output	Capacity utilization rate	Production capacity	Output	Capacity utilization rate		
Consumer goods	Sanitary napkins	'0,000 pieces	64,876	42,863	66.07%	72,986	72,695	99.60%	-33.53%	Due to a surge in order volume during the same period last year, temporary measures were taken to increase production capacity. During the current period, production was scheduled under normal operating conditions, resulting in a corresponding reduction in effective production

	time.

Is there overseas capacity?

☐Yes √No

2. Sales Model and Channels

Sales channels and actual operation of products

The Company's textile and apparel-related business falls within the consumer goods industry, with online sales and physical stores serving as its main sales channels.

Unit: RMB

Sales channels	Revenue	Operating costs	Gross profit margin	Change in operating revenue compared to the same period last year (%)	Change in operating costs compared to the same period last year (%)	Change in gross margin compared to the same period last year (%)
Online sales	1,778,288,072.08	793,740,079.12	55.36%	4.14	4.41	-0.12
Physical stores	724,933,337.03	217,868,001.79	69.95%	0.10	-7.12	2.33

Reasons for change

3. Selling Expenses and Composition

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period	Year-on-year increase/decrease	Reason for change
Employee compensation	371,564,957.44	351,756,153.04	5.63%	Without significant changes
Travel expenses	17,110,775.89	15,038,995.11	13.78%	Without significant changes
Office communication costs	10,828,534.25	8,503,507.92	27.34%	Without significant changes
Sales commissions and expenses from the e-commerce platform	138,761,589.51	144,526,632.13	-3.99%	Without significant changes
Depreciation and amortization	112,477,625.82	121,179,518.36	-7.18%	Without significant changes
Advertising and promotion expenses	558,441,510.83	501,245,493.81	11.41%	Without significant changes
Lease and property management expenses	78,009,852.01	68,438,212.02	13.99%	Without significant changes
Others	32,658,016.59	44,215,140.42	-26.14%	Without significant changes
Total	1,319,852,862.34	1,254,903,652.81	5.18%	Without significant

	changes

4. Franchise and Distribution

Franchisees and distributors achieved a sales revenue as a percentage over 30%

☐Yes √No

Top five franchisees

Serial number	Franchisee name	Date of start for cooperation	Is it a related party	Total sales amount (RMB)	Franchisee's level
1	Ranking first	09 November 2020	No	9,326,343.15	the first level
2	Ranking second	28 December 2022	No	6,714,354.79	the first level
3	Ranking third	16 June 2023	No	5,602,804.88	the first level
4	Ranking fourth	24 December 2020	No	5,357,151.93	the first level
5	Ranking fifth	01 June 2021	No	4,751,484.47	the first level
Total				31,752,139.22	

Top five distributors

Serial number	Franchisee name	Date of start for cooperation	Is it a related party	Total sales amount (RMB)

5. Online Sales

Online sales revenue accounted for more than 30% of total sales revenue

√Yes ☐No

The Company's primary operation model involvessetting up onlinestores on third-party e-commerce platformssuch as Tmall, JD.com, and Douyin to sell products directly to end consumers. Under the direct sales model of e-commerce, the goods are delivered and control is transferred to the consumer. The revenue is recognised when the consumer confirms receipt of the goods.

Were self-owned sales platforms built?

√Yes ☐No

Date of start for operation	06 January 2014
Number of registered users	18,042,219
Average number of monthly active users	1,455,286

Was there cooperation with third-party sales platforms?

√Yes ☐No

Unit: RMB

Platform name	Transaction amount during the Reporting Period	Return rate
Taobao/Tmall ecosystem (consumer goods)	823,462,832.62	3.67%

Opening or closing of online sales channels by the Company

☐Applicable √N/A

Explain the impact on the Company's current and future development

6. Outsourced Operation Model

Does it involve an outsourced operation model?

☐Yes √No

7. Inventory

Inventory

Main products	Inventory turnover days	Inventory amount (RMB)	Inventory aging	Year-onyear change in inventory balance (RMB)	Reasons
Raw materials and materials consigned for processing		457,380,483		46,957,399	
Work in process		291,879,123		26,947,478	
Goods on hand		1,311,163,902		18,985,749	
Goods in transit		52,976,553		16,992,984	
Low-value consumables		13,325,463		628,858	
Total	141	2,126,725,524		110,512,469	

Provision for inventory decline

Unit: RMB

Item	Openning balance	Increase in current period		Decrease in current period		Closing balance
		Provision	Others	Reversal or write-back	Others	
Raw materials	16,092,327.97	2,089,373.89		4,378,876.61		13,802,825.25
Work in process	18,180,794.50	4,291,985.80		14,383,190.38		8,089,589.92
Goods on hand	93,362,105.64	44,059,156.39		36,094,340.63		101,326,921.40
Low-value consumables	931,993.41			17,962.22		914,031.19
Total	128,567,221.52	50,440,516.08		54,874,369.84		124,133,367.76

Inventory information of end channels such as franchises or distributors

Purcotton has 121 franchised stores in operation. The business model for the franchised stores is that the franchisees are responsible for the construction and daily operation of the stores, while Purcotton provides goods, training, and supply chain support. Revenues generated from franchised stores sales are shared between Purcotton and the franchisees. Purcotton retains ownership of inventory held in franchised stores. As of 30 June 2026, the inventory balance was RMB45.58 mil lion, averaging RMB380,000 per store.

8. Brand Building

Does the Company engage in the production and sale of branded garments, apparel, and home textile products?

√Yes ☐No

Proprietary brand

Brand name	Trademark name	Main product type	Characteristics	Target customer group	Price range of main products	Main sales area	City tier
Purcotton	Purcotton	Cotton tissues	Made of 100% high-quality natural cotton without fluorescent whitening agent; mild and non-irritating; meeting the daily needs of consumers	All age groups	RMB5-30/pack (100 pieces)	Nationwide	Second-tier, thirdtier and above cities nationwide
Purcotton	Nice Princess	Sanitary napkins	100% cotton surface layer (surface layer, spacer, sanitary wing surface layer)	Age-appropriate female population	RMB1.5-4.99/pad	Nationwide	Second-tier, thirdtier and above cities nationwide
Purcotton	Nice Baby	Cotton diapers	100% cotton surface layer, unique in the market, care from natural cotton; with ultra-thin 2mm super-absorbent core that holds up to 28 times its weight in liquid	Caregivers of infants	RMB2.45-5.45/piece	Nationwide	Second-tier, thirdtier and above cities nationwide
Purcotton	Purcotton	Wet wipes	100% cotton material; soft and non-slippery; gentle and non-irritating	All age groups	RMB20-40/pack	Nationwide	Second-tier, thirdtier and above cities nationwide
Purcotton	Purcotton	Baby and Child products/apparel	100% cotton material without fluorescent nor formaldehyde; the unique gauze fabric to provide more comfortable care	Expecting mothers, newborns, infants and toddlers	RMB100-500/piece	Nationwide	Second-tier, thirdtier and above cities nationwide
Purcotton	Purcotton	Adult apparel/intimate wear	100% cotton material; high-quality cotton without fluorescent nor formaldehyde; soft to the touch; the unique gauze fabrics to provide more comfortable care	Adult apparel: age-appropriate adult men and women; Intimate clothing: all age groups of customers	Outerwear: RMB150-800/piece; sleepwear: RMB200-800/piece; thermal underwear: RMB200-600/piece; underpants: RMB58-108/piece (pack); socks: RMB20-40/pair	Nationwide	Second-tier, thirdtier and above cities nationwide
Purcotton	Purcotton	Bedding, bath products	100% cotton material; high-quality cotton without fluorescent nor formaldehyde; soft to the touch; the unique gauze fabrics to provide more comfortable care	Expecting mothers, newborns, babies, infants, toddlers and adults	Children's bedding: RMB268-1,698/set; Toddler bedding: RMB198-1,098/set; Adult bedding: RMB268-3,198/set; Bath products: RMB38-398/piece	Nationwide	Second-tier, thirdtier and above cities nationwide

Partner brands

Brand name	Trademark name	Main product type	Characteristics	Target customer group	Price range of main products	Main sales area	City tier	Brand and trademark rights ownership	Partner name	Cooperation mode	Cooperation period

Licensed brand

Brand name	Trademark name	Main product type	Characteristics	Target customer group	Price range of main products	Main sales area	City tier	Authorizing party	Authorization period	Is it an exclusive authorization?

Marketing and operation of each brand during the Reporting Period

For detailed information, please refer to "Section III Management Discussion and Analysis" – "III. Analysis of Main Business" of this Report.

Disputes related to trademark ownership

☐Applicable √N/A

9. Others

Does the Company engage in apparel design-related business?

√Yes ☐No

Number of in-house fashion designers	39	Number of contracted fashion designers	0
Operation of established designer platform	PLM system, 3D design platform, and digital color tools		

Does the Company hold order meetings?

☐Yes √No

V. Non-Core Business Activities

√Applicable ☐N/A

Unit: RMB

	Amount	Proportion of total profit	Reason	Sustainability
Investment income	9,965,393.41	1.50%	Primarily due to matured returns on wealth management products and recognised gains from associates	Associate income is sustainable; others are not
Gains and losses from changes in fair value	31,032,052.63	4.69%	Primarily due to changes in fair value of wealth management products	No
Asset impairment	-37,175,924.45	-5.61%	Primarily due to provision for inventory write-down	No
Non-operating revenue	4,037,383.38	0.61%	Primarily due to gains from the disposal of non-current assets and other non-operating income	No
Non-operating expense	6,688,151.10	1.01%	Primarily due to losses from the disposal of non-current assets	No
Credit impairment loss	-7,345,527.12	-1.11%	Primarily due to expected credit loss provisions for accounts receivable and other receivables	No
Gains on disposal of assets	-478,162.30	-0.07%	Primarily due to disposal of noncurrent assets	No
Other revenue	43,044,484.26	6.50%	Primarily due to receipt of government grants related to business operations	Tax relief and reductions and cotton transport subsidies are sustainable; others are not

VI. Analysis of Assets and Liabilities

1. Significant Changes in Asset Composition

Unit: RMB

	End of the Reporting Period		End of the previous year		Change in percentage	Explanation of significant changes
	Amount	Proportion changes of total assets	Amount	Proportion changes of total assets		
Currency fund	1,795,389,119.40	9.46%	1,593,989,319.92	8.66%	0.80%	Without significant changes
Accounts receivable	1,121,776,230.09	5.91%	1,040,873,548.50	5.66%	0.25%	Without significant changes
Inventories	2,126,725,523.82	11.21%	2,016,213,055.34	10.95%	0.26%	Without significant changes
Investment properties	1,004,639.45	0.01%	1,454,295.27	0.01%	0.00%	Primarily due to depreciation provided during the period
Long-term equity investments	454,677,644.46	2.40%	478,989,825.04	2.60%	-0.20%	Without significant changes
Fixed assets	4,138,743,158.96	21.82%	4,199,969,234.92	22.82%	-1.00%	Without significant changes
Construction in progress	492,588,739.83	2.60%	511,625,219.44	2.78%	-0.18%	Without significant changes
Right-of-use assets	502,894,087.30	2.65%	554,782,629.68	3.01%	-0.36%	Without significant changes
Short-term borrowings	2,243,763,641.49	11.83%	1,836,629,579.24	9.98%	1.85%	Without significant changes
Contract liabilities	175,162,613.43	0.92%	169,914,491.43	0.92%	0.00%	Without significant changes
Long-term borrowings	158,330,000.00	0.83%	50,000,000.00	0.27%	0.56%	Primarily due to an increase in borrowings from banks during the period
Lease liabilities	376,062,536.06	1.98%	416,875,073.97	2.27%	-0.29%	Without significant changes
Notes receivable	14,710,897.33	0.08%	39,357,178.51	0.21%	-0.13%	Primarily due to fewer bank acceptance bills received during

						the period
Advances to Suppliers	317,089,623.75	1.67%	179,318,742.70	0.97%	0.70%	Primarily due to an increase in prepayments for cotton and other goods
Non-current assets due within a year	673,052,787.67	3.55%	432,793,859.90	2.35%	1.20%	Primarily due to an increase in certificates of deposit due within one year
Other non-current assets	1,215,146,750.80	6.40%	1,657,761,021.19	9.01%	-2.61%	Primarily due to a decrease in certificates of deposit with maturities over one year
Treasury shares	133,637,343.38	0.70%	4,187,537.10	0.02%	0.68%	Primarily due to share repurchases during the period
Other comprehensive income	-36,177,752.76	-0.19%	-11,835,038.99	-0.06%	-0.13%	Primarily due to significant exchange rate fluctuations

2. Major Overseas Assets

☐Applicable √N/A

3. Assets and Liabilities Measured at Fair Value

√Applicable ☐N/A

Unit: RMB

Item	Opening balance	Fair value changes recognised in profit or loss for the current period	Cumulative fair value changes recognised in equity	Impairment in provision of current period	Purchases during the Reporting Period	Sales during the Reporting Period	Other changes	Closing balance
Financial assets								
1. Financial assets held for trading (excluding derivative financial assets)	2,825,378,695.56	31,032,052.63			2,289,160,712.24	1,886,000,000.00	-81,401.35	3,259,490,059.08
5. Other non-current financial assets	99,881,071.54						-1,008,649.77	98,872,421.77
Subtotal of financial assets	2,925,259,767.10	31,032,052.63			2,289,160,712.24	1,886,000,000.00	-1,090,051.12	3,358,362,480.85
Total of the above	2,925,259,767.10	31,032,052.63			2,289,160,712.24	1,886,000,000.00	-1,090,051.12	3,358,362,480.85

Other changes

Other changes were primarily exchange translation differences

Has there been any significant change in the measurement attributes of the Company’s major assets during the Reporting Period?

☐Yes √No

4. Restrictions on Asset Rights as of the End of the Reporting Period

For details, please refer to Section VIII Financial Report – VII. Notes to the Consolidated Financial Statements – 31. Assets with restricted ownership or use rights.

VII. Investment Analysis

1. Overall Situation

√Applicable □N/A

Investment amount in the Reporting Period (RMB)	Investment amount in the same period of the previous year (RMB)	Change percentage
2,401,118,346.41	456,139,517.21	426.40% Note

Note: Primarily due to an increase in the purchase of wealth management products during the period.

2. Significant Equity Investments Acquired during the Reporting Period

□Applicable √N/A

3. Significant Non-Equity Investments in Progress during the Reporting Period

√Applicable □N/A

Unit: RMB

Project name	Investment method	Investment in fixed assets or not	Industries involved in investment projects	Investment amount in the current Reporting Period	Cumulative actual investment amount as of the end of the Reporting Period	Source of funds	Project progress	Estimated income	Cumulative realized gains as of the end of the Reporting Period	Reasons for not meeting the scheduled progress and projected earnings	Date of disclosure (if any)	Disclosure index (if any)
Production base project for pure cotton spunlace non-woven fabric series products	Independent	Yes	Textile and apparel, etc.	111,957,634.17	111,957,634.17	Self-owned funds	5.6%	0.00	0.00	N/A	12 November 2025	CNINFO (HTTPS://.COM.CN/)
Total	--	--	--	111,957,634.17	111,957,634.17	--	--	0.00	0.00	--	--	--

4. Financial Assets Measured at Fair Value

√Applicable □N/A

Unit: RMB

Asset classes	Initial investment cost	Fair value changes recognised in profit or loss for the current period	Cumulative fair value changes recognised in equity	Purchase amount in the current Reporting Period	Sales during the Reporting Period	Accumulated investment income	Other changes	Closing balance	Source of funds
Others	1,906,758,973.68	23,637,576.81		2,139,160,712.24	1,636,000,000.00	10,903,588.50	-1,090,051.12	2,444,577,987.70	Self-owned funds
Trust products	1,000,000,000.00	7,394,475.82		150,000,000.00	250,000,000.00	6,149,675.38	0.00	913,784,493.15	Self-owned funds
Total	2,906,758,973.68	31,032,052.63		2,289,160,712.24	1,886,000,000.00	17,053,263.88	-1,090,051.12	3,358,362,480.85	--

5. The Use of Proceeds

□Applicable √N/A

The Company had no use of raised funds during the Reporting Period.

6. Entrusted Wealth Management and Derivative Investments

(1) Information of entrusted financial management

√Applicable □N/A

Overview of entrusted financial management during the Reporting Period

Unit: ’0,000 RMB

Product categories	Risk characteristics	Balance of entrusted wealth management during the Reporting Period	Overdue amount not recovered
Bank financial products	Principal guaranteed and floating income, non-principal guaranteed and floating income	230,774.38	0
Trust financial products	Non-principal guaranteed and floating income	90,000	0

Details regarding the Company’s engagement of financial institutions as a single client to conduct asset management or invest in high-risk wealth management products with lower safety and poorer liquidity

☐Applicable √N/A

(2) Derivatives investment

☐Applicable √N/A

No derivative investment in the Company during the Reporting Period

VIII. Disposal of Major Assets and Equity

1. Sale Disposal of Major Assets

☐Applicable √N/A

The Company had no disposal of major assets during the Reporting Period.

2. Disposal of Major Equity

☐Applicable √N/A

IX. Analysis of Principal Subsidiaries and Affiliates

□Applicable √N/A

The Company had no significant controlling or participating companies requiring disclosure during the Reporting Period.

X. Structured Entities Controlled by the Company

□Applicable √N/A

XI. Risks Faced by the Company and Countermeasures

1. Risk of Changes in Industry Policies and Standards and Countermeasures

The medical device industry, due to its direct connection to the life, health, and safety of users, is always subject to stringent government oversight. In recent years, with the continuous deepening of reforms in the pharmaceutical and healthcare systems, relevant government departments have introduced a series of regulations and policies in areas such as industry standards, bidding rules, pricing mechanisms, and distribution systems. The implementation of these policies has had a broad and profound impact on the development of the medical device industry. Should the Company fail to adapt swiftly to these profound policy changes, it could face operational challenges. As a result, the Company must remain vigilant of policy developments and actively adjust its business strategies to ensure both compliance and market competitiveness.

2. Risk of Raw Material Price Fluctuations and Countermeasures

The Company's core raw materials consist primarily of cotton and cotton-derived products, including cotton yarn and medical greige fabrics. Cotton prices are subject to a wide array of influencing factors, such as acreage under cultivation, climate conditions, inventory cycles, pricing policies, market demand, futures prices, international trade policies, and currency exchange rate fluctuations. Should raw material costs continue to rise while product pricing fails to adjust in parallel, the resulting inability to pass on costs may exert pressure on profit margins and adversely affect the Company's profitability. To mitigate this risk, the Company has implemented a cotton procurement and stocking mechanism. This includes increasing strategic inventory when prices are low, and deploying a price linkage mechanism during high-price periods to adjust retail pricing and optimize discount policies. In parallel, the Company opportunistically invests in cotton derivatives as a hedging tool to manage price volatility, thereby reducing its potential impact on financial performance.

3. Risk of Competition in the Consumer Goods Business

The markets for various categories of the Company’s consumer goods business are intensely competitive, with competitors ranging from established domestic and international brands to new market entrants. Competitors may strive for market share through price wars, increased marketing investment, product innovation, or channel expansion, which poses risks such as a decline in the Company’s market share, a slowdown in revenue growth, and pressure on profit margins. Meanwhile, consumer preferences evolve rapidly; if the Company fails to capture future consumption trends in a timely manner or suffers from insufficient innovation in product development, it may face adverse operating conditions. To mitigate these risks, the Company has established a stable management team and an efficient decision-making mechanism. We regularly formulate rigorous business plans to gain timely insights into market changes and maintain continuous R&D and innovation. By consistently adhering to the principles of product leadership and operational excellence, the Company strives to meet evolving consumer needs and enhance brand recognition.

4. Risk from Shifts in the International Trade Environment and Countermeasures

Currently, the global trade landscape remains volatile and complex, shaped by geopolitical tensions, tariff policy changes, adjustments to import and export policies, and fluctuations in international logistics costs. These dynamics may increase the costs and difficulties of the Company's overseas business. For the medical consumables segment, divergent regulatory standards across jurisdictions can result in burdensome product certification and market entry requirements, increasing both operational complexity and time-to-market. Failure to adapt swiftly to such changes may lead to order reductions, higher costs, and delayed deliveries. The Company will fully leverage GRI's global manufacturing footprint across the United States, the Dominican Republic, and Vietnam to restructure its supply chain system, and adjust its market deployment strategies with agility to minimize the potential operational impact of external uncertainties.

5. Risk of Exchange Rate Fluctuations and Countermeasures

The Company’s cross-border transactions are settled primarily in U.S. dollars and other major foreign currencies, notably involving the export of medical consumables. Exchange rate fluctuations have a dual impact – affecting both the competitiveness of product pricing in overseas markets and the cost structure of imported raw materials, as well as creating potential foreign exchange gains or losses. A substantial appreciation of the RMB exchange rate may impact the market competitiveness of the Company’s overseas products and result in corresponding foreign exchange losses, adversely impacting financial performance. To counter this, the Company has established a multi-tiered hedging framework. Key measures include: incorporating exchange rate adjustment clauses in contracts with long-term clients; shortening quotation cycles for new orders to improve responsiveness to currency fluctuations; executing forward foreign exchange contracts for hedging purposes, thereby locking in future settlement rates, and enhancing its foreign exchange monitoring and analytical capabilities to track currency market trends in real time and mitigate the impact of exchange rate volatility on profitability.

6. Risks of Cross-Border Acquisitions and Countermeasures

The Company successfully completed the acquisition projects of overseas equity, accelerating Winner Group’s global expansion. However, this also introduces various risks, including: fluctuations in international political and economic conditions; changes in the target country’s policies and regulations (such as legal systems, tariff policies, labor policies, and regulatory frameworks); exchange rate volatility; differences in cultures and business practices; and challenges related to the integration of management systems, personnel coordination, and technology transfer. These risks may hinder the integration process, result in lower-than-expected business synergies, and negatively impact the Company’s financial condition and operating results. To mitigate these risks, the Company will enhance communication and exchange with the acquired companies, deepen understanding of local culture, market environment, and regulatory systems, rigorously implement integration plans, continuously improve its risk assessment mechanisms, and strengthen compliance management and training to reduce the risks of cross-border acquisitions.

7. Risk of Goodwill Impairment and Countermeasures

To build a one-stop solution for medical consumables, Winner Medical has, in recent years, executed a series of strategic acquisitions to extend and strengthen its industrial value chain. As a result, a material amount of goodwill has accumulated. In accordance with accounting standards, goodwill must undergo annual impairment testing at the end of each fiscal year. If the operational performance of an acquired entity fails to meet expectations, a goodwill impairment may be triggered – resulting in a direct hit to current-period earnings and potentially impacting shareholder equity and market valuation. To address this risk, the Company has further enhanced its post-acquisition management system. Through strategic business integration, resource consolidation, and targeted management incentives, the Company aims to improve the operational performance of acquired entities, striving to minimize the risk of goodwill impairment and its downstream effects on financial statements.

8. Risk of Inability to Recover the Remaining Compensation from the Winner Investment Project in Heyuan and Countermeasures

Due to planning adjustments to the Heyuan Station forecourt and the High-Speed Rail New Town associated with the Ganzhou-Shenzhen high-speed railway, the Agreement on the Investment and Construction of Medical Kit and Cotton-Based Daily Necessities Production Project signed between the Company and the People's Government of Zijin County, Heyuan City in 2016 could not be executed. In November 2019, the Ganjiang New Area International Arbitration Court ruled to terminate the agreement, ordering the Zijin County Government to compensate the Company in the amount of RMB550 million, payable in two installments by 31 December 2019, and 29 February 2020, respectively. As of the end of the Reporting Period, the Company had received a refund of RMB3 million for the land transfer deposit and RMB334.5 million in compensation. However, the remaining balance of approximately RMB215 million is at risk of nonrecovery. The Company is actively maintaining communication and consultation with the local government and continues to pursue the recovery of the remaining compensation.

XII. Record of Investor Relations Activities Including Research Visits, Communications, and Interviews during the Reporting Period

√Applicable ☐N/A

Reception date	Reception location	Reception method	Type of visitor	Visitor	Main topics discussed and materials provided	Index of basic research visit
23 January 2026	Headquarters exhibition hall and meeting room	Field surveys	Institution	14 institutional investors such as First Seafront Fund, CITIC Securities, and GF Securities	Business overview and operating performance	Details are available on the interactive platform of Shenzhen Stock Exchange
29 January 2026	Headquarters exhibition hall and meeting room	Field surveys	Institution	16 institutional investors such as Huatai Asset Management, TruValue Asset Management, and GF Fund	Business overview and operating performance	Details are available on the interactive platform of Shenzhen Stock Exchange
22-23 April 2026	Shenzhen Panorama Network Roadshow Hall; Winner Group WeChat Channels; Panorama Network; Wind Information; Eastmoney; Tonghuashun; Jinmen Caijing	Others	Institution	59 institutional investors, including Taikang Asset Management, China Universal, and Invesco Great Wall	Business performance for FY2025 and Q1 2026	Details are available on the interactive platform of Shenzhen Stock Exchange
07 May 2026	Teleconference	Phone communication	Institution	38 securities analysts from CITIC Securities, GF Securities, Huatai Securities, and other institutions	Business overview and operating performance	Details are available on the interactive platform of Shenzhen Stock Exchange

XIII. Establishment and Implementation of Market Capitalisation Management Systems and Valuation Enhancement Plans

Has the Company established a market capitalisation management system?

√Yes ☐No

For the further standardization of its market capitalisation management practices, the Company has formulated the Market Capitalisation Management System of Winner Medical Co., Ltd. to promote the enhancement of investment value, increase investor returns, and protect the legitimate rights and interests of the Company, investors, and other stakeholders. This system was developed in accordance with the relevant provisions of the Company Law, Securities Law, Opinions of the State Council on Strengthening Supervision to Prevent Risks and Promote High-Quality Development of the Capital Market, the Measures for the Administration of Information Disclosure by Listed Companies, and Guideline on the Supervision of Listed Companies No. 10 – Market Capitalisation Management, and was reviewed and approved at the 6th meeting of the 4th session of the Board of Directors.

Has the Company disclosed a valuation enhancement plan?

☐Yes √No

XIV. Implementation of the “Dual Improvement of Quality and Return” Action Plan

Has the Company disclosed the "Dual Improvement of Quality and Return" action plan announcement?

√Yes ☐No

To implement the guiding principles of "activating the capital market and boosting investor confidence" proposed at the meeting of the Political Bureau of the CPC Central Committee and the guiding principles of "vigorously improving the quality and investment value of listed companies" proposed at the State Council Executive Meeting, and to actively respond to the Shenzhen Stock Exchange's initiative to carry out the "Dual Improvement of Quality and Return" special action, safeguard the interests of all shareholders, enhance investor confidence, and promote the Company's long-term, healthy, and sustainable development, the Company formulated the "Dual Improvement of Quality and Return" Action Plan. For details, please refer to the "Announcement on the 'Dual Improvement of Quality and Return' Action Plan" disclosed by the Company on CNINFO (Announcement No.: 2024-014). For updates on the implementation of the Action Plan, please refer to the "Progress Announcement on the 'Dual Improvement of Quality and Return' Action Plan" (Announcement No.: 2026-008) and the "Progress Announcement on the 'Dual Improvement of Quality and Return' Action Plan" (Announcement No.: 2026-040), both disclosed by the Company on CNINFO on 22 April 2026 and 25 August 2026, respectively.

Section IV

Environmental, Social and Corporate Governance

The model image in this figure is AI-generated

I. Changes of Directors and Senior Management

☐Applicable √N/A

There were no changes in the Company's Directors or senior management during the Reporting Period. For details, please refer to the 2025 Annual Report.

II. Profit Distribution and Share Capital Increase from Capital Surplus during the Reporting Period

√Applicable ☐N/A

Number of bonus share to be distributed per 10 shares held (shares)	0
Amount of dividend to be distributed per 10 shares held (RMB) (tax inclusive)	5.0
Number of shares to be converted from capital surplus per 10 shares held (shares)	0
Base of share capital for the distribution plan (shares)	574,924,166
Amount of cash dividend (RMB) (tax inclusive)	287,462,083.00
Amount of cash dividend in other forms (e.g. share repurchase) (RMB)	129,441,004.74
Total amount of cash dividend (including in other forms) (RMB)	416,903,087.74
Profit available for distribution (RMB)	4,673,591,958.80
Proportion of total amount of cash dividend (including in other forms) in the total amount of profit distributed	100%
Current Cash Dividend	
Others	
Detailed explanation on profit distribution plan and the proposal on share capital increase from capital surplus	
The Company's profit distribution plan for the first half of 2026 is as follows: based on 574,924,166 shares, representing the total share capital of 582,970,928 shares as of 21 August 2026 less 8,046,762 shares held in the special securities account for repurchase, the Company will distribute a cash dividend of RMB5.0 (tax inclusive) for every 10 shares to all shareholders, with an estimated total cash dividend of RMB287,462,083.00 (tax inclusive). No bonus shares will be issued, and no shares will be converted from capital reserves. During the period from the disclosure of the profit distribution plan through its implementation, if the total number of shares entitled to the distribution changes, the Company will make corresponding adjustments based on the principle that the cash dividend per share remains unchanged while the total cash dividend amount is adjusted accordingly. The Company's total cash dividends and share repurchases for the first half of 2026 amounted to RMB416,903,087.74, representing 81.19% of the net profit attributable to shareholders of the listed company for the first half of 2026. This amount includes: (1) a cash dividend of RMB5.0 (tax inclusive) for every 10 shares to all shareholders for the first half of 2026, with an estimated total cash dividend of RMB287,462,083.00 (tax inclusive), representing approximately 55.98% of the net profit attributable to shareholders of the listed company for the first half of 2026; and (2) from January to June 2026, the Company repurchased 4,604,262 shares through the special securities account for repurchases via centralized bidding, with a total transaction amount of RMB129,441,004.74 (excluding transaction costs), representing approximately 25.21% of the net profit attributable to shareholders of the listed company for the first half of 2026.	

III. Implementation of the Company’s Equity Incentive Plan, Employee Stock Ownership Plan or Other Employee Incentive Measures

√Applicable ☐N/A

1. Equity Incentive

(1) On 22 May 2026, the Company held the 12th meeting of the 4th session of the Board of Directors, which reviewed and approved the "Proposal on the Satisfaction of Vesting Conditions for the First Vesting Period of the Initial Grant under the 2024 Restricted Stock Incentive Plan," approving the vesting of 648,480 restricted shares for 91 eligible incentive participants. After the Board of Directors approved the satisfaction of the vesting conditions for the first vesting period of the initial grant, one incentive participant resigned during the process of fund payment and share registration. In accordance with the relevant provisions of the Company's "2024 Restricted Stock Incentive Plan (Draft)," the restricted shares granted to this incentive participant that had not yet vested were no longer eligible for vesting and were therefore cancelled by the Company. Accordingly, the actual number of incentive participants eligible for vesting during the first vesting period of the initial grant under the Company's 2024 Restricted Stock Incentive Plan was 90, and the actual number of vested shares was 641,120.

(2) On 22 May 2026, the Company held the 12th meeting of the 4th session of the Board of Directors, which reviewed and approved the "Proposal on the Cancellation of Certain Granted but Unvested Restricted Shares under the 2024 Restricted Stock Incentive Plan." As the performance assessment results at the Company level and the medical business segment level did not meet the vesting conditions for the first vesting period of the initial grant, 1,652,400 granted but unvested restricted shares were not eligible for vesting and were therefore cancelled by the Company. As the performance assessment of the consumer goods business segment did not satisfy all vesting conditions, 162,120 granted but unvested restricted shares were not eligible for vesting and were therefore cancelled by the Company. In addition, 37 of the 308 incentive participants under the initial grant had resigned and no longer met the eligibility criteria. Accordingly, their 818,800 granted but unvested restricted shares were not eligible for vesting and were cancelled by the Company. In summary, the Company cancelled a total of 2,633,320 restricted shares in this round.

(3) On 22 May 2026, the Company held the 12th meeting of the 4th session of the Board of Directors, which reviewed and approved the "Proposal on Adjusting the Grant Price of the 2024 Restricted Stock Incentive Plan." The Company adjusted the grant price under the incentive plan following the implementation of the equity distribution. Following the completion of the 2025 annual equity distribution, the grant price for both the initial and reserved restricted shares under the incentive plan was adjusted from RMB14.69 per share to RMB14.39 per share.

2. Implementation of Employee Stock Ownership Plan

√Applicable ☐N/A

All effective employee stock ownership plans implemented during the Reporting Period

Scope of employee	Number of employee	Total shares held (shares)	Change	Proportion of total share capital of listed company	Sources of funds to implement the plan
Core employees at director level (inclusive) or above	12	323,400	None	0.06%	Incentive funds raised by employees themselves and provided by the Company

Note: The total number of shares held does not include shares that have not fully vested due to the departure of holders or the results of individual performance assessments during the vesting period. Such shares will be recovered by the management committee and reallocated to other eligible employees. If no suitable candidates are identified, the corresponding rights and interests will be sold at an appropriate time after the end of the lock-up period, with the proceeds retained by the Company.

Shares held by Directors and senior management under the employee stock ownership plan during the Reporting Period

Name	Position	Number of shares held at the beginning of the Reporting Period (shares)	Number of shares held at the end of the Reporting Period (shares)	Proportion of total share capital of listed companies
Liao Meizhen	Director	70,000	70,000	0.01%
Liao Guanlai	Deputy General Manager			

Changes in asset management institutions during the Reporting Period

☐Applicable √N/A

Changes in equity caused by holders’ disposal of shares during the Reporting Period

☐Applicable √N/A

Exercise of shareholders’ rights during the Reporting Period

During the Reporting Period, the Company's employee stock ownership plan exercised shareholder rights in connection with the 2025 annual profit distribution, but did not participate in voting at shareholders' meetings or exercise any other shareholder rights.

Other pertinent circumstances and explanations regarding the employee stock ownership plan during the Reporting Period.

☐Applicable √N/A

Changes in the membership of the Employee Stock Ownership Plan Management Committee

☐Applicable √N/A

The financial impact of employee stock ownership plan on the listed company during the Reporting Period and the associated accounting treatment

√Applicable ☐N/A

According to the provisions of Accounting Standards for Business Enterprises No. 11 – Share-based Payment, on each balance sheet date during the vesting period, the relevant costs or expenses and capital reserves are determined based on the best estimate of the number of exercisable equity instruments and the fair value of the equity instrument on the grant date, reflecting the services obtained in the current period.

Termination of employee stock ownership plans during the Reporting Period

☐Applicable √N/A

Other explanation:

N/A

3. Other Employee Incentive Measures

☐Applicable √N/A

IV. Environmental Information Disclosure

Whether the listed company and its major subsidiaries are included in the list of enterprises required to disclose environmental information according to law

√Yes ☐No

Number of enterprises included in the list of enterprises required to disclose environmental information according to law	7

No.	Name of enterprise	Search index for environmental information disclosure report according to law
1	Winner Medical (Tianmen) Co., Ltd.	http://219.140.164.18:8007/hbyfpl/frontal/index.html#/home/enterpriseinfo?XTXH=d059f64e-54be-4ee3-a8d0-37f0bdd3e1ce&XH=1677750544908009244672&year=2025
2	Winner Medical (Huanggang) Co., Ltd.	http://219.140.164.18:8007/hbyfpl/frontal/index.html#/home/enterpriseinfo?XTXH=41aa2d89-4666-4624-bb27-4e470b9826c8&XH=1677749938692009244672&year=2025
3	Winner Medical (Jingmen) Co., Ltd.	http://219.140.164.18:8007/hbyfpl/frontal/index.html#/home/enterpriseinfo?XTXH=9ff469e8-7109-4ec8-9af8-2a4d8ef5eecb&XH=1677750239445009244672&year=2025
4	Winner Medical (Wuhan) Co., Ltd.	http://219.140.164.18:8007/hbyfpl/frontal/index.html#/home/enterpriseinfo?XTXH=5bf65297-4e71-459c-96d0-423379ee7254&XH=1677751227336009244672&year=2025
5	Winner Medical (Jiayu) Co., Ltd. (New Plant)	http://219.140.164.18:8007/hbyfpl/frontal/index.html#/home/enterpriseinfo?XTXH=9c5c76f6-825e-4f81-bae0-211263e0ea02&XH=1744247503922026976256&year=2025
6	Winner Medical (Chongyang) Co., Ltd.	http://219.140.164.18:8007/hbyfpl/frontal/index.html#/home/enterpriseinfo?XTXH=00266d7c-f87f-4cbf-b9ee-c5174377533d&XH=1677751425806009244672&year=2025
7	Winner Medical (Hunan) Co., Ltd. (former name: Hunan Ping'an Medical Device Technology Co., Ltd.)	https://yfpl.sthjt.hunan.gov.cn:8181/hnyfpl/frontal/index.html#/home/enterpriseinfo?XTXH=6b11b5b4-9959-4b89-9aca-40b3578810bf&XH=1745995454400084000768&year=2025&reportttype=1

The Company is subject to the disclosure requirements for “Textile and Apparel Related Business” in the Shenzhen Stock Exchange Listed Company Self-Regulation Guidelines No. 3 – Industry Information Disclosure.

Information on environmental accidents of listed companies

None

V. Social Responsibility

The Company upholds its core business principles of "Quality over the Profit, Brand over the Speed, and Social Value over the Corporate Value." Guided by a long-term approach, it remains committed to public welfare initiatives and actively fulfills its corporate social responsibilities. In the first half of 2026, the Company's public welfare initiatives covered areas including elderly care and assistance, care for women and children, science and education assistance, ecological and environmental protection, and emergency relief.

1. Elderly care and assistance was the core focus of the Company's public welfare efforts during the first half of the year. Leveraging its strengths in healthcare, the Company worked through multiple established charitable platforms to provide nursing pads, adult diapers, and other age-appropriate supplies to elderly care institutions in various regions. By addressing the daily care needs of older adults with greater precision and leveraging professional industry resources to support senior care services, the Company continued to advance targeted and effective public welfare initiatives for the elderly.

2. The Company's public welfare initiatives for women and children continued to evolve. Purcotton's core public welfare initiative, "Nice Princess," expanded its services and enhanced their quality. Building on its regular menstrual health education and public welfare assistance programs, the initiative extended its reach to hearing-impaired women for the first time, supporting the physical and mental wellbeing of women with disabilities through targeted donations of supplies. At the same time, the Company conducted charitable sales during International Women's Day, donating all proceeds to the Longhua Women and Children Foundation. Through these ongoing initiatives, the brand further strengthened its commitment to public welfare and community care.

3. In the field of science and education assistance, the Company actively fulfilled its commitment to supporting education, established a platform for developing scientific and technological innovation talent, continued to provide regular educational assistance, and provided targeted support to young students pursuing their aspirations. Through these public welfare efforts, the Company also promoted broader access to quality educational resources.

4. The Company's volunteer service system completed a standardized upgrade. In the first half of 2026, subsidiaries in Huanggang, Tianmen, Guilin, and other locations across the country actively organized a range of volunteer activities, including tree planting and greening, flood prevention and relief, safety education, and event support. Three subsidiaries formally established dedicated volunteer organizations and integrated them into the Company's management system, marking the transition of the Company's volunteer services from scattered and spontaneous activities to a more standardized and systematic model.

5. Establishment of a regular disaster emergency response system. In the first half of 2026, the Company urgently dispatched emergency supplies in response to the Tai Po fire in Hong Kong and flooding in Guangxi, actively participating in humanitarian assistance efforts and leveraging its industry resources to support disaster relief and the protection of people's livelihoods.

6. Ecological and environmental protection public welfare practices. The Company actively promoted green development and organized a range of volunteer initiatives focused on

ecological and environmental protection. The Huanggang base carried out tree planting and greening, plant beautification, and post-disaster environmental remediation. The Jingmen base promoted health education and low-carbon environmental protection awareness. The headquarters organized greenway cleaning and remediation activities. These initiatives were carried out across multiple locations, actively promoting green and low-carbon practices.

7. The Company continued to strengthen internal employee care. Relying on two employee care and assistance platforms, the Company regularly provided support to employees facing difficulties. Its long-term assistance mechanism helped address employees' urgent needs and concerns, demonstrating the Company's commitment to caring for its employees and fulfilling its corporate responsibilities.

Going forward, the Company will continue to uphold its three priority principles, take social and livelihood needs as a core focus, and deepen its public welfare efforts. Through long-term, high-quality public welfare initiatives, the Company will continue to convey the warmth of its brands, proactively fulfill its social responsibilities, and demonstrate the original aspirations and mission of a leading Chinese enterprise.

Section V
Important Matters

I. Commitments Fulfilled within and not Fulfilled by the End of the Reporting Period by the Company's Actual Controller, Shareholders, Related Parties, Acquirers and Other Commitment Parties

☐Applicable √N/A

No commitments fulfilled within the Reporting Period and not fulfilled by the end of the Reporting Period by the Company's actual controller, shareholders, related parties, acquirers and other commitment parties.

II. Non-operating Occupation of Funds of Listed Companies by Controlling Shareholders and Other Related Parties

☐Applicable √N/A

There was no non-operating occupation of funds of the listed company by the controlling shareholder and other related parties during the Reporting Period.

III. Illegal External Guarantee

☐Applicable √N/A

The Company had no illegal external guarantee during the Reporting Period.

IV. Appointment of and Dismissal of Accounting Firms

Whether the semi-annual financial report has been audited

☐Yes √No

The semi-annual report of the Company has not been audited.

V. Statement of the Board of Directors and the Audit Committee on the "Non-Standard Audit Report" of the Accounting Firm during the Reporting Period

☐Applicable √N/A

VI. Statement of the Board of Directors on the "Non-Standard Audit Report" of the Previous Year

☐Applicable √N/A

VII. Matters Related to Bankruptcy Reorganization

□Applicable √N/A

The Company had no matters related to bankruptcy reorganization during the Reporting Period.

VIII. Litigation Matters

Major litigation, arbitration matters

□Applicable √N/A

The Company had no major litigation and arbitration matters in the year.

Other litigation matters

□Applicable √N/A

IX. Punishment and Rectification

□Applicable √N/A

The Company had no punishment and rectification during the Reporting Period.

X. Credit Status of the Company, Its Controlling Shareholders and Actual Controller

□Applicable √N/A

XI. Major Related-party Transactions

1. Related-Party Transactions Related to Daily Operation

□Applicable √N/A

The Company had no related-party transactions related to daily operation during the Reporting Period.

2. Related-Party Transactions Involving the Acquisition or Sale of Assets or Equity

☐Applicable √N/A

The Company had no related-party transactions involving the acquisition or sale of assets or equity during the Reporting Period.

3. Related-Party Transactions Involving Joint External Investment

☐Applicable √N/A

The Company had no related-party transactions involving joint external investment during the Reporting Period.

4. Related-Party Receivables and Payables

☐Applicable √N/A

The Company had no related-party receivables and payables during the Reporting Period.

5. Transactions with Related Finance Companies

☐Applicable √N/A

There was no deposit, loan, credit granting, or other financial business among the Company, finance companies with a related-party relationship and related parties.

6. Transactions between the Company's Majority-Owned Finance Companies and Related Parties

☐Applicable √N/A

There was no deposit, loan, credit granting, or other financial business between the Company's majority-owned finance companies and related parties.

7. Other Major Related-Party Transactions

☐Applicable √N/A

The Company had no other major related-party transactions during the Reporting Period.

XII. Major Contracts and Their Performance

1. Trusteeship, Contracting and Lease

(1) Trusteeship

☐Applicable √N/A

The Company had no trusteeship during the Reporting Period.

(2) Contracting

☐Applicable √N/A

The Company had no contracting during the Reporting Period.

(3) Lease

☐Applicable √N/A

The Company had no lease during the Reporting Period.

2. Major Guarantee

☐Applicable √N/A

The Company had no major guarantee during the Reporting Period.

3. Major Contracts for Daily Operation

☐Applicable √N/A

The Company had no major contracts for day-to-day operations during the Reporting Period.

4. Other Major Contracts

☐Applicable √N/A

The Company had no other major contracts during the Reporting Period.

XIII. Explanation on Other Significant Events

√Applicable ☐N/A

In July 2023, the Company entered into a relocation compensation and resettlement agreement with Shenzhen Xingda Real Estate Development Co., Ltd. for the urban renewal involving the land and above-ground buildings in the Winner Industrial Park in Longhua District, Shenzhen, which the Company holds. Due to the significant changes in the real estate market, the project was put on hold in January 2024.To smoothly advance the project, shorten the land idle time, and reduce uncertainties in the construction process, and in light of the market conditions for relocation compensation for urban renewal, the Company conducted multiple rounds of negotiations with its partner, and signed supplementary agreements in August 2024 with Xingda Company and its affiliate Shenzhen Galaxy Real Estate Development Co., Ltd. According to the supplementary agreements, the area of office space and commercial space obtained by the Company remains unchanged, while the area of residential space and the amount of compensation obtained by the Company will be linked to the actual average transaction price of the residential units obtained by Xingda Company. Given the significant volatility in the real estate market, there is uncertainty regarding the area of residential space and the amount of compensation the Company will obtain. For further details, please refer to the relevant announcements disclosed by the Company on CNINFO (www.cninfo.com.cn).

As of now, Xingda Company has obtained the "Construction Land Planning Permit" for the Winner Industrial Park urban renewal project and is advancing the signing of the state-owned land use right transfer contract. Subsequently, it will proceed with land development and construction in accordance with the relevant government procedures. This project is subject to factors such as adjustments in urban renewal regulations and policies, changes in urban planning, the partner's ability to perform its obligations, market conditions, prices, and force majeure, and has a long implementation period. The Company will actively promote the project, strengthen communication and process control, and strive to reduce uncertainties in the execution process.

XIV. Significant Events of Subsidiaries

☐Applicable √N/A

Section VI

Changes in Shares and Information on Shareholders

I. Changes in Shares

1. Changes in Shares

Unit: share

	Before this change		Increase/decrease (+, -)					After this change	
	Number	Proportion	New issue of shares	Bonus issuance	Share capital increase from capital surplus	Others	Subtotal	Number	Proportion
I. Shares with selling restrictions	2,638,826	0.45%	0	0	0	-28,850	-28,850	2,609,976	0.45%
1. State-owned shares	0	0.00%	0	0	0	0	0	0	0.00%
2. Shares held by stateowned legal persons	0	0.00%	0	0	0	0	0	0	0.00%
3. Other shares held by domestic individuals and legal persons	2,638,826	0.45%	0	0	0	-28,850	-28,850	2,609,976	0.45%
Including: shares held by domestic legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by domestic natural persons	2,638,826	0.45%	0	0	0	-28,850	-28,850	2,609,976	0.45%
4. Shares held by overseas individuals and legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Including: shares held by overseas legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by overseas natural persons	0	0.00%	0	0	0	0	0	0	0.00%
II. Shares without selling restrictions	579,690,982	99.55%	0	0	0	669,970	669,970	580,360,952	99.55%
1. RMB ordinary share	579,690,982	99.55%	0	0	0	669,970	669,970	580,360,952	99.55%
2. Domestically listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
3. Overseas listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total number of shares	582,329,808	100.00%	0	0	0	641,120	641,120	582,970,928	100.00%

Reasons for changes in shares

√Applicable ☐N/A

1. Shareholdings of Directors, former Supervisors, and senior management are subject to lock-up periods, release of restrictions on sale in compliance with requirements of China Securities Regulatory Commission. Details are provided in “2. Changes in Restricted Shares” within this section.

2. On 22 May 2026, the Company held the 12th meeting of the 4th session of the Board of Directors, which reviewed and approved the "Proposal on the Satisfaction of Vesting Conditions for the First Vesting Period of the Initial Grant under the 2024 Restricted Stock Incentive Plan," approving the vesting of Class II restricted shares for eligible incentive participants. A total of 641,120 shares vested and became listed and tradable, with a listing date of 30 June 2026.

Approval on changes in shares

√Applicable ☐N/A

For details, please refer to Point 2 of "Reasons for Changes in Shares" under "1. Changes in Shares" in this section.

Transfer due to changes in shares

☐Applicable √N/A

Implementation progress of share repurchase

√Applicable ☐N/A

The Company held the 11th meeting of the 4th session of the Board of Directors on 30 April 2026, and the 2025 Annual General Meeting of Shareholders on 14 May 2026. Both meetings reviewed and approved the "Proposal on Repurchase of Company Shares for Cancellation," approving the use of the Company's own funds to repurchase shares through centralized bidding for the purpose of reducing the Company's registered capital. The repurchase price shall not exceed RMB48 per share (inclusive), and the total amount of funds used for the share repurchase shall be no less than RMB200 million (inclusive) and no more than RMB400 million (inclusive). The final repurchase amount will be based on the actual funds used. The share repurchase will be implemented within 12 months from the date on which the shareholders' meeting approves the repurchase plan.

According to the Company's "Repurchase Report," if the Company undergoes any ex-rights or ex-dividend event, such as dividend distribution, bonus share issuance, or conversion of capital reserves into share capital, during the repurchase period, the Company will adjust the maximum repurchase price accordingly from the ex-rights and ex-dividend date. The Company's 2025 annual equity distribution has been completed. Accordingly, the maximum repurchase price has been adjusted from RMB48 per share (inclusive) to RMB47.70 per share (inclusive).

On 22 May 2026, the Company held the 12th meeting of the 4th session of the Board of Directors, which reviewed and approved the "Proposal on Adjusting the Source of Funds for Share Repurchase". In response to national policies supporting share repurchases by listed companies and to further improve capital utilization efficiency, the Company approved the adjustment of the source of funds for the share repurchase from "own funds" to "own funds and/or self-raised funds." Except for the above adjustment, no other content of the share repurchase plan has changed. For details, please refer to the relevant announcements disclosed by the Company on CNINFO.

As of 30 June 2026, the Company had repurchased 4,604,262 shares through the special securities account for repurchase via centralized bidding for the purpose of reducing registered capital, representing approximately 0.7898% of the Company's current total share capital. The highest transaction price was RMB30.06 per share, the lowest transaction price was RMB26.87 per share, and the total transaction amount was RMB129,441,004.74 (excluding transaction costs).

Implementation progress of reducing repurchased shares by centralized competitive bidding

☐Applicable √N/A

Influence of share changes on the basic earnings per share, diluted earnings per share, net assets per share attributable to ordinary shareholders of the Company and other financial indexes in the most recent year and the most recent period

√Applicable ☐N/A

During the Reporting Period, the impact of changes in the Company's shares on financial indicators such as basic earnings per share and diluted earnings per share for the most recent year and the most recent period, and net assets per share attributable to ordinary shareholders of the Company, is detailed in "IV. Key Accounting Data and Financial Indicators" under "Section II Company Profile and Key Financial Indicators".

Other information deemed necessary by the Company or required by securities regulatory authorities to disclose

□Applicable √N/A

2. Changes in Restricted Shares

√Applicable □N/A

Unit: share

Name of shareholder	Opening number of restricted shares	Number of restricted shares released in current period	Number of restricted shares increased in current period	Closing number of restricted shares	Reason for restriction	Restriction release date
Zhang Tingting	61,905	15,476	0	46,429	Locked shares held by Directors, Supervisors, and senior management	Subject to the relevant regulations on share lockup for departing Directors, Supervisors, and senior management
Wu Kezhen	53,496	13,374	0	40,122	Locked shares held by Directors, Supervisors, and senior management	Subject to the relevant regulations on share lockup for departing Directors, Supervisors, and senior management
Fang Xiuyuan	2,077,751	0	0	2,077,751	Locked shares held by Directors, Supervisors, and senior management	25% of the total shares held are unlocked at the beginning of each year
Chen Huixuan	348,726	0	0	348,726	Locked shares held by Directors, Supervisors, and senior management	25% of the total shares held are unlocked at the beginning of each year
Zhang Yan	96,948	0	0	96,948	Locked shares held by Directors, Supervisors, and senior management	25% of the total shares held are unlocked at the beginning of each year
Total	2,638,826	28,850	0	2,609,976	--	--

II. Securities Issuance and Listing

□Applicable √N/A

III. Number and Shareholding of the Company's Shareholders

Unit: share

Total number of ordinary shareholders at the end of the Reporting Period	29,602	Total number of preference shareholders with restored voting rights at the end of the Reporting Period (if any) (see Note 8)	0	Total number of shareholders holding shares with special voting rights (if any)	0

Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares held at the end of the Reporting Period	Change during the Reporting Period	Number of held shares with selling restrictions	Number of held shares without selling restrictions	Pledge, mark or frozen	
Shareholding information of shareholders holding 5% or more, or the top 10 shareholders (excluding shares lent through margin financing and securities lending)								
							Status	Number
Winner Group Limited	Overseas legal person	69.75%	406,614,387	0	0	406,614,387	N/A	0
Bank of China Limited – Huabao CSI Healthcare ETF	Others	1.36%	7,919,560	776,400	0	7,919,560	N/A	0
Hong Kong Securities Clearing Company Limited	Overseas legal person	0.93%	5,411,254	799,503	0	5,411,254	N/A	0
Fang Xiuyuan	Domestic natural person	0.48%	2,770,335	0	2,077,751	692,584	N/A	0
Peng Ganquan	Domestic natural person	0.41%	2,409,400	1,304,400	0	2,409,400	N/A	0
Zheng Junhui	Domestic natural person	0.28%	1,626,380	0	0	1,626,380	N/A	0
Xia Xinming	Domestic natural person	0.25%	1,438,414	/	0	1,438,414	N/A	0
China Merchants Bank Co., Ltd. – Yongying CSI All-Share Medical Devices Exchange-Traded Index Fund	Others	0.25%	1,433,458	261,120	0	1,433,458	N/A	0
Li Houheng	Domestic natural person	0.23%	1,336,000	37,200	0	1,336,000	N/A	0
Industrial and Commercial Bank of China Limited – E Fund ChiNext ETF	Others	0.19%	1,102,352	-2,353,897	0	1,102,352	N/A	0
Strategic investors or general legal persons who become the top 10 shareholders due to rights issue (if any) (see Note 3)	N/A							
Explanation of the related party relationships or concerted actions among the above-mentioned shareholders	N/A							
Explanation of the delegation/trust of voting rights or waiver of voting rights among the above-mentioned shareholders	N/A							
Special note on the repurchase account among the top 10 shareholders (if any)	As of 30 June 2026, the Company's special securities account for repurchase held 4,604,262 shares, representing 0.79% of the Company's total share capital. These shares							

(see Note 11)	are not included in the list of the top 10 shareholders or the top 10 holders of shares without selling restrictions.

Shareholding information of the top 10 shareholders of shares without selling restriction (excluding shares lent through margin financing and securities lending, and lockup shares held by senior management			
Name of shareholder	Number of held shares without selling restrictions as of the end of the Reporting Period	Type of share	
		Type of share	Number
Winner Group Limited	406,614,387	RMB ordinary shares	406,614,387
Bank of China Limited – Huabao CSI Healthcare ETF	7,919,560	RMB ordinary shares	7,919,560
Hong Kong Securities Clearing Company Limited	5,411,254	RMB ordinary shares	5,411,254
Peng Ganquan	2,409,400	RMB ordinary shares	2,409,400
Zheng Junhui	1,626,380	RMB ordinary shares	1,626,380
Xia Xinming	1,438,414	RMB ordinary shares	1,438,414
China Merchants Bank Co., Ltd. – Yongying CSI All-Share Medical Devices Exchange-Traded Index Fund	1,433,458	RMB ordinary shares	1,433,458
Li Houheng	1,336,000	RMB ordinary shares	1,336,000
Industrial and Commercial Bank of China Limited – E Fund ChiNext ETF	1,102,352	RMB ordinary shares	1,102,352
Pan Wenqi	1,092,319	RMB ordinary shares	1,092,319
Explanation of the related party relationships or concerted actions between the top 10 shareholders of outstanding shares without selling restriction, and between the top 10 shareholders of outstanding shares without selling restriction and the top 10 shareholders	N/A		
Information on top 10 shareholders involved in margin trading and securities lending (if any) (see Note 4)	In addition to holding 48,400 shares through his ordinary securities account, the Company's shareholder Xia Xinming holds an additional 1,390,014 shares through the customer credit trading guarantee securities account of CITIC Securities Co., Ltd., bringing his actual total shareholding to 1,438,414 shares. In addition to holding 26,400 shares through her ordinary securities account, the Company's shareholder Li Houheng holds an additional 1,309,600 shares through the customer credit trading guarantee securities account of China Galaxy Securities Co., Ltd., bringing her actual total shareholding to 1,336,000 shares.		

Shares lent through mar gin financing and securities lending by shareholders holding 5% or more shares, the top 10 shareholders and top 10 holders of outstanding shares without selling restriction

□Applicable √N/A

Changes in the top 10 shareholders and top 10 holders of outstanding shares without selling restriction as caused by margin financing and securities lending and returning activities

□Applicable √N/A

Has the Company a differentiated voting rights structure?

☐Yes √No

Whether the top 10 ordinary shareholders and the top 10 holders of ordinary shares without selling restriction conducted agreed repurchase transactions during the Reporting Period

☐Yes √No

The top 10 ordinary shareholders and the top 10 holders of ordinary shares without selling restriction did not conduct agreed repurchase transactions during the Reporting Period.

IV. Changes in Shareholdings of Directors and Senior Management

☐Applicable √N/A

There were no changes in the shareholdings of the Company's Directors or senior management during the Reporting Period. For details, please refer to the 2025 Annual Report.

V. Change in Controlling Shareholders or Actual Controllers

If the Company has previously disclosed that the actual controller is planning a change of control but the change has not yet been completed, please explain the progress of the change of control.

☐Applicable √N/A

Change of controlling shareholders during the Reporting Period

☐Applicable √N/A

The controlling shareholders of the Company remained unchanged during the Reporting Period.

Change of actual controller during the Reporting Period

☐Applicable √N/A

The actual controller of the Company remained unchanged during the Reporting Period.

VI. Preference Shares

☐Applicable √N/A

The Company had no preference shares during the Reporting Period.

Section VII
Bonds Related Information

□Applicable √ N/A

Section VIII Financial Report

I. Auditor’s report

Whether the semi-annual report is audited

□Yes √No

The Company's semi-annual financial report has not been audited.

II. Financial Statements

The notes to financial statements are expressed in RMB (Renminbi Yuan).

1. Consolidated Balance Sheet

Preparer: Winner Medical Co., Ltd. | 30 June 2026 | Unit: RMB

Items	Closing balance	Opening balance
Current assets:		
Currency funds	1,795,389,119.40	1,593,989,319.92
Settlement reserves		
Placements to banks and other financial institutions		
Financial assets held for trading	3,259,490,059.08	2,825,378,695.56
Derivative financial assets		
Notes receivable	14,710,897.33	39,357,178.51
Accounts receivable	1,121,776,230.09	1,040,873,548.50
Receivables financing	56,001,074.45	48,201,306.98
Prepayments	317,089,623.75	179,318,742.70
Premium receivable		
Reinsurance receivables		
Due from Reinsurer for reserve of reinsurance contract		
Other receivables	213,272,163.77	204,468,498.11
Including: Interest receivable		0.00
Dividends receivable		0.00
Financial assets held under resale agreements		
Inventories	2,126,725,523.82	2,016,213,055.34
Including: Data resources		
Contract assets		
Assets classified as held for sale		
Current portion of non-current assets	673,052,787.67	432,793,859.94
Other current assets	108,926,561.42	85,677,714.26
Total current assets	9,686,434,040.78	8,466,271,919.82
Non-current assets:		
Loans and advances to customers		
Debt investments		

Items	Closing balance	Opening balance
Other debt investments		
Long-term receivables	79,447,453.09	83,590,080.72
Long-term equity investments	454,677,644.46	478,989,825.04
Other equity investments		
Other non-current financial assets	98,872,421.77	99,881,071.54
Investment properties	1,004,639.45	1,454,295.27
Fixed assets	4,138,743,158.96	4,199,969,234.92
Construction in progress	492,588,739.83	511,625,219.44
Productive biological assets		
Oil and gas assets		
Right-of-use assets	502,894,087.30	554,782,629.68
Intangible assets	979,417,428.92	1,008,848,502.75
Including: Data resources		
Development expenditures		
Including: Data resources		
Goodwill	1,047,272,532.34	1,061,673,881.52
Long-term prepaid expenses	127,603,782.30	133,901,014.09
Deferred tax assets	147,802,922.01	146,109,331.24
Other non-current assets	1,215,146,750.80	1,657,761,021.19
Total non-current assets	9,285,471,561.23	9,938,586,107.40
Total assets	18,971,905,602.01	18,404,858,027.22
Current liabilities:		
Short-term borrowings	2,243,763,641.49	1,836,629,579.24
Borrowings from the Central Bank		
Placements from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	393,163,306.73	381,818,750.95
Accounts payable	1,112,935,675.23	1,280,618,737.32
Receipts in advance		0.00

Items	Closing balance	Opening balance
Contract liabilities	175,162,613.43	169,914,491.43
Financial assets sold under repurchase agreements		
Customer deposits and deposits from banks and other financial institutions		
Customer money for securities trading		
Proceeds from securities underwriting on agency basis		
Employee benefits payable	269,515,877.07	332,576,791.46
Taxes and surcharges payable	144,307,205.29	130,559,536.02
Other payables	599,462,386.97	529,651,533.30
Including: Interest payable		0.00
Dividends payable	121,984,316.10	
Fees and commissions payable		
Reinsurance payables		
Liabilities classified as held for sale		
Current portion of non-current liabilities	176,414,146.32	185,546,235.07
Other current liabilities	26,939,891.98	22,078,405.94
Total current liabilities	5,141,664,744.51	4,869,394,060.73
Non-current liabilities:		
Reserves for insurance Contract		
Long-term borrowings	158,330,000.00	50,000,000.00
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	376,062,536.06	416,875,073.97
Long-term payables	25,958,339.05	26,994,520.77
Long-term employee benefits payable	13,517,616.62	13,271,993.56
Provisions		0.00
Deferred income	223,120,061.00	211,162,383.13
Deferred tax liabilities	129,588,014.52	136,896,207.18
Other non-current liabilities	411,966,094.32	387,682,358.99
Total non-current liabilities	1,338,542,661.57	1,242,882,537.60

Items	Closing balance	Opening balance
Total liabilities	6,480,207,406.08	6,112,276,598.33
Owner's equity:		
Share capital	582,970,928.00	582,329,808.00
Other equity investments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	3,369,637,236.71	3,389,737,553.59
Less: Treasury shares	133,637,343.38	4,187,537.10
Other comprehensive income	-36,177,752.76	-11,835,038.99
Specialised reserves		
Surplus reserves	420,212,778.13	420,212,778.13
General reserve		
Undistributed profit	7,479,253,654.32	7,140,453,466.82
Total equity attributable to owners of the parent	11,682,259,501.02	11,516,711,030.45
Non-controlling interests	809,438,694.91	775,870,398.44
Total equity	12,491,698,195.93	12,292,581,428.89
Total liabilities and equity	18,971,905,602.01	18,404,858,027.22

Legal representative: Li Jianquan Financial controller: Fang Xiuyuan Accounting supervisor: Zhao Yan

2. Balance Sheet of Parent Company

Preparer: Winner Medical Co., Ltd. Unit: RMB

Item	Closing Balance	Opening balance
Current assets:		
Currency funds	810,196,229.88	713,886,735.40
Financial assets held for trading	2,978,202,173.82	1,978,673,463.33
Derivative financial assets		
Notes receivable	6,526,496.38	6,847,204.90
Accounts receivable	486,250,261.87	453,304,452.50
Receivables financing	44,618,769.79	22,653,120.31
Prepayments	49,414,425.57	166,878,123.57
Other receivables	253,419,300.66	250,844,030.72
Including: Interest receivable		
Dividends receivable		
Inventories	233,255,085.77	218,884,891.65
Including: Data resources		
Contract assets		
Assets classified as held for sale		
Current portion of non-current assets	673,052,787.67	432,793,859.94
Other current assets	9,717,017.02	9,671,040.36
Total current assets	5,544,652,548.43	4,254,436,922.68
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	27,217,926.08	26,502,052.74
Long-term equity investments	5,069,218,398.42	4,999,415,008.13
Other equity investments		
Other non-current financial assets	73,603,810.38	73,603,810.38
Investment properties		
Fixed assets	316,809,170.84	315,171,759.48

Item	Closing Balance	Opening balance
Construction in progress	22,239,409.96	32,790,523.08
Productive biological assets		
Oil and gas assets		
Right-of-use assets	28,003,847.99	32,839,135.44
Intangible assets	53,561,176.25	39,373,841.62
Including: Data resources		
Development expenditures		
Including: Data resources		
Goodwill		
Long-term prepaid expenses	4,994,753.34	8,721,282.84
Deferred tax assets	13,796,264.81	19,996,691.95
Other non-current assets	863,837,368.69	1,489,288,095.87
Total non-current assets	6,473,282,126.76	7,037,702,201.53
Total assets	12,017,934,675.19	11,292,139,124.21
Current liabilities:		
Short-term borrowings		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	1,235,827,636.02	935,500,319.24
Accounts payable	823,382,879.51	381,079,772.46
Receipts in advance		
Contract liabilities	32,889,972.78	27,210,735.47
Employee benefits payable	58,335,976.67	76,798,911.73
Taxes and surcharges payable	12,673,000.63	7,061,696.17
Other payables	400,516,738.23	300,454,835.05
Including: Interest payable		
Dividends payable	121,984,316.10	
Liabilities classified as held for sale		
Current portion of non-current liabilities	13,111,349.92	11,649,279.48
Other current liabilities	4,055,139.54	2,117,794.99

Item	Closing Balance	Opening balance
Total current liabilities	2,580,792,693.30	1,741,873,344.59
Non-current liabilities:		
Long-term borrowings	89,100,000.00	
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	33,535,765.06	39,746,851.13
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	1,083.33	18,133.33
Deferred tax liabilities		
Other non-current liabilities	411,966,094.33	387,682,358.99
Total non-current liabilities	534,602,942.72	427,447,343.45
Total liabilities	3,115,395,636.02	2,169,320,688.04
Owner's equity:		
Share capital	582,970,928.00	582,329,808.00
Other equity investments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	3,368,216,384.54	3,388,316,701.42
Less: Treasury shares	133,637,343.38	4,187,537.10
Other comprehensive income		
Specialised reserves		
Surplus reserves	411,397,111.21	411,397,111.21
Undistributed profit	4,673,591,958.80	4,744,962,352.64
Total equity	8,902,539,039.17	9,122,818,436.17
Total liabilities and equity	12,017,934,675.19	11,292,139,124.21

Legal representative: Li Jianquan Financial controller: Fang Xiuyuan Accounting supervisor: Zhao Yan

3. Consolidated Income Statement

Preparer: Winner Medical Co., Ltd. Unit: RMB

Item	Semiannual 2026	Semiannual 2025
I. Total Revenue	5,486,211,258.52	5,296,211,956.92
Including: Revenue	5,486,211,258.52	5,296,211,956.92
Interest income		
Premium earned		
Fee and commission income		
II. Total Costs	4,860,235,265.17	4,657,723,411.78
Including: Cost of sales	2,798,167,916.13	2,736,394,780.72
Interest expenses		
Fee and commission expenses		
Surrender value payment		
Net claim payments		
Net amount of provisions for insurance contract liabilities recognised		
Policy dividend payments		
Reinsurance expenses		
Taxes and surcharges	54,141,091.23	47,206,665.58
Selling expenses	1,319,852,862.34	1,254,903,652.81
Administrative expenses	429,235,127.33	436,173,126.72
Research and development expenses	192,440,074.86	194,377,566.90
Finance expenses	66,398,193.28	-11,332,380.95
Including: Interest expenses	25,093,014.26	32,211,146.81
Interest income	37,540,602.03	40,152,719.55
Add: Other income	43,044,484.26	44,523,302.06
Investment income (loss is expressed with "-")	9,965,393.41	10,250,616.45
Including: Income from investments in associates and joint ventures	-7,087,870.47	-12,839,023.48
Income from the derecognition of financial assets measured at amortised cost		
Exchange gains (loss is expressed with "-")		
Net position hedging gains (loss is expressed with "-")		

Item	Semiannual 2026	Semiannual 2025
Fair value gains (loss is expressed with "-")	31,032,052.63	8,043,719.46
Credit impairment losses (loss is expressed with "-")	-7,345,527.12	-11,497,804.05
Impairment losses of assets (loss is expressed with "-")	-37,175,924.45	-32,261,264.96
Gains on disposal of assets (loss is expressed with "-")	-478,162.30	1,518,248.05
I. Operating profit (loss is expressed with "-")	665,018,309.78	659,065,362.15
Add: Non-operating income	4,037,383.38	2,981,866.13
Less: Non-operating expenses	6,688,151.10	16,418,323.58
II. Profit before income tax (loss is expressed with "-")	662,367,542.06	645,628,904.70
Less: Income tax expenses	117,100,459.42	127,441,441.90
III. Profit (loss is expressed with "-")	545,267,082.64	518,187,462.80
(I) Classified by continuity of operations		
1. Profit from continuing operations (loss is expressed with "-")	545,267,082.64	518,187,462.80
2. Profit from a discontinued operation (loss is expressed with "-")		
(II) Classified by ownership		
1. Profit attributable to shareholders of the parent	513,499,129.90	491,998,009.07
2. Profit or loss attributable to non-controlling interests	31,767,952.74	26,189,453.73
IV. Net amount of other comprehensive income after tax	-22,542,370.04	2,654,748.45
Other comprehensive income, net of tax, attributable to owners of the parent	-24,342,713.77	-2,122,693.34
(I) Other comprehensive income that will not be reclassified to profit or loss		
1. Remeasurement of a defined benefit plan		
2. Other comprehensive income using the equity method that will not be reclassified to profit or loss		
3. Change in the fair value of other equity investments		
4. Change in the fair value of the entity's own credit risks		
5. Others		
(II) Other comprehensive income that may be reclassified to profit or loss	-24,342,713.77	-2,122,693.34
1. Other comprehensive income using the equity method that may be reclassified to profit or loss		
2. Change in the fair value of other debt investments		
3. Amount recognised in other comprehensive income resulting from the reclassification of financial assets		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedge reserve		

Item	Semiannual 2026	Semiannual 2025
1. Exchange differences on translation of foreign currency financial statements	-24,342,713.77	-2,122,693.34
2. Others		
Other comprehensive income, net of tax, attributable to non-controlling interests	1,800,343.73	4,777,441.79
I. Total comprehensive income for the period	522,724,712.60	520,842,211.25
Total comprehensive income attributable to owners of the parent	489,156,416.13	489,875,315.73
Total comprehensive income attributable to non-controlling interests	33,568,296.47	30,966,895.52
II. Earnings per share:		
(I) Basic earnings per share	0.8821	0.8449
(II) Diluted earnings per share	0.8821	0.8449

For business combination involving entities under common control occurring during the current period, the net profit of the combined party generated before the business combination is RMB0.00, and the net profit of the combined party generated for the prior period is RMB0.00.

Legal representative: Li Jianquan　　Financial controller: Fang Xiuyuan　　Accounting supervisor: Zhao Yan

4. Parent Company's Income Statement

Preparer: Winner Medical Co., Ltd. Unit: RMB

Item	Semiannual 2026	Semiannual 2025
I. Revenue	1,417,940,383.28	1,407,280,615.50
Less: Cost of sales	929,983,022.35	930,548,941.26
Taxes and surcharges	4,428,501.54	6,495,567.57
Selling expenses	210,122,410.27	199,054,549.91
Administrative expenses	129,245,017.26	121,996,944.95
Research and development expenses	47,545,385.15	42,638,188.80
Finance expenses	3,215,461.72	-28,923,504.18
Including: Interest expenses	6,861,767.22	8,717,763.69
Interest revenue	31,878,962.44	33,088,095.54
Add: Other income	3,122,786.03	10,208,580.77
Investment income (loss is expressed with "-")	11,123,871.26	27,712,033.57
Including: Income from investments in associates and joint ventures	-356,758.80	213,714.71
Income from the derecognition of financial assets measured at amortised cost		
Net position hedging gains (loss is expressed with "-")		
Fair value gains (loss is expressed with "-")	29,528,710.49	8,128,565.77
Credit impairment losses (loss is expressed with "-")	-486,465.85	-4,318,872.72
Impairment losses of assets (loss is expressed with "-")	-4,300,275.71	-10,216,433.96
Gains on disposal of assets (loss is expressed with "-")	0.00	716,226.00
II. Operating profit (loss is expressed with "-")	132,389,211.21	167,700,026.62
Add: Non-operating revenue	221,629.93	172,544.11
Less: Non-operating expenses	3,221,736.84	3,077,944.32
III. Profit before income tax (loss is expressed with "-")	129,389,104.30	164,794,626.41
Less: Income tax expenses	26,060,555.74	33,491,893.38
IV. Profit (loss is expressed with "-")	103,328,548.56	131,302,733.03
(I) Profit from continuing operations (net loss expressed with “-”)	103,328,548.56	131,302,733.03
(II) Profit from a discontinued operation (net loss expressed with “-”)		

Item	Semiannual 2026	Semiannual 2025
V. Other comprehensive income, net of tax		
(I) Other comprehensive income that will not be reclassified to profit or loss		
1. Remeasurement of a defined benefit plan		
2. Other comprehensive income using the equity method that will not be reclassified to profit or loss		
3. Change in the fair value of other equity investments		
4. Change in the fair value of the entity's own credit risks		
5. Others		
(II) Other comprehensive income that may be reclassified to profit or loss		
1. Other comprehensive income using the equity method that may be reclassified to profit or loss		
2. Change in the fair value of other debt investments		
3. Amount recognised in other comprehensive income resulting from the reclassification of financial assets		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedge reserve		
6. Exchange differences on translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive income	103,328,548.56	131,302,733.03
VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated Statement of Cash Flows

Preparer: Winner Medical Co., Ltd. Unit: RMB

Item	Semiannual 2026	Semiannual 2025
I. Cash flows from investing activities:		
Cash receipts from the sale of goods and the rendering of services	5,574,052,409.21	5,180,823,697.99
Net increase in customer deposits and deposits from banks and other financial institutions		
Net increase in borrowings from the Central Bank		
Net increase in placements from other financial institutions		
Cash receipts for premium of original insurance contract		
Net cash receipts for reinsurance business		
Net increase in policyholders' deposits and investment funds		
Cash received from interest, fee and commission income		
Net increase in placements from banks and other financial institutions		
Net increase in funds for repurchase business		
Net cash receipts for securities trading on agency basis		
Receipts of taxes and surcharges refunds	61,895,582.32	68,856,098.69
Other cash receipts relating to operating activities	103,564,427.62	155,792,268.99
Total cash inflows from operating activities	5,739,512,419.15	5,405,472,065.67
Cash payments for goods and services	3,522,086,185.42	3,261,937,067.17
Net increase in loans and advances to customers		
Net increase in deposits with the Central Bank and other financial institutions		
Cash payments for settlement of claims under the original insurance contract		
Net increase in placements to banks and other financial institutions		
Cash payments for interest, fee and commission expenses		
Cash payments for insurance policy dividends		
Cash payments to and on behalf of employees	1,136,348,105.17	1,074,729,045.85
Payments of taxes and surcharges	446,187,699.04	390,462,598.16
Other cash payments relating to operating activities	321,457,538.46	338,417,580.42
Total cash outflows from operating activities	5,426,079,528.09	5,065,546,291.60
Net cash flows from operating activities	313,432,891.06	339,925,774.07

Item	Semiannual 2026	Semiannual 2025
II. Cash flows from investing activities:		
Cash receipts from investment withdrawal	1,992,616,191.79	1,261,463,648.10
Cash receipts from investment income	16,467,062.85	22,626,000.03
Net cash from disposal of fixed assets, intangible assets and other long-term assets	210,820.14	76,372.10
Net cash receipts from disposal of subsidiaries and other business units		
Other cash receipts relating to investing activities	2,130,000.00	
Total cash inflows from investing activities	2,011,424,074.78	1,284,166,020.23
Cash payments to acquire fixed assets, intangible assets and other long-term assets	353,108,796.12	304,146,237.54
Cash payments for investments	1,959,057,662.81	455,760,177.14
Net increase in pledged loans		
Net cash payments for acquisition of subsidiaries and other business units		
Other cash payments relating to other investing activities		
Total cash outflows from investing activities	2,312,166,458.93	759,906,414.68
Net cash flows from investing activities	-300,742,384.15	524,259,605.55
III. Cash flows from financing activities:		
Cash proceeds from investments by others	9,225,716.80	150,000.00
Including: Cash receipts from capital contributions from non-controlling interests of subsidiaries		150,000.00
Cash receipts from borrowings	1,187,482,182.47	1,443,534,035.41
Other cash receipts relating to financing activities		
Total cash inflows from financing activities	1,196,707,899.27	1,443,684,035.41
Cash repayments for debts	641,612,400.51	1,787,957,182.13
Cash payments for distribution of dividends or profit and interest expenses	65,157,987.88	227,188,158.50
Including: Dividends or profit paid to non-controlling shareholders of subsidiaries		
Other cash payments relating to financing activities	246,865,196.86	169,977,304.87
Total cash outflows from financing activities	953,635,585.25	2,185,122,645.50
Net cash flows from financing activities	243,072,314.02	-741,438,610.09
IV. Effect of exchange rate changes on cash and cash equivalents	-45,634,701.57	7,242,233.03
V. Net increase in cash and cash equivalents	210,128,119.36	129,989,002.56
Add: Cash and cash equivalents at beginning of period	1,560,722,108.58	1,357,097,385.35
VI. Cash and cash equivalents at end of period	1,770,850,227.94	1,487,086,387.91

Legal representative: Li Jianquan Financial controller: Fang Xiuyuan Accounting supervisor: Zhao Yan

6. Parent Company's Statement of Cash Flows

Preparer: Winner Medical Co., Ltd. Unit: RMB

Item	Semiannual 2026	Semiannual 2025
I. Cash flow from investing activities:		
Cash receipts from the sale of goods and the rendering of services	2,012,065,346.67	1,933,668,432.22
Receipts of taxes and surcharges refunds	33,665,877.06	28,335,242.87
Other cash receipts relating to operating activities	22,105,966.55	23,122,316.81
Total cash inflows from operating activities	2,067,837,190.28	1,985,125,991.90
Cash payments for goods and services	621,717,212.16	955,349,188.72
Cash payments to and on behalf of employees	216,507,310.80	193,143,050.68
Payments of taxes and surcharges	23,957,951.06	38,627,293.08
Other cash payments relating to operating activities	342,973,625.07	630,849,133.15
Total cash outflows from operating activities	1,205,156,099.09	1,817,968,665.63
Net cash flows from operating activities	862,681,091.19	167,157,326.27
II. Cash flows from investing activities:		
Cash from investment withdrawal	1,190,616,191.79	1,046,151,241.07
Cash from investment income	11,288,527.87	33,418,287.99
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	42,000.00	3,831,256.86
Net cash receipts from disposal of subsidiaries and other business units		
Other cash receipts relating to investing activities		
Total cash inflows from investing activities	1,201,946,719.66	1,083,400,785.92
Cash payments to acquire fixed assets, intangible assets and other long-term assets	35,895,842.30	61,647,973.40
Cash payments for investments	1,822,025,000.00	417,000,000.00
Net cash payments for acquisition of subsidiaries and other business units		
Other cash payments relating to other investing activities		
Total cash outflows from investing activities	1,857,920,842.30	478,647,973.40
Net cash flows from investing activities	-655,974,122.64	604,752,812.52
III. Cash flows from financing activities:		
Cash proceeds from investments by others	9,225,716.80	
Cash receipts from borrowings	90,000,000.00	

Item	Semiannual 2026	Semiannual 2025
Other cash receipts relating to financing activities		
Total cash inflows from financing activities	99,225,716.80	0.00
Cash repayments for debts	0.00	370,000,000.00
Cash payments for distribution of dividends or profit and interest expenses	53,688,933.61	209,821,669.94
Other cash payments relating to financing activities	136,065,948.10	13,721,388.77
Total cash outflows from financing activities	189,754,881.71	593,543,058.71
Net cash flows from financing activities	-90,529,164.91	-593,543,058.71
IV. Effect of exchange rate changes on cash and cash equivalents	-19,634,496.90	3,578,200.75
V. Net increase in cash and cash equivalents	96,543,306.74	181,945,280.83
Add: Cash and cash equivalents at beginning of period	713,624,261.95	443,341,985.31
VI.Cash and cash equivalents at end of period	810,167,568.69	625,287,266.14

Legal representative: Li Jianquan Financial controller: Fang Xiuyuan Accounting supervisor: Zhao Yan

7. Consolidated Statement of Changes in Equity

Preparer: Winner Medical Co., Ltd. Current amount Unit: RMB

Items	Semiannual 2026														
	Attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity investments: Preference share	Other equity investments: Perpetual bond	Other equity investments: Others	Capital reserves	Less: Treasury shares	Other comprehensive income	Specialised reserves	Surplus reserves	General reserves	Undistributed profit	Others	Subtotal		
I. Balance at end of prior year	582,329,808.00				3,389,737,553.59	4,187,537.10	-11,835,038.99		420,212,778.13		7,140,453,466.82		11,516,711,030.45	775,870,398.44	12,292,581,428.89
Add: Changes in accounting policies															
Correction of prior period errors															
Others															
II. Balance at beginning of year	582,329,808.00				3,389,737,553.59	4,187,537.10	-11,835,038.99		420,212,778.13		7,140,453,466.82		11,516,711,030.45	775,870,398.44	12,292,581,428.89
III. Changes for the period (loss is expressed with "-")	641,120.00				-20,100,316.88	129,449,806.28	-24,342,713.77				338,800,187.50		165,548,470.57	33,568,296.47	199,116,767.04
1. Total comprehensive income							-24,342,713.77				513,499,129.90		489,156,416.13	33,568,296.47	522,724,712.60
2. Owners' contributions and reduction in capital	641,120.00				4,183,418.46	129,449,806.28							-124,625,267.82	0.00	-124,625,267.82
(1) Ordinary shares invested by owners	641,120.00				8,584,596.80								9,225,716.80		9,225,716.80
(2) Capital contributions from holders of other equity instruments															
(3) Amount of share-based payments recognised in equity					-4,401,178.34								-4,401,178.34		-4,401,178.34
(4) Others						129,449,806.28							-129,449,806.28		-129,449,806.28
3. Profit distribution											-174,698,942.40		-174,698,942.40		-174,698,942.40
(1) Appropriation to surplus reserves															
(2) Appropriation to general reserve															
(3) Distribution to owners (or shareholders)											-174,698,942.40		-174,698,942.40		-174,698,942.40
(4) Others															
4. Transfer within equity															
(1) Capitalisation of capital reserves (or share capital)															
(2) Capitalisation of surplus reserves (or share capital)															
(3) Loss made up by surplus reserves															
(4) Transfer of changes in the defined benefit plan to retained earnings															
(5) Transfer of other comprehensive income to retained earnings															
(6) Others															
(V) Specialised reserves															
(1) Appropriation for the period															
(2) Utilisation for the period															
6. Others					-24,283,735.34								-24,283,735.34		-24,283,735.34
IV. Balance at end of period	582,970,928.00				3,369,637,236.71	133,637,343.38	-36,177,752.76		420,212,778.13		7,479,253,654.32		11,682,259,501.02	809,438,694.91	12,491,698,195.93

Legal representative: Li Jianquan Financial controller: Fang Xiuyuan Accounting supervisor: Zhao Yan

7. Consolidated Statement of Changes in Equity (Continued)

Preparer: Winner Medical Co., Ltd. Prior year amount Unit: RMB

Items	Semiannual 2025														
	Attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity investments			Capital reserves	Less: Treasury shares	Other comprehensive income	Specialised reserves	Surplus reserves	General reserves	Undistributed profit	Others	Subtotal		
		Preference share	Perpetual bond	Others											
I. Balance at end of prior year	582,329,808.00				3,378,540,115.00	7,282,100.00	-2,637,827.10		420,212,778.13		6,780,116,870.53		11,151,279,644.56	724,391,558.18	11,875,671,202.74
Add: Changes in accounting policies															
Correction of prior period errors															
Others															
II. Balance at beginning of year	582,329,808.00				3,378,540,115.00	7,282,100.00	-2,637,827.10		420,212,778.13		6,780,116,870.53		11,151,279,644.56	724,391,558.18	11,875,671,202.74
III. Changes for the period (loss is expressed with "-")					27,348,053.65	-88,375.00	-2,122,693.34				346,415,557.07		371,729,292.38	28,558,934.56	400,288,226.94
1. Total comprehensive income							-2,122,693.34				491,998,009.07		489,875,315.73	30,966,895.52	520,842,211.25
2. Owners' contributions and reduction in capital					27,348,053.65	-88,375.00							27,436,428.65	150,000.00	27,586,428.65
(1) Ordinary shares invested by owners														150,000.00	150,000.00
(2) Capital contributions from holders of other equity instruments															
(3) Amount of share-based payments recognised in equity					27,348,053.65								27,348,053.65		27,348,053.65
(4) Others						-88,375.00							88,375.00		88,375.00
3. Profit distribution											-145,582,452.00		-145,582,452.00	-2,557,960.96	-148,140,412.96
(1) Appropriation to surplus reserves															
(2) Appropriation to general reserve															
(3) Distribution to owners (or shareholders)											-145,582,452.00		-145,582,452.00	-2,557,960.96	-148,140,412.96
(4) Others															
4. Transfer within equity															
(1) Capitalisation of capital reserves (or share capital)															
(2) Capitalisation of surplus reserves (or share capital)															
(3) Loss made up by surplus reserves															
(4) Transfer of changes in the defined benefit plan to retained earnings															
5. Carryforward retained earnings of other comprehensive income															
(6) Others															
(V) Specialised reserves															
(1) Appropriation for the period															
(2) Utilisation for the period															
6. Others															
IV. Balance at end of period	582,329,808.00				3,405,888,168.65	7,193,725.00	-4,760,520.44		420,212,778.13		7,126,532,427.60		11,523,008,936.94	752,950,492.74	12,275,959,429.68

Legal representative: Li Jianquan Financial controller: Fang Xiuyuan Accounting supervisor: Zhao Yan

8. Parent Company's Statement of Changes in Equity

Preparer: Winner Medical Co., Ltd. Current amount Unit: RMB

Items	Semiannual 2026											
	Share capital	Other equity investments			Capital reserves	Less: Treasury shares	Other comprehensive income	Specialised reserves	Surplus reserves	Undistributed profit	Others	Total equity
		Preference share	Perpetual bond	Others								
I. Balance at end of prior year	582,329,808.00				3,388,316,701.42	4,187,537.10			411,397,111.21	4,744,962,352.64		9,122,818,436.17
Add: Changes in accounting policies												
Correction of prior period errors												
Others												
II. Balance at beginning of year	582,329,808.00				3,388,316,701.42	4,187,537.10			411,397,111.21	4,744,962,352.64		9,122,818,436.17
III. Changes for the period (loss is expressed with "-")	641,120.00				-20,100,316.88	129,449,806.28				-71,370,393.84		-220,279,397.00
1. Total comprehensive income										103,328,548.56		103,328,548.56
2. Owners' contributions and reduction in capital	641,120.00				4,183,418.46	129,449,806.28						-124,625,267.82
(1) Ordinary shares invested by owners	641,120.00				8,584,596.80							9,225,716.80
(2) Capital contributions from holders of other equity instruments												
(3) Amount of share-based payments recognised in equity					-4,401,178.34							-4,401,178.34
(4) Others						129,449,806.28						-129,449,806.28
3. Profit distribution										-174,698,942.40		-174,698,942.40
(1) Appropriation to surplus reserves												
2. Distribution to owners (or shareholders)										-174,698,942.40		-174,698,942.40
3. Others												
4. Transfer within equity												
(1) Capitalisation of capital reserves (or share capital)												
(2) Capitalisation of surplus reserves (or share capital)												
(3) Loss made up by surplus reserves												
(4) Transfer of changes in the defined benefit plan to retained earnings												
(5) Transfer of other comprehensive income to retained earnings												
(6) Others												
(V) Specialised reserves												
(1) Appropriation for the period												
(2) Utilisation for the period												
6. Others					-24,283,735.34							-24,283,735.34
IV. Balance at end of period	582,970,928.00				3,368,216,384.54	133,637,343.38			411,397,111.21	4,673,591,958.80		8,902,539,039.17

Legal representative: Li Jianquan Financial controller: Fang Xiuyuan Accounting supervisor: Zhao Yan

8. Parent Company's Statement of Changes in Equity (Continued)

Preparer: Winner Medical Co., Ltd. Last term amount Unit: RMB

Items	Semiannual 2025											
	Share capital	Other equity investments			Capital reserves	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserves	Undistributed profit	Others	Total equity
		Preference share	Perpetual bond	Others								
I. Balance at end of prior year	582,329,808.00				3,376,294,181.65	7,282,100.00			411,397,111.21	4,853,765,322.98		9,216,504,323.84
Add: Changes in accounting policies												
Correction of prior period errors												
Others												
II. Balance at beginning of year	582,329,808.00	0.00	0.00	0.00	3,376,294,181.65	7,282,100.00			411,397,111.21	4,853,765,322.98		9,216,504,323.84
III. Changes for the period (loss is expressed with "-")					27,348,053.65	-88,375.00				-14,279,718.97		13,156,709.68
1. Total comprehensive income										131,302,733.03		131,302,733.03
2. Owners' contributions and reduction in capital					27,348,053.65	-88,375.00						27,436,428.65
(1) Ordinary shares invested by owners												
(2) Capital contributions from holders of other equity instruments												
(3) Amount of share-based payments recognised in equity					27,348,053.65							27,348,053.65
(4) Others						-88,375.00						88,375.00
3. Profit distribution										-145,582,452.00		-145,582,452.00
(1) Appropriation to surplus reserves												
2. Distribution to owners (or shareholders)										-145,582,452.00		-145,582,452.00
3. Others												
4. Transfer within equity												
(1) Capitalisation of capital reserves (or share capital)												
(2) Capitalisation of surplus reserves (or share capital)												
(3) Loss made up by surplus reserves												
(4) Transfer of changes in the defined benefit plan to retained earnings												
(5) Transfer of other comprehensive income to retained earnings												
(6) Others												
(V) Specialised reserves												
(1) Appropriation for the period												
(2) Utilisation for the period												
6. Others												
IV. Balance at end of period	582,329,808.00				3,403,642,235.30	7,193,725.00			411,397,111.21	4,839,485,604.01		9,229,661,033.52

Legal representative: Li Jianquan Financial controller: Fang Xiuyuan Accounting supervisor: Zhao Yan

III. General Information

Winner Medical Co., Ltd. (hereinafter referred to as the “Company”), formerly known as Winner Industries (Shenzhen) Co., Ltd. (hereinafter referred to as “Winner Industries”), is a wholly foreign-owned enterprise established on 24 August 2000 with the approval of Shenzhen Municipal Administration for Industry and Commerce.

On 4 June 2015, with the approval of Economy, Trade and Information Commission of Shenzhen Municipality, Winner Industries was wholly changed into a limited liability company, renamed as “Winner Medical Co., Ltd.”.

On 18 August 2020, after the reply of China Securities Regulatory Commission on Approval of the Registration of the Initial Public Offering of Winner Medical Co., Ltd. (Z.J.X.K. [2020] No.1822), the Company issued 50 million ordinary shares in RMB to the public, which was listed on the Shenzhen Stock Exchange on 17 September 2020. Upon completion of the issuance, the registered capital of the Company was RMB426,492,308.00.

At the 2022 Annual General Meeting of Shareholders, the equity distribution plan was reviewed and endorsed. Based on the 419,737,649 shares post the deduction of repurchased shares, the plan includes a cash dividend of RMB19.00 (tax included) for every 10 shares, alongside a conversion of every 10 shares into 4 shares of share capital. Subsequently, the Company’s share capital was adjusted to RMB594,387,367.00.

In March 2024, the Company cancelled the 6,094,659 shares remaining in the 2021 repurchase plan excluding the first phase of the employee stock ownership plan (including the reserved part) in the special securities account for repurchase, and the total share capital of the Company decreased from 594,387,367 shares to 588,292,708 shares after the cancellation; In October 2024, the Company changed the use of 5,962,900 shares in the repurchase account from the original “for the Company’s employee stock ownership plan or equity incentive” to “for the cancellation and reduction of the Company’s registered capital”. After the cancellation, the total share capital of the Company was reduced from 588,292,708 shares to 582,329,808 shares, with a total share capital of RMB582,329,808.00.

In June 2026, pursuant to the "Proposal on the Company's 2024 Restricted Stock Incentive Plan (Draft) and its Summary" and other related proposals reviewed and approved at the 4th meeting of the 4th session of the Board of Directors, the 4th meeting of the 4th session of the Board of Supervisors, and the 4th Extraordinary General Meeting of Shareholders in 2024, the initial grant of restricted shares under the incentive plan entered its first vesting period on 18 May 2026. As of 12 June 2026, 90 incentive participants subscribed for the restricted shares vested during the first vesting period of the initial grant under the 2024 Restricted Stock Incentive Plan. The grant price was RMB14.39 per share, and 641,120.00 restricted shares vested, with total subscription funds of RMB9,225,716.80. Following the change, the Company's registered capital and share capital were both RMB582,970,928.00.

The Company is engaged in the manufacturing industry, specifically in the special-purpose equipment manufacturing sector, as well as the textile industry and the textile clothing and apparel industry.

The Company and its subsidiaries (collectively referred to as “the Group”) are mainly engaged in the research and development, production, and sales of medical consumables and consumer goods. The product categories of the medical consumables segment are divided into traditional wound care and dressing products, high-end wound dressing products, operating room consumable products, infection prevention products, health and personal care products and other products; the product categories of the consumer goods segment are divided into wet and dry wipes, sanitary napkins, baby clothing and supplies, adult apparel and other non-woven/woven products.

Domicile of the Company: F42, Building 2, Huilong Business Center, Minzhi Subdistrict, Longhua District, Shenzhen City.

The parent of the Group is Winner Group Limited, incorporated in the Cayman Islands.

The financial statements were approved and authorised for issue by the board of directors on 21 August 2026.

IV. Basis of Preparation of the Financial Statements

1. Basis of Preparation

These financial statements have been prepared in accordance with Accounting Standards for Business Enterprises - Basic Standard and specific accounting standards, interpretations and other relevant provisions issued subsequently by the Ministry of Finance (the "MOF") (collectively referred to as "ASBEs"). In addition, the financial statements also disclose relevant financial information in accordance with No.15 of Compilation Rules for Information Disclosure by Companies Offering Securities to the Public - General Provisions of Financial Reports.

2. Going Concern

The financial statements have been prepared on a going concern basis.

V. Material Accounting Policies and Significant Estimates

Tips of specific accounting policies and significant estimates:

The Group formulates specific accounting policies and accounting estimates according to the actual characteristics of its production and operation, which are mainly reflected in aspects such as the allowance for bad debts of accounts receivable, the inventory valuation method, the provision for inventory write-downs, the amortization of long-term prepaid expenses, the depreciation of right-of-use assets, the depreciation of fixed assets, the amortization of intangible assets, share-based payments, the impairment of goodwill, and the recognition and measurement of revenues.

1. Statement of Compliance with Accounting Standards for Business Enterprises

The financial statements present truly and completely the financial positions of the Company and the Group as at 30 June 2026, and the financial performance and the cash flows for the first half of 2026 in accordance with Accounting Standards for Business Enterprises.

2. Accounting Year

The accounting year of the Group is a calendar year, i.e., from 1 January to 31 December of each year.

3. Operating Cycle

The operating cycle of the Group is 12 months.

4. Functional Currency

The Company's functional and presentation currency is Renminbi ("RMB"). The currency unit is RMB Yuan unless otherwise stated.

Each subsidiary, joint venture or associate of the Group determines its own functional currency based on the primary economic environment in which it operates. In preparation of the financial statements, their functional currencies are translated into RMB.

5. Methodology for Determining Materiality Standard and Selection Rationale

√Applicable ☐N/A

Item	Materiality standard
Important individual accounts receivable with bad debt provisions	RMB5 million
Recovery or reversal of significant bad debt provisions for accounts receivable	RMB5 million
Write-off of important accounts receivable	RMB5 million
Important prepayments aged over one year	RMB5 million
Important accounts payable aged over one year	RMB5 million
Important contract liabilities aged over one year	RMB5 million
Important construction in progress	The amount incurred or the balance at the end of the period exceeds RMB30 million
Important joint ventures or associates	Long-term equity investment with closing balance exceeding 0.5% of total assets
Subsidiaries with non-controlling interests that are material to the Company	Non-controlling interests with closing balance exceeding 2% of net assets

6. Accounting for Business Combinations Involving Entities under common control and Business Combinations not Involving Entities under Common Control

Business combinations involving entities under common control: The assets and liabilities (including goodwill arising from the ultimate controlling party's acquisition of the entity being absorbed) that are obtained by the absorbing entity in a business combination involving entities under common control shall be measured on the basis of their carrying amounts in the financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or the aggregate face value of shares issued as consideration) shall be adjusted against share capital premium under the capital reserves. If the share capital premium is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Business combination not involving entities under common control: the cost of combination is the fair value of the assets paid, liabilities incurred or assumed and equity securities issued by the acquirer on the acquiring date for acquisition of the control of the acquiree. Where the cost of the combination is higher than the interest in the fair value of the acquiree's net identifiable assets, goodwill is recognised. If the cost of the combination is lower than the interest in the fair value of the net identifiable assets acquired, the difference is recognised in profit or loss. The acquirer shall measure the acquiree's identifiable assets, liabilities and contingent liabilities acquired in the business combination that meets the recognition criteria at their fair values on the acquisition date.

The directly related expenses incurred for the business combination are included in profit or loss; the transaction costs associated with the issue of equity or debt securities for the business combination are included in the initially recognised amounts of the equity or debt securities.

7. The Criteria of Control and Preparation of Consolidated Financial Statements

(1) The criterion of control

The consolidation scope of the consolidated financial statements is determined on a control basis and includes the Company and all subsidiaries. Control means that the Company has the power over the invested entity, enjoys variable returns by participating in the relevant activities of the invested entity, and has the ability to use the power to influence the amount of returns.

(2) Consolidation procedures

The Company regards the whole enterprise group as an accounting entity and prepares consolidated financial statements in accordance with unified accounting policies to reflect the overall financial position, operating results and cash flow of the enterprise group. The impact of internal transactions between the Company and its subsidiaries and between the subsidiaries are offset. If the internal transaction indicates that impairment loss has occurred to relevant assets, such loss shall be recognised in full. If the accounting policies and the accounting periods adopted by the subsidiaries are inconsistent with those of the Company, necessary adjustments shall be made in accordance with the accounting policies and the accounting periods of the Company when preparing the consolidated financial statements.

The minority shareholders' share of the subsidiary's owners' equity, current net profit or loss and current comprehensive income shall be separately listed under the owners' equity item in the consolidated balance sheet, under the net profit item and under the total comprehensive income item in the consolidated income statement. If the current loss shared by the minority shareholders of the subsidiary exceeds their share in the owner's equity of the subsidiary at the beginning of the period, the minority equity shall be offset by the balance.

(2.1) Increase of subsidiaries or business

During the reporting period, for subsidiaries or business acquired through business combinations involving entities under common control, the financial performance and cash flows of the entity from the beginning of the period in which the combination occurs to the end of the reporting period shall be consolidated. Adjustments are made to the opening balance in the consolidated financial statements and related items in the comparative financial statements as if the reporting entity after the combination had been in existence since the date the ultimate controlling party first obtained the control.

If control over an invested entity under common control is achieved due to reasons such as additional investment, for the equity investments held before obtaining the control of the entity being absorbed, the recognised relevant profit or loss, other comprehensive income, and other net asset changes from the later of the date of obtaining the original equity and the date when both the absorbing entity and the entity being absorbed are under common control up to the combination date shall be offset against the opening balance of retained earnings in the comparative financial statement period or the profit or loss. During the reporting period, if subsidiaries or business are increased due to business combination involving entities not under common control, it shall be included in the consolidated financial statements as of the acquisition date on the basis of the fair value of all identifiable assets, liabilities and contingent liabilities determined on the acquisition date.

If it is able to exercise control over the invested entity that is not under common control due to additional investment or other reasons, the equity held by the acquiree before the acquisition date shall be re-measured according to the fair value of the equity on the acquisition date, and the difference between the fair value and the book value shall be included as investment income in profit or loss. Other comprehensive income, which can be reclassified into profit or loss in the future, and other changes in owners' equity under the equity method as related to the acquiree's equity held before the acquisition date are converted to the investment income of the current period as of the acquisition date.

(2.2) Disposal of a subsidiary

① General disposal method

When the Company loses the control over the invested entity due to disposal of part of the equity investment or other reasons, the residual equity investment after the disposal shall be re-measured at its fair value on the date of losing control. The difference between the sum of the consideration acquired by disposal of the equity and the fair value of the residual equity, minus the sum of the share of the net assets of the original subsidiary continuously calculated from the acquisition date or the combination date and the goodwill according to the original shareholding ratio, shall be included in the investment income in the period of loss of control. Other comprehensive income related to the equity investment of the original subsidiary that can be reclassified into profit or loss in the future, and other changes in owners' equity under the equity method are converted to the investment income in the period of loss of control.

② Disposal of a subsidiary step by step

For disposal of the equity investment in the subsidiary by steps through multiple transactions till loss of the control, the terms, conditions and economic impact of the disposal on each transaction in respect of the equity investment of the subsidiary are subject to one or more of the following circumstances, which generally indicate that the multiple transactions are package deals:

i. The transactions were entered into simultaneously or with consideration of their mutual influence;

ii. These transactions as a whole can only achieve a complete business result;

iii. The occurrence of one transaction depends on the occurrence of at least one other transaction;

iv. A transaction may not be economically viable when viewed in isolation, but it becomes economically viable when considered together with other transactions.

If each transaction belongs to a package deal, each transaction shall be subject to accounting treatment as a deal for disposal of subsidiary and loss of the control; the difference between the disposal price and the share of net assets of the subsidiary corresponding to the disposal of investment before the loss of control is recognised as other comprehensive income in the consolidated financial statements and transferred to the profit or loss in the period of loss of control.

If each transaction does not belong to a package deal, the equity investment of the subsidiary shall be subject to accounting treatment without loss of control before losing the control; and accounting treatment shall be carried out in accordance with the general disposal method of the subsidiary when losing the control.

(2.3) Acquisition of non-controlling interests in subsidiaries

The difference between the long-term equity investment obtained due to the purchase of minority equity and the share of the net assets to be enjoyed and continuously calculated from the acquisition date or combination date according to the increased shareholding ratio is adjusted against the share capital premium in the capital reserve in the consolidated balance sheet; if the share capital premium in the capital reserve is not sufficient to offset the difference, the retained earnings shall be adjusted.

(2.4) Partial disposal of equity investment in subsidiaries without loss of control

The difference between the disposal price and the disposal of long-term equity investment and the share of the net assets to be enjoyed and continuously calculated from the acquisition date or combination date, is adjusted against the share capital premium in the capital reserve in the consolidated balance sheet; if the share capital premium in the capital reserve is not sufficient to offset the difference, the retained earnings shall be adjusted.

8. Classification of Joint Arrangements and Accounting Treatment for Joint Operations

9. Recognition Criteria for Cash and Cash Equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand.

Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value.

10. Foreign Currency Transactions and Foreign Currency Translation

(1) Foreign currency transactions

Foreign currency transaction adopts the spot exchange rate on the date of the transaction as the conversion exchange rate to convert the foreign currency amount into RMB for reporting.

At the balance sheet date, the balance of foreign currency monetary items are converted by using the spot exchange rates at the balance sheet date. Exchange differences arising therefrom are recognised in profit or loss, except the exchange differences related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalisation are treated according to the capitalisation of borrowing costs.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates on initial recognition, and the amount denominated in the functional currency is not changed. 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 resulting exchange differences are recognised in profit or loss or other comprehensive income depending on the nature of the non-monetary items.

(2) Conversion of financial statements denominated in foreign currencies

For foreign operations, the Group translates their functional currency amounts into RMB when preparing the financial statements as follows: as at the balance sheet date, the assets and liabilities are translated using the spot exchange rates at the balance sheet date, and equity items other than “undistributed profit” are translated at the spot exchange rates at the dates of transactions. Revenue and expense items in the income statement are translated using the annual average exchange rate. The resulting exchange differences are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss. If the disposal only involves a portion of a particular foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss on a pro-rata basis.

Foreign currency cash flows and the cash flows of foreign subsidiaries are translated using the weighted average exchange rates for the period during which the cash flows occur (unless this is inappropriate due to exchange rate fluctuations, in which case the spot exchange rates prevailing on the dates of cash flows are used). The effect of exchange rate changes on cash is separately presented as an adjustment item in the statement of cash flows.

11. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(1) Classification of financial instrument

Based on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them, financial assets at initial recognition are classified as: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss.

The Group classifies financial assets as measured at amortised cost if they meet all of the following conditions and are not designated as at fair value through profit or loss:

(1) The business model is aimed at collecting contract cash flows;

(2) The contract cash flow is only the payment of the principal and interest based on the outstanding principal amount.

The Group classifies financial assets as measured at fair value through other comprehensive income (debt instruments) if they meet all of the following conditions and are not designated as at fair value through profit or loss:

(1) The business model is aimed at collecting contract cash flows and the sale of such financial assets;

(2) The contract cash flow is only the payment of the principal and interest based on the outstanding principal amount.

For investments in equity instruments not held for trading, the Group may, at initial recognition, irrevocably designate them as financial assets at fair value through other comprehensive income (equity instruments). The designation is made on a single investment basis and the related investments meet the definition of an equity instrument from an issuer's perspective.

Other than the financial assets measured at amortised cost and those measured at fair value through other comprehensive income as described above, the Group classifies all remaining financial assets as financial assets at fair value through profit or loss. On initial recognition, if accounting mismatches can be eliminated or significantly reduced, the Group may irrevocably designate financial assets that would have been classified as measured at amortised cost or at fair value through other comprehensive income as financial assets measured at fair value through profit or loss.

Financial liabilities are classified at the initial recognition as: financial liabilities measured at fair value of which changes are recorded in profit or loss and financial liabilities measured at the amortised cost.

Financial liabilities that meet one of the following conditions may be designated at the initial recognition as the financial liabilities measured at fair value of which changes are recorded in profit or loss.

(1) This designation eliminates or significantly reduces accounting mismatches;

(2) Based on the enterprise risk management or investment strategy set forth in the formal written documents, the portfolio of financial liabilities or the portfolio of financial assets and financial liabilities is managed and evaluated on the basis of fair value, and reported to key management personnel within the enterprise on this basis;

(3) The financial liability contains embedded derivatives that need to be split separately.

(2) Recognition basis and measurement method of financial instruments

(2.1) Financial assets measured at amortized cost

Financial assets measured at amortised cost include notes receivable, accounts receivable, other receivables, long-term receivables, debt investments, etc. They are initially recognised at fair value, with related transaction costs included in the initial carrying amount. Accounts receivable that do not contain a significant financing component, as well as for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component due within one year, are initially recognised at the contractual transaction price. Interest calculated using the effective interest method during the holding period is recognised in profit or loss for the current period. Upon collection or disposal, the difference between the proceeds received and the carrying amount of the financial asset is recognised in profit or loss for the current period.

(2.2) Financial assets at fair value through other comprehensive income (debt investments)

Financial assets (debt instruments) measured at fair value through other comprehensive income includes receivables financing and other debt investments, which are initially measured at fair value, with related transaction costs included in the initially recognised amount. Such financial assets are subsequently measured at fair value, and changes in fair value are included in other comprehensive income except for interest calculated using the effective interest method, impairment losses or gains and exchange losses or gains. On derecognition, the accumulated gains or losses previously recognised in other comprehensive income are transferred out and recognised in profit or loss.

(2.3) Financial assets at fair value through other comprehensive income (equity investments)

Financial assets measured at fair value through other comprehensive income (equity instruments) include other equity instrument investments, which are initially measured at fair value, with related transaction costs included in the initially recognised amount. Such financial assets are subsequently measured at fair value, and changes in fair value are recognised in other comprehensive income. Dividends obtained are recognised in profit or loss. On derecognition, the accumulated gains or losses previously recognised in other comprehensive income are transferred out and recognised in retained earnings.

(2.4) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, derivative financial assets and other non-current financial assets, which are initially measured at fair value, with related transaction costs included in profit or loss. Such financial assets are subsequently measured at fair value, and changes in fair value are recognised in profit or loss.

(2.5) Financial liabilities at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and derivative financial liabilities, which are initially measured at fair value, with related transaction costs included in profit or loss. Such financial assets are subsequently measured at fair value, and changes in fair value are recognised in profit or loss. On derecognition, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

(2.6) Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost include short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings and long-term payables, which are initially measured at fair value, with related transaction costs included in the initial recognition amount. Interest calculated using the effective interest method during the holding period is included in the profit or loss. On derecognition, the difference between the consideration paid and the carrying amount of the financial liability is recognised in profit or loss.

(3) Basis for recognition and method of measurement for derecognition of financial assets and transfer of financial assets

The Group derecognises a financial asset when any of the following conditions is met:

(1) Termination of the contractual right to collect the cash flow of financial assets;

(2) The financial assets have been transferred, and almost all the risks and remuneration in its ownership have been transferred to the transferee;

(3) The financial asset has been transferred, and although the Group has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, it has not retained control over the financial asset.

If the Group modifies or renegotiates a contract with a counterparty and the modification constitutes a substantial modification, the original financial asset is derecognised, and a new financial asset is recognised in accordance with the modified terms.

In the event of a financial asset transfer, if almost all the risks and remuneration in the ownership of the financial asset are retained, the recognition of the financial asset will not be terminated.

The principle of substance over form is adopted when judging whether the transfer of financial assets meets the above conditions for derecognition of financial assets.

The Company divides the transfer of financial assets into the whole transfer of financial assets and the partial transfer of financial assets. If the overall transfer of the financial asset meets the derecognition conditions, the difference between the following two amounts shall be recorded into the profit or loss:

(1) The carrying amount of the transferred financial asset;

(2) The sum of the consideration received from the transfer and the cumulative amount of the fair value changes originally included in owner's equity directly (where the financial asset involved in the transfer is measured at fair value and the change is recorded in other comprehensive income (debt instrument)).

If the partial transfer of the financial asset meets the derecognition conditions, the carrying amount of the overall transferred financial asset is distributed between the derecognised and non-derecognised part according to the relative fair value and the difference between the following two amounts is included in profit or loss:

(1) The carrying amount of derecognised part;

(2) Sum of the consideration of the derecognised part and the amount of corresponding derecognised part in the total fair value changes originally included in owner's equity directly (where the financial asset involved in the transfer is measured at fair value and the change is recorded in other comprehensive income (debt instrument)).

If the transfer of the financial asset does not meet the conditions of derecognition, such financial asset shall continue to be recognised and the consideration received shall be recognised as a financial liability.

(4) Derecognition of financial liabilities

A financial liability (or part thereof) is derecognised when the present obligation is discharged in whole or in part. If the Group enters into an agreement with the creditor to replace an existing financial liability with a new financial liability under terms that are substantially different, the existing liability shall be derecognised and the new financial liability recognised simultaneously.

When the terms of an existing financial liability are substantially modified in whole or in part, the original financial liability (or the relevant part) shall be derecognised, and the modified liability shall be recognised as a new financial liability.

When a financial liability is derecognised in whole or in part, the difference between the carrying amount of the derecognised liability and the consideration paid (including transferred non-cash assets or newly assumed financial liabilities) shall be recognised in profit or loss.

If the Group repurchases part of a financial liability, it shall allocate the carrying amount of the entire liability between the part continued to be recognised and the part derecognised, based on their relative fair values at the repurchase date. The difference between the carrying amount allocated to the derecognised part and the consideration paid (including transferred non-cash assets or newly assumed financial liabilities) shall be recognised in profit or loss.

(5) Determination method of fair value for financial assets and financial liabilities

For financial instruments with an active market, the fair value is determined based on quoted prices in the active market. For financial instruments without an active market, the fair value is determined using valuation techniques. For valuation, the Group uses valuation techniques that are appropriate under current circumstances and supported by sufficient available data and other information, and selects inputs consistent with those that market participants would consider in transactions of relevant asset or liability, with priority given to relevant observable inputs. Unobservable inputs are used only when relevant observable inputs are not available or their procurement is impracticable.

(6) Testing and accounting methods for impairment of financial instruments

The Group accounts for impairment of financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income (debt instruments) and financial guarantee contracts based on expected credit losses ("ECLs").

The Group calculates the probability-weighted amount of the present value of the difference between the cash flows receivable under the contract and the cash flows expected to be received, taking into account reasonable and supportable information such as past events, current conditions and forecasts of future economic conditions, with the risk of default as the weight, and recognises ECLs.

For receivables and contract assets arising from transactions defined in Accounting Standards for Business Enterprises No.14 - Revenue, regardless of whether they contain significant financing components, the Company elects to apply the simplified approach to recognise a loss allowance based on lifetime ECLs.

For lease receivables arising from transactions defined in Accounting Standards for Business Enterprises No. 21 - Leases, the Group elects to apply the simplified approach to recognise a loss allowance based on lifetime ECLs.

For other financial assets than those under the simplified approach, the Group assesses the changes in credit risk on the financial instruments since initial recognition at each balance sheet date.

The Group compares the risk of a default occurring as at the balance sheet date with the risk of a default as at the date of initial recognition to determine relative changes in the risk of a default occurring of the financial instrument in the expected lifetime, and assess whether the credit risk of the financial instrument has increased significantly since initial recognition. Generally, the Group considers that the credit risk of a financial instrument has increased significantly when it is more than 30 days past due, unless there is reasonable evidence demonstrating that the credit risk has not increased significantly since initial recognition.

If the credit risk has not increased significantly since initial recognition (stage 1), the loss allowance is measured at an amount equal to 12-month ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate; if the credit risk has increased significantly since initial recognition but are not credit-impaired (stage 2), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate; if such financial assets are credit-impaired after initial recognition (stage 3), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the amortised cost and the effective interest rate. If the credit risk of financial instruments is low at the balance sheet date, the Group assumes that the credit risk has not increased significantly since initial recognition.

For financial assets (debt instruments) measured at fair value and whose changes are included in other comprehensive income, the loss provision is recognised in other comprehensive income, and the impairment loss or gain is included in the profit or loss, without reducing the financial asset's carrying amount shown on the balance sheet.

If there is objective evidence that a receivable has been credit-impaired, the Group makes an impairment provision for the receivable on an individual basis.

Except for the above receivables for which bad debt provision is made on an individual basis, the Group classifies the remaining financial instruments into several groups according to the credit risk characteristics, and determines the ECLs on a group basis.

For notes receivable and accounts receivable financing, the Group recognises a loss allowance based on lifetime ECLs. Based on the credit risk characteristics of notes receivable and receivable financing, it is divided into different portfolios:

Item	Basis for grouping and method of provision for bad debts
Notes receivable:	
Bank acceptance bills	If the acceptor is a bank with higher credit rating (such as large state-owned commercial banks and listed joint-stock commercial banks), no provision for bad debts shall be made; if the acceptor is another bank or financial company, the expected credit loss is analyzed based on historical information and judged whether it is necessary to make provision for bad debts.
Commercial acceptance bills	If the acceptor is a non-financial institution, its division is the same as that of accounts receivable (if accounts receivable are transferred to notes receivables, the age of accounts is calculated continuously).
Amounts receivable financing	
Bank acceptance bills	If the acceptor is a bank with a higher credit rating, no provision for bad debts is made.

The Group's basis for grouping and method of provision for expected credit losses on notes receivable - commercial acceptance bills, accounts receivable and other receivables are as follows:

Item	Group	Basis
Accounts receivable		
Receivables from related parties within the scope of consolidation	No credit risk group	Unless there is objective evidence that they cannot be recovered, no provision for bad debts will be made for amounts within the scope of consolidation
Due from other clients	Aging group	The accounts receivable are grouped based on their aging as the credit risk characteristic.
Other receivables		
Receivables such as export tax rebates and housing funds have no credit risk	No credit risk group	The accounts receivable are grouped based on their nature as the credit risk characteristic (mainly including export tax rebates, and housing funds).
Other receivables from related parties within the scope of consolidation	No credit risk group	Unless there is objective evidence that they cannot be recovered, no provision for bad debts will be made for amounts within the scope of consolidation
Deposits and guarantee deposits	Balance proportion group	The accounts receivable are grouped based on their nature as the credit risk characteristic (mainly including deposits and guarantee deposits)
Other receivables	Aging group	The accounts receivable are grouped based on their aging as the credit risk characteristic.
Long-term receivables:		
Finance lease receivables	Balance proportion group	The finance lease receivables are grouped based on their nature of the receivables as the credit risk

		characteristic
Deposits and guarantee deposits	Balance proportion group	The accounts receivable are grouped based on their nature as the credit risk characteristic (mainly including deposits and guarantee deposits)

Provision for doubtful accounts for aging portfolio:

Aging	Provision ratio for accounts receivables (%)	Provision ratio for other receivables (%)
Within 1 year, inclusive	5.00	5.00
1 to 2 years	10.00	10.00
2 to 3 years	30.00	30.00
3 to 4 years	50.00	50.00
4 to 5 years	80.00	80.00
Over 5 years	100.00	100.00

Bad debt provisions for commercial acceptance bills receivable are accrued according to the expected credit loss rate of accounts receivable mentioned earlier, with the aging start date of commercial acceptance bills corresponding to that of the accounts receivable.

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

12. Notes Receivable

Please refer to the Note "V. 11 Financial Instruments".

13. Accounts Receivable

Please refer to the Note "V. 11 Financial Instruments".

14. Receivables Financing

Please refer to the Note "V. 11 Financial Instruments".

15. Other Receivables

Recognition method and accounting treatment method of the expected credit loss of other receivables

For the measurement of impairment loss of other receivables other than accounts receivable and notes receivable (including other receivables, long-term receivables, etc.), it shall be treated by referring to the "V. 11. Financial instruments 6) Test method and accounting treatment method of financial assets (excluding receivables) impairment".

16. Contract Assets

The Group presents contract assets or contract liabilities depending on the relationship between the satisfaction of its performance obligations and the customer's payment in the balance sheet. The Group presents its right to consideration in exchange for goods or services as a contract asset (the right to consideration is conditional on other factors excluding the passage of time).The Group's unconditional (only conditional on the passage of time) right to consideration from customers is presented separately as receivables. The Group presents its obligation to transfer goods or services to a customer, for which the Group has received consideration or the Group has a right to an amount of consideration that is unconditional (i.e., a receivable) from the customer, as a contract liability. The contractual assets and contractual liabilities under the same contract are listed in the net amount.

17. Inventories

(1) Classification and cost of inventories

Inventories are classified as: raw materials, low-value consumables, goods in stock, work in progress, shipped goods, outsourced processing materials, packaging materials, etc.

Inventories are initially carried at cost, which includes purchase cost, processing cost and other expenses incurred to bring the inventories to their current location and condition.

(2) Valuation method of inventories shipped

For purchased finished products, cost is determined under the moving weighted average method when they are sold and shipped; for self-manufactured finished goods, cost is determined under the standard cost method at the time of delivery, with variances between actual cost and standard cost allocated at period-end based on the inventory-to-sales ratio.

(3) Inventory system

The perpetual inventory system is adopted.

(4) Amortisation method for low-value consumables and packaging materials

Low-value consumables are amortised at 50% upon initial use and 50% upon disposal; Packaging materials are amortised using the one-time write-off method.

(5) Recognition criteria and accrual method of provision for write-down of inventories

At the balance sheet date, inventories shall be stated at the lower of cost and net realisable value. When the cost of inventories is higher than its net realisable value, a provision for write-down of inventories shall be made. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes.

For inventories directly used for sale, such as finished goods, goods in stock and materials for sale, the net realisable value shall be determined, in the ordinary course of business, at the estimated selling price less the estimated costs necessary to make the sale and relevant taxes; for inventories of materials that need to be processed, the net realisable value shall be determined, in the ordinary course of production and operation, at the estimated selling price of finished goods less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes; for inventories held for the execution of sales contracts or labour contracts, the net realisable value is calculated based on the contract price, and if the quantity of inventories held is more than the quantity ordered in the sales contract, the net realisable value of the excess part of inventories is calculated based on the general sales price, taking into account the market sales price and the estimated discount rate (if applicable).

After the provision for provision for the write-down of inventory has been made, if the factors that caused the write-down have ceased to exist, resulting in the net realizable value of the inventory exceeding its carrying amount, the previously recognised provision for the write-down of inventory shall be reversed within the original write-down amount. The reversal amount shall be recognised in profit or loss.

18. Financial Assets Held for Trading

19. Debt Investments

20. Other Debt Investments

21. Long-Term Receivables

Please refer to Note 41. Leases (2) Accounting treatment for leases as a lessor 2) Accounting treatment for finance leases for details.

22. Long-Term Equity Investments

Long-term equity investments include equity investments in subsidiaries, joint ventures and associates.

(1) Criteria for joint control and significant influence

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The investee is a joint venture of the Company if the Company and other parties jointly control the investee and enjoy rights to the net assets of the investee.

Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control with other parties over those policies. The investee is an associate of the Company if the Company is able to exercise significant influence over the investee.

(2) Determination of initial investment cost

1) Long-term equity investments arising from a business combination

For a long-term equity investment in a subsidiary arising from a business combination involving enterprises under common control, the initial investment cost of the long-term equity investment shall be the share of the carrying amount of the owner’s equity in the acquiree in the consolidated financial statements of the ultimate controlling party on the combination date. The difference between the initial investment cost of the long-term equity investment and the carrying amount of the consideration paid shall be adjusted against capital premium under the capital reserves; if the capital premium is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings. If the investee under common control can be controlled due to additional investment and other reasons, the difference between the initial investment cost of the long-term equity investment recognised according to the above principles and the sum of the carrying amount of the long-term equity investment before the combination plus the carrying amount of the new consideration paid for the further acquisition of shares on the combination date shall be adjusted against capital premium; if the capital premium is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

For a long-term equity investment in a subsidiary arising from a business combination not involving enterprises under common control, the initial investment cost of the long-term equity investment is the combination cost determined on the acquisition date. If the investee not under common control can be controlled due to additional investment and other reasons, the initial investment cost shall be the sum of the carrying amount of the equity investment originally held and the new investment cost.

2) Long-term equity investments not arising from a business combination

For long-term equity investments acquired through cash payment, the initial investment cost is determined based on the actual purchase price paid.

For long-term equity investments acquired by issuing equity securities, the initial investment cost shall be the fair value of the equity securities issued.

(3) Subsequent measurement and approach for the determination of profit and loss

1) Long-term equity investment under the cost method

For a long-term equity investment where the Company can exercise control over the investee, the long-term investment is accounted for using the cost method in the Company's individual financial statements. Control is achieved when the Company 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.

Under the cost method, the long-term equity investment is measured at its initial investment cost. When additional investment is made or the investment is recouped, the cost of long-term equity investment is adjusted accordingly. Cash dividends or profit distributions declared by the investee are recognised as investment income in profit or loss.

2) Long-term equity investment under the equity method

Long-term equity investments in associates and joint ventures are accounted for using the equity method. Where the initial investment cost of a long-term equity investment exceeds the interest in the fair value of the investee's identifiable net assets at the acquisition date, no adjustment is made to the initial investment cost; where the initial investment cost is less than the interest in the fair values of the investee's identifiable net assets at the acquisition date, the difference is charged to profit or loss, and the cost of the long-term equity investment is adjusted accordingly.

The Company recognises its share of the investee's profit or loss, as well as its share of the investee's other comprehensive income, as investment income or loss and other comprehensive income, and adjusts the carrying amount of the investment accordingly; the carrying amount of the investment is reduced based on the Company's share of any profit distributions or cash dividends declared by the investee; the Company's share of the investee's equity changes other than those arising from the investee's profit or loss, other comprehensive income or profit distribution ("other changes in owners' equity"), is recognised in the Company's equity, and the carrying amount of the long-term equity investment is adjusted accordingly.

The Company recognises its share of the investee's net profit or loss, other comprehensive income and other changes in owners' equity based on the fair value of the investee's identifiable assets at the acquisition date and recognises its share of the investee's net profit and other comprehensive income after making adjustments in accordance with the Group's accounting policies and Reporting Periods.

Unrealised profits and losses from transactions with its joint ventures and associates are eliminated to the extent of the Group's investments in the associates or joint ventures, and investment income is recognised on this basis, except where the assets invested or sold constitute a business. Any loss arising from such transactions which are attributable to an impairment loss shall be recognised at its entirety.

The Group's share of losses of the associates or joint ventures is recognised to the extent that the carrying amount of the investment together with any long-term interests that in substance form part of its net investment in the associates or joint ventures is reduced to zero, except that the Company has the obligations to assume further losses. For joint ventures or associates that subsequently report net profits, the Group resumes recognition of its profit-sharing amount after offsetting previously unrecognised loss allocations.

3) Disposal of long-term equity investments

For disposal of long-term equity investments, the difference between the carrying amount and the actual acquisition price is included in profit and loss.

The disposal of part of a long-term equity investment accounted for under the equity method, where the remaining equity continues to be accounted for under the equity method, shall result in the other comprehensive income originally recognised under the equity method being carried forward on the same basis as the investee's direct disposal of the related assets or liabilities, proportionally. Other changes in owners' equity shall be proportionally carried forward to profit or loss.

When the disposal of equity investments results in the loss of joint control or significant influence over the investee, the other comprehensive income originally recognised under the equity method shall be accounted for on the same basis as the investee's direct disposal of the related assets or liabilities upon discontinuation of the equity method.

When the disposal of part of equity investments leads to loss of control over the investee, in the preparation of individual financial statements: if the Company can still exercise joint control or significant influence over the investee with the remaining equity, the remaining equity shall be accounted for using the equity method with retrospective adjustment as if the equity method had been applied since initial acquisition, and the other comprehensive income recognised before acquiring control shall be proportionally carried forward on the same basis as the investee's direct disposal of related assets or liabilities, while other changes in owners' equity recognised under the equity method shall be proportionally carried forward to profit or loss; if the Company can no longer exercise joint control or significant influence over the investee with the remaining equity, the remaining equity shall be recognised as a financial asset with the difference between its fair value and carrying amount at the date of losing control recognised in profit or loss, and all other comprehensive income and other changes in owners' equity recognised before acquiring control shall be fully carried forward.

Where the disposal of an investment in a subsidiary through multiple transactions in steps until loss of control constitutes bundled transactions, all such transactions shall be accounted for as a single transaction involving the disposal of the subsidiary investment resulting in loss of control. In the individual financial statements, for each disposal before the loss of control, the difference between the disposal consideration and the carrying amount of the part of the long-term equity investment disposed of shall be initially recognised in other comprehensive income, and subsequently carried forward in its entirety to profit or loss when control is lost. If it does not constitute bundled transactions, each transaction shall be accounted for separately.

23. Investment Properties

Measurement mode of investment properties

Cost method

Depreciation or amortisation method

Investment properties are properties held to earn rentals or for capital appreciation or both, such as buildings leased out (including buildings that are constructed or developed for rental purposes after completion, as well as buildings that are under construction or development and intended for future rental use). An investment property is measured initially at cost. If the economic benefits relating to an investment property will probably flow in and the cost can be reliably measured, subsequent costs incurred for the property are included in the cost of the investment property. Otherwise, subsequent costs are recognised in profit or loss as incurred. The Group uses the cost model for the subsequent measurement of its investment properties. For investment properties measured under the cost model, the same depreciation policy as the Group's fixed assets is applied to buildings for lease.

24. Fixed Assets

(1) Recognition conditions

Recognition and initial measurement of fixed assets

Fixed assets refer to tangible assets held for the purpose of producing goods, providing services, leasing or operating management, and with a service life of more than one accounting year. Fixed assets are recognised when both of the following conditions are met:

(1) The economic benefits associated with the asset will probably flow into the Company;

(2) The cost of the asset can be measured reliably.

Fixed assets are initially measured at cost (taking into account the impact of expected disposal expenses). The cost of a purchased fixed asset comprises the purchase price, relevant taxes and any directly attributable expenditure for bringing the asset to working condition for its intended use. Subsequent expenditures related to fixed assets are recognised in the cost of fixed assets when it is probable that the economic benefits related thereto will flow in and the cost can be measured reliably; the carrying amount of the component of the fixed asset that is replaced shall be derecognised; all other subsequent expenditures are recognised in profit or loss as incurred.

(2) Depreciation method

Category	Depreciation method	Depreciation period	Residual rate	Annual depreciation rate
Buildings	Straight-line depreciation	10-40 years	0.00%-10.00%	2.25%-10.00%
Machinery	Straight-line depreciation	2-15 years	5.00%-10.00%	6.00%-47.50%
Vehicles	Straight-line depreciation	3-10 years	5.00%-10.00%	9.00%-31.67%
Electronic equipment, office equipment and others	Straight-line depreciation	2-10 years	5.00%-10.00%	9.00%-47.5%
Land ownership	Others	N/A	N/A	N/A

No depreciation is provided for land

25. Construction in Progress

Construction in progress is measured at the actual cost incurred. The actual cost includes construction cost, installation cost, borrowing costs eligible for capitalisation and other necessary expenditures incurred before the construction in progress reaches the working condition for its intended use. An item of construction in progress is transferred to fixed assets when the asset is ready for its intended use, and depreciation commences from the following month.

The criteria and timing for carrying forward construction in progress of the Company to fixed assets are as follows:

Class	Criteria and timing for transfer to fixed assets
Buildings	(1) The main construction project and supporting projects are substantially completed. (2) The construction project meets the scheduled design requirements and undergoes inspection and acceptance by survey, design, construction, supervision, fire protection, and quality supervision units. (3) The construction project reaches the intended usable state. If final accounts for completion are pending, it will be transferred to fixed assets at an estimated value based on the actual project cost from the date of achieving usability.
Machinery	(1) Relevant equipment and supporting facilities are installed. (2) Equipment operates normally and stably after debugging. (3) Production equipment consistently yields qualified products. (4) Equipment is accepted by asset managers and users post-inspection.
Electronic equipment, office equipment and others	(1) The relevant equipment and supporting facilities have been completely installed; (2) the equipment has been debugged to reach the working condition for intended use; (3) the equipment has been formally accepted by both asset management personnel and operational users.

26. Borrowing Costs

(1) Recognition principle of capitalisation of borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised and recognised in asset cost. The amounts of other borrowing costs incurred are recognised as an expense in the period in which they are incurred.

Qualifying assets are fixed assets, investment properties, inventories and other assets that require a considerable period of time for acquisition, construction or production activities to reach their condition for intended use or sale.

(2) Capitalisation period of borrowing costs

Capitalisation period refers to the period from the time point when the capitalisation of borrowing costs starts to the time point when the capitalisation of borrowing costs ceases, excluding the period when the capitalisation of borrowing costs is suspended.

Borrowing costs are capitalised when all of the following conditions are met:

(1) Expenditures on assets have been incurred, including those in the form of cash payment, non-cash assets transfer or interest-bearing liabilities for the acquisition, construction or production of qualifying assets;

(2) Borrowing costs have been incurred;

(3) The activities that are necessary to acquire, construct or produce the asset for its intended use or sale have been undertaken.

Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced gets ready for its intended use or sale.

(3) Suspension period of capitalisation

Capitalisation of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally, when the suspension is for a continuous period of more than 3 months. The borrowing costs shall continue to be capitalised if such suspension constitutes a necessary procedure to prepare the qualifying asset being purchased, constructed or produced for its intended use or sale. Borrowing costs incurred during these periods are recognised in profit or loss until the acquisition, construction or production is resumed and the borrowing costs continue to be capitalised.

(4) Calculation of capitalisation rate and amount of borrowing costs

For specific borrowings for the acquisition and construction or production of qualifying assets, the capitalisation amount of borrowing costs is the actual borrowing costs incurred in the current period of the specific borrowings less the interest income from the unused borrowings deposited in banks or the investment income from temporary investment.

For general borrowings used for the acquisition and construction or production of qualifying assets, the capitalisation amount of borrowing costs is calculated by applying the capitalisation rate on the general borrowings to the weighted average of the excess of the cumulative expenditures on the asset over the expenditures on the asset funded by the specific borrowings. The capitalisation rate is calculated based on the weighted average effective interest rate of general borrowings.

During the period of capitalisation, the exchange difference between the principal and interest of specific borrowings in foreign currency is capitalised and included in the cost of qualifying assets. Exchange differences arising from the principal and interest of foreign currency borrowings other than specific borrowings in foreign currency are included in profit or loss.

27. Biological Assets

28. Oil and Gas Assets

29. Intangible Assets

(1) Useful life and its determination basis, estimation, amortization method or review procedures

(1) Valuation of intangible assets

1) Intangible assets are initially measured at cost when the Company obtains them;

The cost of purchased intangible assets includes the purchase price, relevant taxes and other expenses directly attributable to the asset for its intended use.

2) Subsequent measurement

The service lives of intangible assets are assessed when the Company obtains them.

For intangible assets with a finite useful life, amortisation shall be carried out within the period during which they bring economic benefits to the Company. If the period over which an intangible asset can bring economic benefits to the enterprise cannot be foreseen, it shall be regarded as an intangible asset with an indefinite useful life and shall not be amortised.

(2) Estimation of useful lives for intangible assets with finite useful lives

Item	Expected useful life	Determination basis of expected useful life.
Land use rights	38-50 years	The land use right certificate specifies the term of use.
Software use rights	2-8 years	Management expects the useful life
Trademarks	5-10 years	The trademark use right certificate specifies the benefit period.
Patents	5-10 years	Benefit period specified in the certificate of patent use
Royalty	3	Contractual useful life
Client relations	10	Management expects the useful life

(3) Determination basis for intangible assets with indefinite useful lives and procedures for reviewing their useful lives

During the Reporting Period, the Group had no intangible assets with indefinite useful lives.

(2) Classification of research and development expenditure and related accounting treatment

The Company's research and development (R&D) expenditure include all costs directly related to R&D activities, including employee compensation for R&D personnel, direct material inputs, depreciation and amortisation expenses, and other expenses. These costs are classified as follows: employee compensation for R&D personnel includes salaries, bonuses, social insurance, and housing fund contributions for employees directly engaged in R&D activities; direct material inputs include raw and auxiliary materials directly consumed in R&D activities; depreciation and amortisation expenses cover the depreciation of fixed assets and amortisation of intangible assets exclusively used for R&D; other expenses include travel costs, testing expenses, consulting expenses, and other expenses directly related to R&D activities.

1) Specific criteria for distinguishing between research phase and development phase

The Company classifies the expenditures on an internal research and development project into expenditure on the research phase and expenditure on the development phase.

Research phase: the phase involving original and planned investigation or research activities aimed at acquiring and comprehending new scientific or technological knowledge.

Development phase: the phase in which research findings or other knowledge are applied to a plan or design—prior to commercial production or use—for the production of new or substantially improved materials, devices, products, or other outputs.

2) Specific conditions for capitalisation of expenditure on development phase

Expenditure on the research phase is recognised in profit or loss as incurred. Expenditure on the development phase is recognised as intangible assets when the Company can demonstrate all of the following, or included in profit or loss if not:

(1) the technical feasibility of completing the intangible asset so that it will be available for use or sale;

(2) the intention to complete the intangible asset and use or sell it;

(3) how the intangible asset will generate probable future economic benefits (among other things, the Company can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset);

(4) the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and

(5) the ability to measure reliably the expenditure attributable to the intangible asset during the development phase.

When the research phase and the development phase cannot be distinguished, the R&D expenditure is recognised in profit or loss when incurred.

The company shall comply with the disclosure requirements of the “Medical Device Business” in the Self-Regulatory Guidelines for Listed Companies on the Shenzhen Stock Exchange No. 4 - Industry Information Disclosure of the Growth Enterprise Market.

30. Impairment of Long-Term Assets

Impairment of assets other than inventories, deferred tax assets and financial assets is determined in the following way: the Company assesses at the balance sheet date whether there is any indication that an asset may be impaired; if any indication exists that an asset may be impaired, the Company estimates the recoverable amount of the asset and performs impairment testing; goodwill arising from a business combination, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least at each year end, irrespective of whether there is any indication that the asset may be impaired.

The recoverable amount is determined based on the higher of the net amount of the fair value of the asset less the disposal expenses and the present value of the expected future cash flows of the asset. The Company estimates the recoverable amount on an individual basis unless it is not possible to estimate the recoverable amount of the individual asset, in which case the recoverable amount is determined for the asset group to which the asset belongs. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups.

When the recoverable amount of an asset or asset group is less than its carrying amount, the carrying amount is reduced to the recoverable amount by the Company. The reduction in the carrying amount is treated as an impairment loss and recognised in profit or loss. A provision for impairment loss of the asset is recognised accordingly.

For the purpose of impairment testing of goodwill, the carrying amount of goodwill is allocated to the relevant asset group from the acquisition date on a reasonable basis. Each of the related asset groups or sets of asset groups is an asset group or a set of asset groups that is expected to benefit from the synergies of the business combination and shall not be larger than an operating segment as determined by the Company. The carrying amount of the related asset group (set of asset groups) to which goodwill has been allocated for impairment is compared to its recoverable amount. If the carrying amount of the asset group (set of asset groups) is higher than its recoverable amount, the amount of the impairment loss is firstly allocated to reduce the carrying amount of the goodwill allocated to the asset group (set of asset groups), and then allocated to reduce the carrying amount of other assets (other than the goodwill) within the asset group (set of asset groups), on a pro-rata basis of the carrying amount of each asset.

Once the above impairment loss is recognised, it cannot be reversed in subsequent accounting periods.

31. Long-Term Prepaid Expenses

Long-term prepaid expenses refer to costs that have already been incurred but should be allocated over the current and future periods, with an amortisation period exceeding one year.

Long-term prepaid expenses are amortised using the straight-line method over the benefit period. The amortisation period is as follows:

Item	Amortisation period
Decoration expenses	1-10 years
Decoration expenses on leased assets	1-6 years
Others	2-5 years

32. Contract Liabilities

The Company presents contract assets or contract liabilities depending on the relationship between the satisfaction of its performance obligations and the customer's payment in the balance sheet. The Company presents its obligation to transfer goods or services to a customer, for which the Company has received or should have received consideration from the customer, as a contract liability. The Company presents the net amount of the contract assets and contract liabilities under the same contract.

33. Employee Benefits

(1) Accounting for short-term employee benefits

Employee benefits refer to all forms of consideration or compensation given by the Group in exchange for services rendered by employees or for termination of employment. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits.

1) Accounting for short-term employee benefits

Short-term employee benefits actually incurred are recognised as a liability in the accounting period in which an employee provides services, with a corresponding charge to profit or loss or cost of an asset.

For the social insurance premium and housing fund paid by the Group for employees, as well as the union running costs and employee education expenditure provided according to the regulations, the corresponding employee benefit amount is calculated according to the stipulated accrual basis and accrual ratio during the accounting period when employees provide services to the Group.

The employee benefit expenses incurred by the Group are included in profit or loss or related asset costs according to the actual amount as they are incurred. Non-monetary benefits are measured at fair value.

(2) Accounting for post-employment benefits

1) Defined contribution plan

The Group contributes to the basic pension insurance and unemployment insurance for its employees in accordance with the relevant regulations of the local government. During the accounting period when employees provide services to the Group, the payable amount calculated based on the local contribution base and proportion is recognised as a liability and recorded in profit or loss or the cost of related assets.

2) Defined benefit plan

The Group attributes the benefit obligations arising from defined benefit plans to the periods during which employees provide services, using the formula determined using the projected unit credit method, with corresponding amounts recognised in profit or loss or capitalised into the cost of related assets.

The deficit or surplus formed from the present value of the defined benefit plan obligation subtracted by the fair value of the defined benefit plan assets is recognised as a net liability or net asset of the defined benefit plan. For defined benefit plans in a surplus position, the Group measures the net defined benefit asset at the lower of the surplus in the plan and the asset ceiling.

All defined benefit obligations, including those expected to be settled within twelve months after the end of the annual reporting period in which employees render services, are discounted using market yields on high-quality corporate bonds (or government bonds) that are denominated in the same currency and have terms to maturity matching the defined benefit obligation as at the balance sheet date.

The service cost arising from defined benefit plans and the net interest on the net defined benefit liability (asset) are recognised in profit or loss or capitalised into the cost of related assets. Changes from the remeasurement of the net defined benefit liability (asset) are recognised in other comprehensive income and will not be subsequently reclassified to profit or loss. Upon termination of the original defined benefit plan, the cumul ative amount previously recognised in other comprehensive income shall be fully transferred to retained earnings within equity.

Upon settlement of a defined benefit plan, a settlement gain or loss is recognised based on the difference between the present value of the defined benefit obligation and the settlement price, both determined as at the settlement date.

(3) Accounting for termination benefits

The Group provides termination benefits to employees and recognises an employee benefits liability for termination benefits, with a corresponding charge to profit or loss, at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits resulting from an employment termination plan or a curtailment proposal; and (b) when the Company recognises costs involving the payment of termination benefits.

(4) Accounting for benefits of other long-term employees

34. Provisions

An obligation related to a contingency shall be recognised by the Group as a provision when the following conditions are met, except for contingent considerations and contingent liabilities assumed in a business combination not involving entities under common control.

(1) The obligation is a present obligation of the Group;

(2) The fulfilment of the obligation is likely to result in an outflow of economic benefits from the Group;

(3) The amount of the obligation can be reliably measured.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money as a whole. Where the time value of money has a significant impact, the best estimate is determined by discounting the relevant future cash outflows.

Where the required expenditures fall within a continuous range and all possible outcomes within that range are equally probable, the best estimate is determined as the midpoint of the range. In all other cases, the best estimate is determined as follows:

(1) For contingent matters involving a single item, the best estimate shall be determined based on the most likely outcome;

(2) For contingent matters involving multiple items, the best estimate shall be determined by weighting all possible outcomes by their associated probabilities.

Where all or part of the expenditures required to settle a prov ision are expected to be reimbursed by a third party , the reimbursement shall be recognised as a separate asset when it is virtually certain to be received. The amount recognised shall not exceed the carrying amount of the provision.

The Group reviews the carrying amount of provisions at the balance sheet date. Where conclusive evidence indicates that the carrying amount no longer reflects the current best estimat e, the carrying amount shall be adjusted to the current best estimate.

35. Share-Based Payment

The Group's share-based payment transactions represent agreements to grant equity instruments or incur liabilities measured based on equity instruments in exchange for services received from employees or other parties. The Group's share-based payment arrangements are equity-settled share-based payments.

Equity-settled share-based payments and equity instruments

An equity-settled share-based payment in exchange for services received from employees is measured at the fair value of the equity instruments granted to the employees. If such equity-settled share-based payment could vest immediately, related costs or expenses at an amount equal to the fair value on the grant date are recognised, with a corresponding increase in capital reserves. If such equity-settled share-based payment could not vest until the completion of services for a vesting period, or until the satisfaction of a specified performance condition, at each balance sheet date during the vesting period, the Group recognises the services received for the current period as related costs and expenses, with a corresponding increase in capital reserves, at an amount equal to the fair value of the equity instruments at the grant date, based on the best estimate of the number of equity instruments expected to vest. The fair value is determined using the Black-Scholes option pricing model as described in Note XV.

Where the terms of an equity-settled share-based award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. If the granted equity instruments are cancelled during the vesting period, the Group shall treat such cancellation as an accelerated vesting. The amount that would have been recognised over the remaining vesting period shall be immediately recognised in profit or loss, with a corresponding adjustment to capital reserve. However, if a new award is substituted for the cancelled award, and is designated as a replacement on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award.

36. Preferred Stock, Perpetual Bonds and Other Financial Instruments

37. Revenue

Disclose the accounting policies adopted for revenue recognition and measurement by business type

Revenue from contracts with customers is recognised when the Group has fulfilled its performance obligations in the contracts, that is, when the customer obtains control of relevant goods or services. Control of relevant goods or services refers to the ability to direct the use of the goods, or the provision of the services, and obtain substantially all of the remaining benefits from the goods or services.

If the contract contains two or more performance obligations, the Group shall, on the commencement date of the contract, allocate the transaction price to each individual performance obligation in proportion to the stand-alone selling price of the goods or services promised by such obligation. The Group's revenue shall be measured according to the transaction price allocated to each individual performance obligation.

The transaction price means the amount of consideration that the Group is expected to be entitled to collect for the transfer of goods or services to the customer, excluding payments collected on behalf of third parties and amounts expected to be returned to the customer. The Group determines the transaction price based on the terms of the contract and its past practices, and in determining the transaction price, it takes into account the impact of variable consideration, significant financing component in the contract, non-cash consideration, consideration payable to customers and other factors. The Group determines the transaction price including the variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. When the contract contains a significant financing component, the Group determines the transaction price based on an amount that reflects the price that a customer would have paid for the goods or services in cash at the time of obtaining the control of the goods or services, and amortises the difference between the transaction price and the consideration promised in the contract under the effective interest method within the contract period.

If one of the following conditions is satisfied, it shall be deemed to have performed its performance obligation over time; otherwise, it shall be deemed to have performed its performance obligation at a point in time:

(1) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

(2) The customer can control the goods under construction during the Group's performance;

(3) The goods produced by the Group during the performance are of irreplaceable use, and the Group has an enforceable right to payment for performance completed to date.

For the performance obligations performed over time, the Group recognises the revenue in accordance with the performance progress during that period, except where the performance progress cannot be reasonably measured. Taking into account the nature of the goods or services, the Group uses the output or input method to determine the performance progress. If the progress towards the complete satisfaction of the performance obligation cannot be reasonably measured, but the Group expects to recover the costs incurred in satisfying the performance obligation, the revenue is recognised only to extent of the costs incurred until such time that the Group can reasonably measure the progress towards the complete satisfaction of the performance obligation.

For performance obligations performed at a point in time, the Group recognises revenue at the point in time when the customer acquires control of the relevant goods or services. In determining whether the customer has acquired control of goods or services, the Group considers the following indications:

(1) The Group has the present right to payment for the goods or services, that is, the customer is presently obliged to pay for the goods or services;

(2) The Group has transferred the legal ownership of the goods to the customer, that is, the

customer has the legal ownership of the goods;

(3) The Group has physically transferred the goods to the customer, that is, the customer has physically possessed the goods;

(4) The Group has transferred the significant risks and rewards of ownership of the goods to the customer, that is, the customer has acquired the significant risks and rewards of ownership of the goods;

(5) The customer has accepted the goods or services, etc.

The Group determines its role as principal or agent in transactions based on whether it exercises control over the goods or services before transferring them to the customer. If the Group has control over the goods or services prior to transfer, it acts as the principal and recognises revenue based on the total consideration received or receivable. Conversely, if the Group lacks control over the goods or services before transfer, it acts as the agent and recognises revenue in the form of commissions or fees according to expectations.

Specific principles for recognition of revenue from sale of goods:

(1) General foreign sales: revenue is recognised after commodity inspection, customs declaration and shipment of goods (the Company mainly adopts FOB and CIF methods for export revenue settlement. For a very small amount of revenue using other settlement methods, such as for those adopting EXW terms, the buyer designates carrier door-to-door delivery as the timing of recognition of revenue; for those adopting FCA terms, the delivery of products to the carrier designated by the buyer shall be the timing of recognition of revenue; for those adopting the DDP/DDU terms, the delivery of products to the destination designated by the buyer shall be the timing of recognition of revenue);

(2) General domestic sales: the timing of recognition of sales revenue is based on the customer's confirmation of receipt (i.e., the revenue is recognised after the customer signs for the receipt, but if the contract stipulates that acceptance is needed, the revenue will be recognised after acceptance by the customer);

(3) E-commerce business (B2C): the timing of recognition of sales revenue is based on the customer's confirmation of the completion of the transaction (i.e., the revenue is recognised when the customer initiatively confirms receipt of the goods on the e-commerce platform or when the e-commerce platform automatically confirms receipt of the goods within a certain period of time after delivery, whichever is earlier);

(4) E-commerce business (B2B): the revenue is recognised in the settlement cycle at the point in time when control of the product is transferred;

(5) Store sales model: sales revenue is recognised according to settlement time and price (i.e.,, the revenue is recognised after the store salesperson receives payment and delivers the goods to the customer);

(6) Consignment model: the Company delivers the goods to the place designated by the agent, and recognises the revenue after checking the sales list received by the deadline of reconciliation agreed in the contract.

Variable consideration

Some of the Group's contracts with customers including arrangements of sales rebates result in variable consideration. The Group determines the best estimate of variable consideration by using the expected value method or the most likely amount method. However, the transaction price including variable consideration is only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Additional purchase options

The Group grants customers with loyalty points upon the sale of the goods, which can be redeemed by the customers for free or discounted goods or services. The loyalty points give rise to a separate performance obligation as they provide a material right to customers. The Group determines the stand-alone selling prices for loyalty points based on the redemption policy and expected redemption rate. A portion of the transaction price is allocated to the loyalty points awarded to the customer in proportion to the stand-alone selling price of the goods and the loyalty points. Revenue is recognised when the customer obtains control of the goods or services redeemed with loyalty points or when the loyalty points expire.

Sale with a right of return

For sale with a right of return, the Group recognises the revenue in the amount of consideration to which the Group expects to be entitled in exchange for transferring control of the goods to the customer, and recognises the amount expected to be refunded as a result of the sales return as a refund liability. At the same time, an asset recognised for an entity’s right to recover goods from a customer on settling a refund liability is measured by reference to the carrying amount of the goods less any expected costs to recover the goods (including potential decreases in the value of the returned goods), that is, right-of-return assets, and cost of sales is recognised based on the carrying amount of the transferred goods at the time of transfer of the goods less the net cost of the asset above. At each balance sheet date, the Group re-estimates the future sales return and remeasures the asset and liability above.

Warranties provisions

The Group provides warranties in connection with the sale of goods in accordance with the contract and the relevant laws and regulations, etc. For an assurance-type warranty that provides a customer with the assurance that the good complies with agreed-upon specifications, the Group accounts for the warranty in accordance with "Note V.34 Provisions".

Businesses of the same category under different operating models involve varying revenue recognition approaches and measurement methods.

38. Contract Costs

39. Government Grants

(1) Types of government grants

Government grants are transfer of monetary assets or non-monetary assets from the government to the Group at no consideration. If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value; if fair value is not reliably determinable, it is measured at a nominal amount.

Government grants are classified into government grants related to assets and government grants related to income. Government grants related to assets are government grants made available to the Group for the purpose of purchasing, constructing or otherwise acquiring long-term assets. Government grants related to income are government grants other than those related to assets.

The Group’s criteria for classifying government grants as related to assets are: the governmental documents clearly stipulate the use of funds, and the expected use direction of the funds is expected to form related assets; The criteria for classifying government grants as related to income are: the governmental documents do not stipulate the use purpose, and the expected use direction of the funds is to supplement working capital; If the grant object is not clearly specified in the governmental documents, the judgement basis for the Group to classify the government grants as related to assets or related to income is as follows: except that the Group designates its purpose as related to assets, it will be included in profit or loss.

(2) Timing of recognition

Government grants are recognised when all attaching conditions will be complied with and the grants will be received.

(3) Accounting treatment

A government grant relating to an asset shall be offset against the carrying amounts of relevant assets, or recognised as deferred income and amortised into profit or loss over the useful life of the related assets using a reasonable and systematic method (those relating to the daily activities of the Group shall be recorded into other income; those not relating to the daily activities of the Group shall be included in non-operating income). However, government grants measured at nominal amount are directly included in profit or loss. Where the assets are sold, transferred, retired or damaged before the end of their useful lives, the rest of the remaining deferred income is released to profit or loss for the period in which the relevant assets are disposed of.

A government grant related to income is accounted for as follows: (a) if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, it is recognised as deferred income, and released in profit or loss (those relating to the daily activities of the Group shall be recorded into other income; those not relating to the daily activities of the Group shall be included in non-operating income) or offset against related expenses or losses over the periods in which the related expense or losses are recognised; or (b) if the grant is a compensation for related expenses or losses already incurred, it is recognised immediately in profit or loss (those relating to the daily activities of the Group shall be recorded into other income; those not relating to the daily activities of the Group shall be included in non-operating income) or offset against related expenses or losses.

40. Deferred Tax Assets/Deferred Tax Liabilities

Income tax comprises current and deferred tax. Except for the income tax arising from the business combination and the transaction or item directly booked into equity (including other comprehensive income), the Group records the current and deferred tax into profit or loss.

Deferred tax is provided using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, and on the temporary differences between the tax bases and the carrying amounts of the items, which have a tax base according to related tax laws but are not recognised as assets and liabilities.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(1) when the taxable temporary difference 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 differences;

(2) in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax losses and any unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax losses and unused tax credits can be utilised, except:

(1) when the deductible temporary difference 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 differences;

(2) in respect of the deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised in the future.

At the balance sheet date, 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, in accordance with the requirements of tax laws. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the balance sheet date, to recover the assets or settle the liabilities.

The carrying amount of deferred tax assets is reviewed at the balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future periods to allow the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at the balance sheet date 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 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.

41. Leases

(1) Accounting treatment for leases as a lessee

A lease refers to a contract in which the lessor transfers the right to use the asset to the lessee within a certain period of time in exchange for consideration. The Group recognises lease liabilities and right-of-use assets, except for short-term leases and leases of low-value assets.

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.

For a contract that contains multiple separate lease components, the Group separates the components of the contract and accounts for each separate lease component. For a contract that contains lease and non-lease components, the lessee and the lessor separate lease components from non-lease components.

As lessee

(1) Right-of-use assets

At the commencement date of the lease, the Group recognises a right-of-use asset. Right-of-use assets are initially measured at cost. The cost of the right-of-use assets comprises:

(1) the amount of the initial measurement of the lease liability;

(2) any lease payments made at or before the commencement date of the lease, less any lease incentives received if there are lease incentives;

(3) any initial direct cost incurred;

(4) and estimates of costs incurred by the lessee in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, excluding the costs incurred for producing the inventories.

The Group remeasures the lease liabilities for the revision to the lease payments and adjusts the carrying amount of the right-of-use assets accordingly. The right-of-use assets are depreciated on a straight-line basis subsequently by the Group. If the Group is reasonably certain that the ownership of the underlying assets will be transferred to the Group at the end of the lease terms, the Group depreciates the assets from the commencement date to the end of the useful lives of the assets. Otherwise, the Group depreciates the assets from the commencement date to the earlier of the end of the useful lives of the assets and the end of the lease terms.

The Group determines whether the right-of-use asset has been impaired in accordance with the principles described in "Note V.30 Impairment of long-term assets", and accounts for the impairment losses identified.

(2) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities, except for short-term leases and leases of low-value assets. Lease liabilities are measured at the present value of the lease payments that are not paid at that date. The lease payments include:

(1) fixed payments (including in-substance fixed payments) less any lease incentives receivable.

(2) variable lease payments that depend on an index or a rate;

(3) amounts expected to be paid under residual value guarantees;

(4) the exercise price of a purchase option reasonably certain to be exercised by the Group; and

(5) payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease.

The Group regards the interest rate implicit in the lease as discount rate; if that rate cannot be reasonably determined, the Group uses the incremental borrowing rate. The Group calculates the interest expenses of the lease liability in each period over the lease term using the constant periodic rate of interest, and recognises such interest expenses in profit or loss or the costs of the related asset.

Variable lease payments that are not included in the measurement of the lease liabilities are recognised in profit or loss as incurred, except those in the costs of the related assets as required.

At the commencement date of the lease, in the following cases, the Group remeasures the lease liability, and adjusts the correspondingly right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any differences in profit or loss.

(1) if there are changes in the assessment of the purchase option, the renewal option or the option to terminate the lease, or the exercise of the above-mentioned options is not consistent with the original assessment results, the Group remeasures lease liabilities at the lease payments upon the change and the present value calculated using the revised discount rate.

(2) if there are changes in in-substance fixed payments, the amounts expected to be payable under residual value guarantees, or in the index or rate used to determine lease payments, the Group remeasures lease liabilities at the lease payments upon the change and the present value calculated using the original discount rate. However, where changes in lease payments result from changes in floating interest rates, the present value is calculated using the revised discount rate.

(3) Short-term leases and leases of low-value assets

If the Group does not recognise the right-of-use assets and lease liabilities for short-term leases and low-value assets, it recognises relevant lease payments in profit or loss or the costs of the related assets on a straight-line basis over the lease terms. A short-term lease is the lease that, on the commencement date of the lease, has a lease term of 12 months or less, and does not contain any purchase option. A lease of low-value assets is the lease of the individual underlying asset with low value, when new. If the Group subleases an asset, or expects to sublease an asset, the head lease does not qualify as a lease of a low-value asset.

(4) Lease modifications

The Group accounts for a lease modification as a separate lease if both:

(1) the modification increases the scope of the lease by adding the right to use one or more underlying assets

(2) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification, the Group reallocates the consideration in the contract after the modification, redetermines the lease term, remeasures the lease liability by discounting the revised lease payments using a revised discount rate.

The Group decreases the carrying amount of the right-of-use asset for lease modifications that reduce the scope or term of the lease, and recognises the gain or loss relating to the partial or full termination of the lease in profit or loss. The Group makes a corresponding adjustment to the right-of-use asset for all other lease modifications that result in remeasurement of lease liabilities.

(2) Accounting treatment for leases as a lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, except that a lease is classified as an operating lease at the inception date.

Rental income under an operating lease is recognised on a straight-line basis over the lease term, through profit or loss. Variable lease payments that are not included in the measurement of lease receivables are charged to profit or loss as incurred. Initial direct costs are capitalised and recognised over the lease term on the same basis as rental income, through profit or loss.

At the commencement date of the lease, the Group recognises finance lease receivable and derecognises finance lease assets. The Group presents the lease receivables at an amount equal to the net investment in the lease for the initial measurement. The net investment in the lease is the sum of any unguaranteed residual value accruing to the lessor and the lease payments receivable at the commencement date of the lease by a lessor under a finance lease discounted at the interest rate implicit in the lease. The Group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the net investment in the lease. Variable lease payments received by the Group that are not included in the measurement of the net investment in the lease are recognised in profit or loss as incurred.

42. Other Material Accounting Policies and Significant Estimates

(1) Share repurchase

If the Group repurchases its shares due to a reduction in its registered capital, it shall debit the “Treasury shares” and credit the “Cash at banks” and other accounts according to the amount actually paid. When the treasury shares are cancelled, the total par value of the shares calculated according to the par value of the shares and the number of cancelled shares shall be debited to the "Share capital", and the book balance of the cancelled treasury shares shall be credited to the "Treasury shares". The premium originally recorded in capital surplus at the time of stock issuance shall be offset according to the difference, and debited to the "Capital surplus – Share capital premium". The portion of the repurchase price exceeding the above offset of "Share capital" and "Capital surplus - Share capital premium" shall be debited to the "Surplus reserves" and "Profit distribution - Undistributed profits" and other accounts in turn. If the repurchase price is lower than the share capital corresponding to the repurchased shares, the difference between the book balance of the cancelled treasury shares and the offset share capital will be treated as an increase in share capital premium, and debited to the "Share capital" according to the par value of the share capital corresponding to the repurchased shares, credited to the "Treasury share" according to the book balance of the cancelled treasury shares, and credited to the "Capital surplus - Share capital premium" according to the difference.

(2) Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy 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 measured at fair value in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at each balance sheet date.

(3) Significant accounting judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities at the balance sheet date. 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.

1) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have a significant effect on the amounts recognised in the financial statements:

Business models

The classification of financial assets at initial recognition depends on the Group's business model for managing financial assets. When determining the business model, the Group considers the methods to include evaluation and report financial asset performance to key management, the risks affecting the performance of financial assets and risk management, and the manner in which the relevant management receives remuneration. When assessing whether the objective is to collect contractual cash flows, the Group needs to analyse and judge the reason, timing, frequency and value of the sale before the maturity date of the financial assets.

2) Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods, are described below.

Impairment of financial assets

The Group uses the expected credit loss model to assess the impairment of financial instruments. The Group is required to perform significant judgement and estimation and take into account all reasonable and supportable information, including forward-looking information. When making such judgements and estimates, the Group infers the expected changes in the debtor's credit risk based on historical repayment data combined with economic policies, macroeconomic indicators, industry risks and other factors. The different estimates may impact the impairment assessment, and the impairment allowance may not be representative of the actual impairment loss in the future.

Variable consideration for sales rebates or returns

The Group makes reasonable estimates of indicators such as the rebate rate or return rate of a group of contracts with similar characteristics according to the sales historical data, the current sales situation, as well as changes in customer demands, market changes and other relevant information. Estimates of the rebate rate or return rate may not be representative of the actual rebates or returns in the future. The Group re-evaluates the rebate rate or return rate at least on each balance sheet date and updates the accounting treatment based on the re-evaluated rebate rate or return rate.

Loyalty points

The Group makes reasonable estimate of the stand-alone selling price of the loyalty points for contract consideration allocation by taking into account all relevant information, such as the stand-alone selling prices for the customer to acquire additional free goods or services or the discounts enjoyed by the customer using the loyalty points and the possibility for the customer to exercise the redemption right. The Group considers the likelihood for the customer to exercise the redemption right based on the historical data of point redemption, the current point redemption and the future changes in customer demands, the future trend of the market and other factors. The Group re-evaluates the estimated redemption rate of loyalty points at least on each balance sheet date and calculates the amounts of revenue and balance that should be recognised for considerations related to loyalty points based on the re-evaluation results.

Impairment of non-current assets other than financial assets (other than goodwill)

The Group assesses whether there are any indications of impairment for all non-current assets other than financial assets at the balance sheet date. Other non-current assets other than financial assets are tested for impairment when there are indications that the carrying amounts may not be recoverable. An impairment exists when the carrying amount of an asset or asset group exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from it. 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 assets. When the calculations of the present value of the future cash flows expected to be derived from an asset or asset group are undertaken, management must estimate the expected future cash flows from the asset or asset group and choose a suitable discount rate in order to calculate the present value of those cash flows.

Share-based payments

The Group's equity-settled share-based payment in exchange for services received from employees is measured at the fair value of the equity instruments granted to the employees. If such equity-settled share-based payment could vest immediately, related costs or expenses at an amount equal to the fair value on the grant date are recognised, with a corresponding increase in capital reserves. If such equity-settled share-based payment could not vest until the completion of services for a vesting period, or until the satisfaction of a specified performance condition, at each balance sheet date during the vesting period, the Group adjusts related costs and expenses for the services received for the current period, with a corresponding increase in capital reserves, based on the best estimate of the number of equity instruments expected to vest.

Inventory write-downs set aside at the net realisable value

The Group writes down obsolete and slow-moving inventories and inventories whose cost is higher than the net realisable value. At each balance sheet date, the Group re-estimates whether the individual inventory categories are obsolete and slow-moving, and whether the net realisable value is lower than the inventory cost. A difference between the re-estimation result and the existing estimate will affect the carrying amount of the inventory in the period of change in estimate.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the present value of the future cash flows expected to be derived from the asset groups (sets of asset groups) to which the goodwill is allocated. Estimating the present value requires the Group to make an estimate of the expected future cash flows from the asset groups (sets of asset groups) and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are included in "Note V.30".

Deferred tax assets

Deferred tax assets are recognised for all 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.

Lessee’s incremental borrowing rate

If the interest rate implicit in the lease cannot be readily determined, the Group measures the lease liability at the present value of the lease payments discounted using the lessee’s incremental borrowing rate. According to the economic environment, the Group takes the observable interest rate as the reference basis for determining the incremental borrowing rate, then adjusts the observable interest rate based on its own circumstances, underlying assets, lease terms and amounts of lease liabilities to determine the applicable incremental borrowing rate.

Depreciation and amortisation

The Group calculates depreciation of fixed assets and amortisation of intangible assets on a straight-line basis over the estimated useful lives, using net residual values from the date when the assets are ready for their intended use. This reflects management’s estimate of the period over which the Group intends to obtain future economic benefits from the use of the fixed assets and intangible assets.

Fair value of investments in convertible corporate bonds

For investments in convertible corporate bonds measured at fair value, the Group shall estimate the current price of ordinary shares, risk-free interest rate, volatility rate and discount rate, so there is uncertainty.

Fair values of wealth management products and trust products

For wealth management products and trust products measured at fair value, the Group is required to estimate the future cash flows expected to be derived, the volatility of credit risk, and the discount rate, and hence they are subject to uncertainty.

43. Changes in Material Accounting Policies and Significant Estimates

(1) Changes in material accounting policies

□Applicable √N/A

Content and reasons of changes in accounting policies	Important affected report item name	Amount of impact
On 5 December 2025, the Ministry of Finance issued the "Interpretation of Accounting Standards for Business Enterprises No. 19" (Cai Kuai [2025] No. 32)	None	—
On 4 June 2026, the Ministry of Finance issued the "Interpretation of Accounting Standards for Business Enterprises No. 20" (Cai Kuai [2026] No. 7)	None	—

(2) Changes in significant estimates

□Applicable √N/A

(3) Adjustment of relevant items in financial statements at the beginning of first implementation year as a result of first implementation of new accounting standards from 2026

□Applicable √N/A

44. Others

VI. Taxation

1. Main Tax Categories and Tax Rates

Category of tax	Taxation basis	Tax rate
Value-added tax (VAT)	Output VAT is calculated based on product sales and service provided pursuant to tax laws. The basis for VAT payable is to deduct input VAT from the output VAT for the period.	13%, 9%, 6%, 3%, 1%, 0%Note 1*
Urban maintenance and construction tax	Actual paid turnover tax	7%, 5%
Corporate income tax (CIT)	Levied by taxable profit	30%, 27%, 25.8%, 25%, 24%, 21%, 20%, 17%, 16.5%, 15%
Education surcharge	Actual paid turnover tax	3%
Local education surcharge	Actual paid turnover tax	2%

Note 1*: Certain stores of Shenzhen Purcotton Technology Co., Ltd. ("Shenzhen Purcotton"), Guangzhou Purcotton Technology Co., Ltd. ("Guangzhou Purcotton"), Beijing Purcotton Technology Co., Ltd. ("Beijing Purcotton"), Shanghai Purcotton Technology Co., Ltd. ("Shanghai Purcotton"), and Wuhan Purcotton Ltd. ("Wuhan Purcotton") are small-scale taxpayers, subject to VAT levied at a rate of 3%. The VAT rate is 13% for non-small-scale taxpayers. According to the Announcement of the Ministry of Finance and the State Taxation Administration on Value-added Tax Reduction and Exemption Policy for Small-scale VAT Taxpayers (MOF, STA Announcement [2023] No.19), small-scale VAT taxpayers with monthly sales amount of below RMB100,000 (inclusive) shall be exempt from VAT. Small-scale VAT taxpayers whose taxable sales revenue shall be subject to the 3% levy rate shall be eligible for a reduced rate of 1%; for items subject to prepayment of VAT at the rate of 3%, the prepayment will be made at a reduced rate of 1%.The Announcement shall be in effect until 31 December 2027.

The sales of goods by the Group's subsidiaries as general taxpayers are subject to a VAT rate of 13%. The Company and some of its subsidiaries have the right to import and export, and the VAT on export products is subject to the export tax rebate policy of "exemption, credit and refund".

VAT on income from consulting services provided by the Group is levied at a rate of 6%; VAT on income from promotion services provided by Shenzhen Purcotton is levied at a rate of 6%; VAT on income from warehousing services provided by Winner Medical (Huanggang), Winner Medical (Tianmen), and Winner Medical (Wuhan) is levied at a rate of 6%; and VAT on income from customer services provided by Huanggang Purcotton is levied at a rate of 6%.

If there are taxpayers with different enterprise income tax rates, the disclosure statement shall present

Name of taxpayers	Income tax rates
Winner Medical Co., Ltd.	15%
Winner Medical (Huanggang) Co., Ltd. (hereinafter referred to as “Winner Medical (Huanggang)”)	15%
Winner Medical (Jingmen) Co., Ltd. (hereinafter referred to as “Winner Medical (Jingmen)”)	15%
Winner Medical (Tianmen) Co., Ltd. (hereinafter referred to as “Winner Medical (Tianmen)”)	15%
Winner Medical (Chongyang) Co., Ltd. (hereinafter referred to as “Winner Medical (Chongyang)”)	15%

Name of taxpayers	Income tax rates
Winner Medical (Jiayu) Co., Ltd. (hereinafter referred to as "Winner Medical (Jiayu)")	15%
Yichang Winner Medical Textile Co., Ltd. (hereinafter referred to as "Winner Medical (Yichang)")	25%
Winner Medical (Heyuan) Co., Ltd. ("Winner Medical (Heyuan)")	25%
Winner Medical (Wuhan) Co., Ltd. ("Winner Medical (Wuhan)")	15%
Winner Medical (Hong Kong) Ltd. ("Hong Kong Winner")	16.50%
Winner Medical Malaysia Sdn. Bhd. ("Winner Medical Malaysia")	24%
Winner Guilin Latex Co., Ltd. ("Winner Guilin")	15%
Shenzhen Junjian Medical Device Co., Ltd. ("Junjian Medical")	25%
Shanghai Hongsong Medical Device Co., Ltd. ("Shanghai Hongsong")	25%
Nature Health Development (Hong Kong) Co., Ltd. ("Nature Health (HK)")	16.50%
Winner (Jinzhou) Latex Products Co., Ltd. ("Winner Jingzhou")	25%
Winner Biomedical Technology (Wuhan) Co., Ltd. ("Winner Biomedical")	20%
Hubei Zhongfu New Materials Co., Ltd. ("Hubei Zhongfu")	20%
Winner Medical Technology (Foshan) Co., Ltd. ("Winner Medical (Foshan)")	20%
Nature Health Trading (Hong Kong) Co., Ltd. ("Nature Health Trading")	16.50%
Shenzhen Purcotton	25%
Beijing Purcotton	25%
Guangzhou Purcotton	25%
Shanghai Purcotton	25%
Shenzhen Qianhai Purcotton E-Commerce Co., Ltd. ("Qianhai Purcotton")	25%
Shenzhen Purunderwear Sci-Tech Innovation Co., Ltd. ("Purunderwear")	20%
Huanggang Purcotton Ltd. ("Huanggang Purcotton")	25%
Wuhan Purcotton	25%
Hong Kong Purcotton Ltd. ("Hong Kong Purcotton")	16.50%
Purcotton Agricultural Technology (Wuhan) Co., Ltd. ("Purcotton Agricultural")	20%
PURCOTTON (VN) COMPANY LTD ("Vietnam Purcotton")	15%
Shenzhen PureH2B Technology Co., Ltd. ("PureH2B")	20%
Zhejiang Longterm Medical Technology Co., Ltd. ("Longterm Medical")	15%
Hangzhou Shengyi Technology Co., Ltd. ("Hangzhou Shengyi")	20%
Xi'an Longtemu Medical Technology Co., Ltd. ("Xi'an Longtemu")	20%
Deqing Longterm Medical Silica Gel Products Co., Ltd. ("Deqing Longterm")	20%
Longterm Medical US LLC ("Medical US")	Federal 21%

Name of taxpayers	Income tax rates
LONGTERM MEDICAL, S.DE.R.L.DE C.V (“MEDICAL CV”)	30%
Zhejiang Honglan Technology Co., Ltd. (“Zhejiang Honglan”)	20%
Winner Medical (Hunan)	15%
Hunan Ruian Medical Device Technology Co., Ltd. (“Ruian Medical Device”)	20%
Global Resources International, Inc. (“GRI USA”)	Federal 21%
GRI-Alleset Limited B.V. (“Alleset BV”)	25.80%
Alleset Healthcare UK, Limited (“Alleset UK”)	25%
GRI-Alleset Limited (“GRI Alleset”)	16.50%
GRI Medical & Electronics Technology Co., Ltd. (“GRI METC”)	15%
Wuhu Shiyuan Zhuochuang Medical Material Technology Co., Ltd. (“GRI Nanling”)	20%
GRI (Wuhu) New Materials Co., Ltd. (“GRI Wuhu”)	15%
Jiaxing Aixin Medical Device Co., Ltd. (“Alleset China”)	20%
Zhejiang Aixin Polymer Materials Co., Ltd. (“AXHPM”)	25%
GRI Precision Medical Devices Co., Ltd. (“GRI PM”)	20%
Alleset Singapore Ltd (“Alleset Singapore”)	17%
Curicyn, Inc. (“Curicyn”)	Federal 21%
Advanced Product Solutions, Inc. (“APS”)	Federal 21%
Global Resources Investments, LLC (“GRI Investment”)	Federal 21%
GRI-Alleset, Inc. (“Alleset Inc”)	Federal 21%
Tennessee Foam, LLC (“TNFOAM”)	Federal 21%
Invenio Healthcare, LLC (“Invenio LLC”)	Federal 21%
Invenio Procedure Solutions, LLC (“IPS”)	Federal 21%
Global Resources International Dominicana-Grid-SRL (“GRI DR”)	27%
Invenio Alternate Care Solutions, LLC (“IACS”)	Federal 21%
ETI Services, Inc. (“ETI Services”)	Federal 21%
Global Resources (Vietnam) Group Limited Company (“GRI VN”)	20%
Shenzhen Jinliang Life Services Co., Ltd. (“Jinliang Services”)	20%
Winner Medical (VN) (“Vietnam Winner”)	15%
Winner Digital Technology (Shenzhen) Co., Ltd. (“Winner Digital”)	20%
Nature Health Development International Co., Ltd. (“Nature Health International”)	16.50%

2. Tax Preference

Name of taxpayer	Tax category	Tax preference	Tax rates	Certificate No.	Certificate date
Winner Medical Co., Ltd.	Corporate income tax	According to the second paragraph of Article 28 of the Corporate Income Tax Law of the People's Republic of China stipulates, with respect to a high-tech enterprise that is specifically supported by the State, the tax on its income shall be levied at a reduced rate of 15 percent.	15%	GR202444206145	26 December 2024
Winner Medical (Huanggang)			15%	GR202542000284	11 November 2025
Winner Medical (Jingmen)			15%	GR202442001714	04 December 2024
Winner Medical (Tianmen)			15%	GR202442003221	16 November 2024
Winner Medical (Chongyang)			15%	GR202442001824	15 November 2024
Winner Medical (Jiayu)			15%	GR202442004304	16 December 2024
Winner Medical (Wuhan)			15%	GR202542000765	08 December 2025
Guilin Latex			15%	GR202345000323	04 December 2023
Zhejiang Longterm			15%	GR202333003226	08 December 2023
Winner Medical (Hunan)			15%	GR202543002877	08 December 2025
GRI METC			15%	GR202533006896	19 December 2025
GRI Wuhu			15%	GR202534004988	08 December 2025
Winner Medical	Corporate income tax	According to the Announcement of the Ministry of Finance and the State Taxation Administration on Relevant Tax and Fee Policies with Respect to Further Supporting the Development of Small and Micro Enterprises and Individually-Owned Businesses (MOF, STA Announcement [2023] No. 12), the policy of small and low-profit enterprises calculating the taxable income at 25% and paying corporate income tax at a rate of 20% is extended to 31 December 2027.	20%	N/A	N/A
Hubei Zhongfu			20%	N/A	N/A
Jinliang Services			20%	N/A	N/A
Winner Digital			20%	N/A	N/A
Purunderwear			20%	N/A	N/A
Purcotton Agricultural			20%	N/A	N/A
PureH2B			20%	N/A	N/A
Winner Medical (Foshan)			20%	N/A	N/A
Hangzhou Shengyi			20%	N/A	N/A
Zhejiang Honglan			20%	N/A	N/A
Xi'an Longtemu			20%	N/A	N/A
Deqing Longterm			20%	N/A	N/A
Ruian Medical Device			20%	N/A	N/A
GRI Nanling			20%	N/A	N/A
Alleset China			20%	N/A	N/A
GRI PM			20%	N/A	N/A

3. Others

VII. Notes to the Consolidated Financial Statements

1. Currency Fund

Unit: RMB

Item	Closing balance	Opening balance
Cash on hand	185,259.18	98,223.24
Cash at banks	1,752,300,782.98	1,541,265,623.54
Other currency funds	42,903,077.24	52,625,473.14
Total	1,795,389,119.40	1,593,989,319.92
Where: Total amount deposited abroad	190,836,227.07	73,178,038.54

Other description

Wherein, the breakdown of currency funds that are restricted in use due to mortgages, pledges or freezes, restricted in withdrawal due to centralized management of funds, as well as those placed outside China with restrictions on repatriation of funds, is as follows:

Item	Total closing balance	Closing balance of the previous year
Guarantee deposit for bank acceptance bill (Note 1)	14,716,083.93	20,773,341.08
Letter of credit (Note 2)	1,320.00	101,320.00
Performance bond* 3	3,867,052.61	3,962,873.80
Balance of other restricted currency funds *4	5,954,434.92	8,429,676.46
Total	24,538,891.46	33,267,211.34

*1 Guarantee deposit for bank acceptance bill refers to the guarantee deposit made by Longterm Medical, Winner Medical (Hunan), and GRI to apply for bank acceptance bills.

2: Letter of credit is the guarantee deposit made by Winner Medical (Tianmen) and Junjian Medical for international and domestic letters of credit.

*3 The performance bond refers to the bond deposited by Hong Kong Winner for bidding transactions with hospitals.

*4 The balance of other restricted currency funds refers to the receipt guarantee deposit of Winner Medical (Shenzhen); the balance of special deposit accounts for restricted non-budget units opened by Shenzhen Purcotton in accordance with the regulations on prepaid card issuance formulated by the Ministry of Commerce, and product guarantee deposit for applets.

2. Financial Assets Held for Trading

Unit: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	3,259,490,059.08	2,825,378,695.56
Including:		
Including: Wealth management products issued by banks	2,345,705,565.93	1,818,988,678.23
Trust plan	913,784,493.15	1,006,390,017.33
Including:		
Total	3,259,490,059.08	2,825,378,695.56

Other description:

3. Derivative Financial Assets

Unit: RMB

Item	Closing balance	Opening balance

Other description:

4. Notes Receivable

(1) Classified presentation of notes receivable

Unit: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	14,710,897.33	39,357,178.51
Total	14,710,897.33	39,357,178.51

(2) Disclosure by bad debt provision accrual method

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Impairment allowance		Carrying amount	Book balance		Impairment allowance		Carrying amount
	Amount	Proportion	Amount	Provision ratio		Amount	Proportion	Amount	Provision ratio	
Including:										
Including:										

Where the impairment allowances are made based on the general ECL model:

☐Applicable √N/A

(3) Provision for bad debts accrued, recovered or reversed

Provision for bad debts in current period:

Unit: RMB

Category	Opening balance	Changes for the year				Closing balance
		Provision	Recovered or reversed	Write-off	Others	

Significant recovery or reversal of provision for bad debts for the current period:

☐Applicable √N/A

(4) Notes receivable pledged

Unit: RMB

Item	Pledged notes receivable at end of year

(5) Notes receivable endorsed or discounted and not yet expired at the balance sheet date

Unit: RMB

Item	Derecognised	Not derecognised
Bank acceptance bills		6,115,168.48
Total		6,115,168.48

(6) Notes receivable actually written off

Unit: RMB

Item	Amount written off

Write-off of important notes receivable:

Unit: RMB

Entity name	Nature of notes receivable	Amount written off	Reasons for write-off	Write-off procedures performed	Whether due to/from related party transactions

Description of write-off notes receivable:

5. Accounts Receivable

(1) Disclosure by aging

Unit: RMB

Aging	Closing balance	Opening balance
Within 1 year, inclusive	1,155,354,197.49	1,078,434,515.13
1 to 2 years	23,423,463.72	13,195,106.36
2 to 3 years	6,055,091.22	4,839,980.27
Over 3 years	16,053,933.83	17,192,544.41
3 to 4 years	5,415,049.32	5,167,731.89
4 to 5 years	6,677,165.54	7,176,361.56
Over 5 years	3,961,718.97	4,848,450.96
Total	1,200,886,686.26	1,113,662,146.17

(2) Disclosure by bad debt provision accrual method

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Provision ratio (%)		Amount	Proportion (%)	Amount	Provision ratio (%)	
Accounts receivable with provision for bad debts made on an individual basis	8,804,479.93	0.73%	8,204,479.93	93.19%	600,000.00	5,762,385.03	0.52%	5,762,385.03	100.00%	0.00
Including:										
Accounts receivable with provision for bad debts made on a collective basis	1,192,082,206.33	99.27%	70,905,976.24	5.95%	1,121,176,230.09	1,107,899,761.14	99.48%	67,026,212.64	6.05%	1,040,873,548.50
Including:										
Provision for bad debts made on a collective basis:	1,192,082,206.33	99.27%	70,905,976.24	5.95%	1,121,176,230.09	1,107,899,761.14	99.48%	67,026,212.64	6.05%	1,040,873,548.50
Total	1,200,886,686.26	100.00%	79,110,456.17	6.59%	1,121,776,230.09	1,113,662,146.17	100.00%	72,788,597.67	6.54%	1,040,873,548.50

Provision for bad debts made on an individual basis:

Unit: RMB

Name	Opening balance		Closing balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
Others	5,762,385.03	5,762,385.03	8,804,479.93	8,204,479.93	93.19%	Expected to be irrecoverable
Total	5,762,385.03	5,762,385.03	8,804,479.93	8,204,479.93		

Provision for bad debts of aging group:

Unit: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision ratio (%)
Within 1 year	1,151,856,469.84	57,592,780.16	5.00%
1 to 2 years	23,075,865.66	2,307,586.57	10.00%
2 to 3 years	5,505,812.30	1,651,743.69	30.00%
3 to 4 years	2,390,699.32	1,195,349.66	50.00%
4 to 5 years	5,474,215.24	4,379,372.19	80.00%
Over 5 years	3,779,143.97	3,779,143.97	100.00%
Total	1,192,082,206.33	70,905,976.24	

Description of the basis for determining provision for bad debts on a collective basis:

Where the impairment allowances are made based on the general ECL model:

☐Applicable √N/A

(3) Provision for bad debts accrued, recovered or reversed

Provision for bad debts accrued:

Unit: RMB

Category	Opening balance	Amount of change in current period				Closing balance
		Provision	Recovered or reversed	Write-off	Others	
Provision for bad debts of accounts receivable	72,788,597.67	16,144,918.96	8,693,382.74	2,175.00	-1,127,502.72	79,110,456.17
Total	72,788,597.67	16,144,918.96	8,693,382.74	2,175.00	-1,127,502.72	79,110,456.17

Significant recovery or reversal of provision for bad debts for the current period:

Unit: RMB

Unit name	Amount recovered or reversed	Reasons	Recovery way	The rationale behind determining the original provision ratio for bad debts and its justification

(4) Accounts receivable actually written off

Unit: RMB

Item	Amount written off
Accounts receivable actually written off	2,175.00

Write-off of significant accounts receivable:

Unit: RMB

Unit name	Nature of accounts	Amount written off	Reasons for write-off	Write-off procedures performed	Whether the payments arise from connected transactions

Description of write-off of accounts receivable:

(5) Top 5 accounts receivable and contract assets with closing balances by debtor

Unit: RMB

Unit name	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion of total closing balance of accounts receivable and contract assets	Closing balance of bad debt provision for accounts receivable and impairment provision for contract assets
First	179,979,923.04		179,979,923.04	14.99%	8,998,996.16
Second	36,027,772.80		36,027,772.80	3.00%	1,821,909.66
Third	20,657,630.69		20,657,630.69	1.72%	1,072,998.20
Fourth	20,338,708.90		20,338,708.90	1.69%	1,092,497.30
Fifth	19,341,265.26		19,341,265.26	1.61%	967,063.26
Total	276,345,300.69		276,345,300.69	23.01%	13,953,464.58

6. Contract Assets

(1) Contract assets

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for bad debts	Carrying amount	Book balance	Provision for bad debts	Carrying amount

(2) Amount and reasons for significant changes in carrying amount in the reporting period

Unit: RMB

Item	Amount of change	Reason for change

(3) Disclosure by bad debt provision accrual method

Unit: RMB

<table>
<tr><th rowspan="3">Category</th><th colspan="5">Closing balance</th><th colspan="5">Opening balance</th></tr>
<tr><th colspan="2">Book balance</th><th colspan="2">Provision for bad debts</th><th rowspan="2">Carrying amount</th><th colspan="2">Book balance</th><th colspan="2">Provision for bad debts</th><th rowspan="2">Carrying amount</th></tr>
<tr><th>Amount</th><th>Proportion (%)</th><th>Amount</th><th>Provision ratio (%)</th><th>Amount</th><th>Proportion (%)</th><th>Amount</th><th>Provision ratio (%)</th></tr>
<tr><td>Including:</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Including:</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
</table>

Category numbers of provision for bad debts by combination: 0

Provision for bad debts is made based on the general expected credit loss (ECL) model:

□Applicable √N/A

(4) Provision for bad debts accrued, recovered or reversed

Unit: RMB

Item	Accrual	Recovery or reversal	Transfer/Write-off	Reasons

Significant recovery or reversal of provision for bad debts for the current period:

Unit: RMB

Entity name	Amount recovered or reversed	Reasons for reversal	Recovery method	The basis for determining the original provision ratio for bad debts and its reasonableness

Other description

(5) Contract assets actually written off

Unit: RMB

Item	Amount written off

Write-off of significant contract assets:

Unit: RMB

Entity name	Nature of contract assets	Amount written off	Reasons for write-off	Write-off procedures performed	Whether due to/from related party transactions

Description of write-off of contract assets:

Other description:

7. Receivables Financing

(1) Classified presentation of receivables financing

Unit: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	56,001,074.45	48,201,306.98
Total	56,001,074.45	48,201,306.98

(2) Disclosure by bad debt provision accrual method

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Provision ratio (%)		Amount	Proportion (%)	Amount	Provision ratio (%)	
Including:										
Including:										

Provision for bad debts is made based on the general expected credit loss (ECL) model:

Unit: RMB

Provision for bad debts	Stage 1 12-month ECLs	Stage 2 Lifetime ECLs (not yet credit-impaired)	Stage 3 Lifetime ECLs (credit-impaired)	Total
Opening balance				

Criteria for stage classification and provision ratio for bad debts

Description of changes in the book balance of receivables financing contributing to significant changes in the loss allowance in the current period:

(3) Provision for bad debts accrued, recovered or reversed

Unit: RMB

Category	Opening balance	Amount of change in current period				Closing balance
		Accrual	Recovery or reversal	Transfer/Write-off	Other changes	

Significant recovery or reversal of provision for bad debts for the current period:

Unit: RMB

Entity name	Amount recovered or reversed	Reasons for reversal	Recovery method	The basis for determining the original provision ratio for bad debts and its reasonableness

Other description:

(4) Receivables financing pledged

Unit: RMB

Item	Pledged amount at the end of the period

(5) Receivables financing endorsed or discounted and not yet expired at the balance sheet date

Unit: RMB

Item	Amount with recognition terminated at the end of the period	Amount with recognition not terminated at the end of the period
Bank acceptance bills	34,531,845.46	0.00
Total	34,531,845.46	0.00

(6) Receivables financing actually written off

Unit: RMB

Item	Amount written off

Write-off of significant receivables financing

Unit: RMB

Entity name	Nature of receivables financing	Amount written off	Reasons for write-off	Write-off procedures performed	Whether due to/from related party transactions

Description of write-off of receivables financing:

(7) Changes in receivables financing and fair value movements during the period

(8) Other description

8. Other Receivables

Unit: RMB

Item	Closing balance	Opening balance
Interest receivable		0.00
Dividends receivable		0.00
Other receivables	213,272,163.77	204,468,498.11
Total	213,272,163.77	204,468,498.11

(1) Interest receivable

1) Classification of interest receivable

Unit: RMB

Item	Closing balance	Opening balance
Total		0.00

2) Significant overdue interest

Unit: RMB

Borrower	Closing balance	Overdue time	Overdue reason	Whether there is impairment and its judgment basis

Other description:

3) Disclosure by bad debt provision accrual method

☐Applicable √N/A

4) Provision for bad debts accrued, reversed or recovered

Unit: RMB

Category	Opening balance	Amount of change in current period				Closing balance
		Accrual	Recovery or reversal	Disposal or write-off	Other changes	

Significant recovery or reversal of provision for bad debts:

Unit: RMB

Unit name	Amount recovered or reversed	Reasons for reversal	Method of recovery	The basis for determining the original provision ratio for bad debts and its reasonableness

Other description

5) Interest receivable actually written off

Unit: RMB

Item	Amount written off

Significant write-off of interest receivable:

Unit: RMB

Unit name	Nature of interest receivable	Amount written off	Reasons for write-off	Write-off procedures performed	Whether caused by related-party transactions

Notes on write-off interest receivable:

Other description:

(2) Dividends receivable

1) Classification of dividends receivable

Unit: RMB

Project (or invested unit)	Closing balance	Opening balance
Total		0.00

2) Significant dividends receivable aged over 1 year

Unit: RMB

Project (or invested unit)	Closing balance	Aging	Reason for non-recovery	Whether there is impairment and its judgment basis

3) Disclosure by bad debt provision accrual method

☐Applicable √N/A

4) Provision for bad debts accrued, recovered or reversed

Unit: RMB

Category	Opening balance	Amount of change in current period				Closing balance
		Accrual	Recovery or reversal	Transfer/Write-off	Other changes	

Significant recovery or reversal of provision for bad debts:

Unit: RMB

Entity name	Amount recovered or reversed	Reasons for reversal	Recovery method	The basis for determining the original provision ratio for bad debts and its reasonableness

Other description:

5) Dividends receivable actually written off

Unit: RMB

Item	Amount written off

Significant write-off of dividends receivable

Unit: RMB

Entity name	Nature of dividends receivable	Amount written off	Reasons for write-off	Write-off procedures performed	Whether due to/from related party transactions

Notes on write-off of dividends receivable:

Other description:

(3) Other receivables

1) Classification by nature

Unit: RMB

Nature	Closing balance	Opening balance
Compensation for investment and construction project of Winner Medical (Heyuan)	215,155,320.00	215,155,320.00
Deposits and guarantee deposits	81,155,005.40	71,788,017.49
Amounts due from related parties outside the scope of consolidation of the Group	4,010,984.13	4,010,984.13
Employee pretty cash	2,997,435.96	2,871,481.77
Others	30,457,112.58	31,531,589.37
Total	333,775,858.07	325,357,392.76

2) Disclosure by aging

Unit: RMB

Aging	Closing balance	Opening balance
Within 1 year, inclusive	63,013,837.83	60,807,073.86
1 to 2 years	11,042,501.24	12,006,371.78
2 to 3 years	8,366,163.09	7,913,808.36
Over 3 years	251,353,355.91	244,630,138.76
3 to 4 years	7,156,079.64	3,740,683.54
4 to 5 years	3,682,659.76	3,397,327.98
Over 5 years	240,514,616.51	237,492,127.24
Total	333,775,858.07	325,357,392.76

3) Disclosure by bad debt provision accrual method

√Applicable ☐N/A

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Provision ratio (%)		Amount	Proportion (%)	Amount	Provision ratio (%)	
Provision for bad debts made on an individual basis	217,155,320.00	65.06%	109,577,660.00	50.46%	107,577,660.00	217,564,878.81	66.87%	109,987,218.81	50.55%	107,577,660.00
Including:										
Provision for bad debts made on a collective basis	116,620,538.07	34.94%	10,926,034.30	9.37%	105,694,503.77	107,792,513.95	33.13%	10,901,675.84	10.11%	96,890,838.11
Including:										
Aging group	32,700,404.95	9.80%	6,868,283.96	21.00%	25,832,120.99	33,638,967.74	10.34%	7,332,254.92	21.80%	26,306,712.82
Deposit and guarantee deposit	81,155,005.40	24.31%	4,057,750.34	5.00%	77,097,255.06	71,388,418.49	21.94%	3,569,420.92	5.00%	67,818,997.57
No credit risk group	2,765,127.72	0.83%			2,765,127.72	2,765,127.72	0.85%			2,765,127.72
Total	333,775,858.07	100.00%	120,503,694.30	36.10%	213,272,163.77	325,357,392.76	100.00%	120,888,894.65	37.16%	204,468,498.11

Provision for bad debts made on an individual basis:

Unit: RMB

Name	Opening balance		Closing balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
Zijin County People's Government	215,155,320.00	107,577,660.00	215,155,320.00	107,577,660.00	50.00%	Receivables from government aged over 5 years
Others	2,409,558.81	2,409,558.81	2,000,000.00	2,000,000.00	100.00%	Expected to be irrecoverable
Total	217,564,878.81	109,987,218.81	217,155,320.00	109,577,660.00		

Provision for bad debts of aging group:

Unit: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision ratio (%)
Within 1 year	26,143,253.21	1,307,162.71	5.00%
1 to 2 years	825,340.02	82,534.00	10.00%
2 to 3 years	345,055.22	103,516.57	30.00%
3 to 4 years	22,476.92	11,238.46	50.00%
4 to 5 years	2,236.80	1,789.44	80.00%
Over 5 years	5,362,042.78	5,362,042.78	100.00%
Total	32,700,404.95	6,868,283.96	

Description of the basis for determining provision for bad debts on a collective basis:

Provision for bad debts is made based on the general expected credit loss (ECL) model:

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month ECLs	Lifetime ECLs (not yet credit-impaired)	Lifetime ECLs (credit-impaired)	
Balance on 1 January 2026	10,901,675.84	109,987,218.81		120,888,894.65
Opening balance				
Accrual	8,212,247.33			8,212,247.33
Recovery or reversal	8,062,545.83			8,062,545.83
Write-off		399,599.00		399,599.00
Other changes	-135,302.85			-135,302.85
Balance on 30 June 2026	10,916,074.49	109,587,619.81		120,503,694.30

Criteria for stage classification and provision ratio for bad debts

Description of changes in the book balance of other receivables contributing to significant changes in the loss allowance in the current period:

☐Applicable √N/A

4) Provision for bad debts accrued, recovered or reversed

Provision for bad debts accrued:

Unit: RMB

Category	Opening balance	Amount of change in current period				Closing balance
		Accrual	Recovery or reversal	Transfer/Write-off	Others	
Provision for bad debts of other receivables	120,888,894.65	8,212,247.33	8,062,545.83	399,599.00	-135,302.85	120,503,694.30
Total	120,888,894.65	8,212,247.33	8,062,545.83	399,599.00	-135,302.85	120,503,694.30

Significant recovery or reversal of provision for bad debts for the current period:

Unit: RMB

Entity name	Amount recovered or reversed	Reasons for reversal	Recovery method	The basis for determining the original provision ratio for bad debts and its reasonableness

5) Other receivables actually written off

Unit: RMB

Item	Amount written off
Others	399,599.00

Significant write-off of other receivables:

Unit: RMB

Entity name	Nature of other receivables	Amount written off	Reasons for write-off	Write-off procedures performed	Whether due to/from related party transactions

Description of write-off of other receivables:

6) Top 5 other receivables with closing balances by debtor

Unit: RMB

Entity name	Nature of other receivables	Closing balance	Aging	Proportion in total other closing balance receivable	Closing balance of bad debt provision
First	Compensation for investment and construction project of Winner Medical (Heyuan)	215,155,320.00	Over 5 years	64.46%	107,577,660.00
Second	Deposit and guarantee deposit	15,656,693.47	Within 1 year	4.69%	782,834.67
Third	Others	6,193,340.03	Within 1 year	1.86%	309,667.00
Fourth	Deposit and guarantee deposit	5,119,696.64	Within 1 year	1.53%	255,984.83
Fifth	Others	4,917,703.07	Within 1 year, 3-4 years, over 5 years	1.47%	4,913,674.41
Total		247,042,753.21		74.01%	113,839,820.91

7) Presented as “Other receivables” due to centralised management

Unit: RMB

Other description:

9. Advances to Suppliers

(1) Presentation of prepayments by aging

Unit: RMB

Aging	Closing balance		Opening balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	304,288,622.80	95.96%	166,358,685.76	92.77%
1 to 2 years	12,280,592.02	3.87%	12,569,766.20	7.01%
2 to 3 years	520,408.93	0.16%	390,290.74	0.22%
Total	317,089,623.75		179,318,742.70	

Reasons for non-timely settlement of important advances from customers with the aging more than 1 year:

(2) Advances to suppliers with Top 5 closing balances by prepayment object

Supplier	Closing balance	Proportion in total closing balance of advances
First	94,481,439.03	29.80%
Second	96,236,484.26	30.35%
Third	12,465,456.84	3.93%
Fourth	8,799,446.50	2.78%
Fifth	6,174,748.69	1.95%
Total	218,157,575.32	68.80%

Other description:

10. Inventory

Whether the Company is required to comply with the disclosure requirements of the real estate industry

(1) Inventory classification

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Inventory falling price reserves or provision for impairment of contract performance costs	Carrying amount	Book balance	Inventory falling price reserves or provision for impairment of contract performance costs	Carrying amount
Raw materials	471,183,308.52	13,802,825.25	457,380,483.27	426,515,412.13	16,092,327.97	410,423,084.16
Work in process	299,968,712.58	8,089,589.92	291,879,122.66	283,112,438.71	18,180,794.50	264,931,644.21
Goods on hand	1,412,490,823.62	101,326,921.40	1,311,163,902.22	1,385,540,258.49	93,362,105.64	1,292,178,152.85
Semi-finished products shipped in transit	52,976,552.74	0.00	52,976,552.74	35,983,569.08		35,983,569.08
Low-value consumables	14,239,494.12	914,031.19	13,325,462.93	13,628,598.45	931,993.41	12,696,605.04
Total	2,250,858,891.58	124,133,367.76	2,126,725,523.82	2,144,780,276.86	128,567,221.52	2,016,213,055.34

(2) Data resources recognised as inventories

Unit: RMB

Item	Inventory of outsourced data resources	Inventory of self-processed data resources	Inventory of data resources otherwise acquired	Total

(3) Inventory falling price reserves and provision for impairment of contract performance costs

Unit: RMB

Item	Beginning balance	Increase in current period		Decrease in current period		Closing balance
		Provision	Others	Reversal or write-off	Others	
Raw materials	16,092,327.97	2,089,373.89		4,378,876.61		13,802,825.25
Work in process	18,180,794.50	4,291,985.80		14,383,190.38		8,089,589.92
Goods on hand	93,362,105.64	44,059,156.39		36,094,340.63		101,326,921.40
Low-value consumables	931,993.41			17,962.22		914,031.19
Total	128,567,221.52	50,440,516.08		54,874,369.84		124,133,367.76

Inventory impairment provision by portfolio

Unit: RMB

Combination name	Closing balance			Opening balance		
	Closing balance	Provision for depreciation	Accruing proportion for depreciation provision	Opening balance	Provision for depreciation	Accruing proportion for depreciation provision
Raw materials and goods processed by the commission	471,183,308.52	13,802,825.25	2.93%	426,515,412.13	16,092,327.97	3.77%
Work in process	299,968,712.58	8,089,589.92	2.70%	283,112,438.71	18,180,794.50	6.42%
Goods on hand	1,412,490,823.62	101,326,921.40	7.17%	1,385,540,258.49	93,362,105.64	6.74%
Semi-finished products shipped in transit	52,976,552.74	0.00	0.00%	35,983,569.08		0.00%
Low-value consumables	14,239,494.12	914,031.19	6.42%	13,628,598.45	931,993.41	6.84%
Total	2,250,858,891.58	124,133,367.76	5.51%	2,144,780,276.86	128,567,221.52	5.99%

The accounting standard for calculating the provision for inventory impairment by portfolio

For inventories directly used for sale, such as finished goods, goods in stock and materials for sale, the net realisable value shall be determined, in the ordinary course of business, at the estimated selling price less the estimated costs necessary to make the sale and relevant taxes; for inventories of materials that need to be processed, the net realisable value shall be determined, in the ordinary course of production and operation, at the estimated selling price of finished goods less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes;

(4) Description of closing balance of inventory containing the capitalised amount of borrowing costs

(5) Description of amortisation of costs to fulfil a contract for the current year

11. Financial Assets Held for Trading

Unit: RMB

Item	Closing balance	Provision for impairment	Ending carrying amount	Fair value	Estimated disposal cost	Estimated disposal time

Other description

12. Non-Current Assets Due within a Year

Unit: RMB

Item	Closing balance	Opening balance
Long-term receivables due within one year	4,836,676.55	4,707,526.63
Certificates of deposits due within one year	668,216,111.12	428,086,333.31
Total	673,052,787.67	432,793,859.94

(1) Non-current assets due within a year

□Applicable √N/A

(2) Other non-current assets due within a year

□Applicable √N/A

13. Other Current Assets

Unit: RMB

Item	Closing balance	Opening balance
Return cost receivable	997,659.52	881,568.59
VAT input tax to be deducted/Uncertified input tax	61,458,211.82	55,515,674.59
Prepaid corporate income tax	10,677,285.63	1,585,317.44
Unamortised expenses	35,060,776.99	27,676,950.97
Others	732,627.46	18,202.67
Total	108,926,561.42	85,677,714.26

Information related to compensatory assets

Other description:

14. Debt Investments

(1) Debt investment

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount

Changes in impairment allowance for debt investments in the current period

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance

(2) Important debt investments at end of year

Unit: RMB

Debt item	Closing balance					Opening balance				
	Book value	Coupon rate	Actual rate	Maturity date	Overdue principal	Book value	Coupon rate	Actual rate	Maturity date	Overdue principal

(3) Provision for impairment

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month ECLs	Lifetime ECLs (not yet credit-impaired)	Lifetime ECLs (credit-impaired)	
Opening balance				

Criteria for stage classification and provision ratio for bad debts

(4) Debt investments actually written off

Unit: RMB

Item	Amount written off

Write-off of significant debt investments

Debt investment write-offs:

Changes in book balance with significant changes in the current period of provision for loss

☐Applicable √N/A

Other description:

15. Other Debt Investments

(1) Other debt investments

Unit: RMB

Item	Opening balance	Accrued interest	Interest adjustments	Fair value change in current period	Closing balance	Cost	Accumulated fair value change	Accumulated impairment provision recognised in other comprehensive income	Remark

Changes in impairment allowance for other debt investments in the current period

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance

(2) Important other debt investments at end of year

Unit: RMB

Other debt item	Closing balance					Opening balance				
	Book value	Coupon rate	Actual rate	Maturity date	Overdue principal	Book value	Coupon rate	Actual rate	Maturity date	Overdue principal

(3) Provision for impairment

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month ECLs	Lifetime ECLs (not yet credit-impaired)	Lifetime ECLs (credit-impaired)	
Opening balance				

Criteria for stage classification and provision ratio for bad debts

(4) Other debt investments actually written off

Unit: RMB

Item	Amount written off

Write-off of significant other debt investments

Changes in book balance with significant changes in the current period of provision for loss

□Applicable √N/A

Other description:

16. Other Equity Investments

Unit: RMB

Project name	Opening balance	Gain recognised in other comprehensive income for the period	Loss included in other comprehensive income for the period	Accumulated gains included in other comprehensive income at the end of the period	Loss accumulated in other comprehensive income at the end of the period	Dividend income recognised during the period	Closing balance	Reasons for designating to be measured at fair value and its changes are recorded into other comprehensive income

Derecognition during the current year

Unit: RMB

Project name	Accumulated gains transferred to retained earnings	Cumulative losses transferred to retained earnings	Reasons for termination of confirmation

Itemized disclosure of the current non-trading equity instrument investment

Unit: RMB

Project name	Recognised dividend income	Accumulated gains	Accumulated losses	Amount of other comprehensive income transferred into retained income	Reasons for designating to be measured at fair value and its changes are recorded into other comprehensive income	Reasons for other comprehensive income transferring into retained income

Other description:

17. Long-Term Receivables

(1) Long-term receivables

Unit: RMB

Item	Closing balance			Opening balance			Discount rate range
	Book balance	Provision for bad debts	Carrying amount	Book balance	Provision for bad debts	Carrying amount	
Finance leases	32,054,602.63		32,054,602.63	31,209,579.37		31,209,579.37	4.20%-5.00%
Including: unrealized financing income.	-4,562,487.43		-4,562,487.43	-5,407,510.69		-5,407,510.69	4.20%-5.00%
Non-current assets due within a year	-4,836,676.55		-4,836,676.55	-4,707,526.63		-4,707,526.63	4.20%-5.00%
Rental deposit	54,978,449.55	2,748,922.54	52,229,527.01	60,092,661.11	3,004,633.13	57,088,027.98	2.90%-3.0%
Total	82,196,375.63	2,748,922.54	79,447,453.09	86,594,713.85	3,004,633.13	83,590,080.72	

(2) Disclosure by bad debt provision accrual method

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Provision ratio (%)		Amount	Proportion (%)	Amount	Provision ratio (%)	
Including:										
Provision for bad debts made on a collective basis	82,196,375.63	100.00%	2,748,922.54	3.34%	79,447,453.09	86,594,713.85	100.00%	3,004,633.13	3.47%	83,590,080.72
Including:										
Total	82,196,375.63	100.00%	2,748,922.54	3.34%	79,447,453.09	86,594,713.85	100.00%	3,004,633.13	3.47%	83,590,080.72

Provision for bad debts made on a collective basis:

Unit: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision ratio (%)
Provision for bad debts made on a collective basis by credit risk characteristics	82,196,375.63	2,748,922.54	3.34%
Including:			
Deposit and guarantee deposit	54,978,449.55	2,748,922.54	5.00%
Others	27,217,926.08		
Total	82,196,375.63	2,748,922.54	

Description of the basis for determining provision for bad debts on a collective basis:

Provision for bad debts is made based on the general expected credit loss (ECL) model:

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month ECLs	Lifetime ECLs (not yet credit-impaired)	Lifetime ECLs (credit-impaired)	
Opening balance				

Criteria for stage classification and provision ratio for bad debts

(3) Provision for bad debts accrued, recovered or reversed

Unit: RMB

Category	Opening balance	Amount of change in current period				Closing balance
		Accrual	Recovery or reversal	Transfer/Write-off	Others	
Rental deposit	3,004,633.13	470,973.66	726,684.25			2,748,922.54
Total	3,004,633.13	470,973.66	726,684.25			2,748,922.54

Significant recovery or reversal of provision for bad debts for the current period:

Unit: RMB

Entity name	Amount recovered or reversed	Reasons for reversal	Recovery method	The basis for determining the original provision ratio for bad debts and its reasonableness

Other description:

(4) Long-term receivables actually written off

Unit: RMB

Item	Amount written off

Write-off of significant long-term receivables

Unit: RMB

Entity name	Nature of long-term receivables	Amount written off	Reasons for write-off	Write-off procedures performed	Whether due to/from related party transactions

Description of write-off of long-term receivables:

18. Long-Term Equity Investments

Unit: RMB

Invested unit	Beginning balance (carrying amount)	Impairment allowance, opening balance	Increase or decrease in current period								Closing balance (carrying amount)	Closing balance of impairment provision
			Further investment	Capital reduction	Investment gains and losses recognised by the equity method	Adjustment of other comprehensive income	Changes in other equity	Declared payment of cash dividends or profits	Provision for impairment	Others		
I. Joint ventures												
II. Associates												
Company S Note[1].	456,585,119.49				-6,586,927.73					-17,198,056.50	432,800,135.26	
Chengdu Winner Likang Medical Products Co., Ltd.	20,987,023.45				-356,758.80						20,630,264.65	
Zhejiang Shiyou Medical Materials Co., Ltd.	896,284.09				-144,183.94					-26,253.61	725,846.54	
Hubei Xianchuang Technology Co., Ltd.	521,398.01										521,398.01	
Subtotal	478,989,825.04				-7,087,870.47					-17,224,310.11	454,677,644.46	
Total	478,989,825.04				-7,087,870.47					-17,224,310.11	454,677,644.46	

Note 1*: On 28 February 2024, the Group acquired a 35.2055% equity interest in Company S at a consideration of USD60 million (equivalent to RMB428,074,000.00). The Group appointed two directors to Company S and exercises significant impact over it and the investment is accounted for using the equity method. The Group paid cash consideration on 12 March 2024 and appointed two directors to Company S on 12 March 2024 and 1 April 2024, respectively. The Group has significant impact over Company S and accounts for the investment using the equity method. On 20 August 2025, the Group paid an additional cash consideration of USD10 million (equivalent to RMB71,327,283.40). Following the capital increase, the shareholding increased to 38.8219%. The Group continues to have significant impact over Company S, and the investment is accounted for using the equity method.

The recoverable amount is determined according to the higher of the net amount of the assets fair value subtracted by the disposal costs

□Applicable √N/A

The recoverable amount is determined based on the present value of expected future cash flows

□Applicable √N/A

Reasons for the apparent inconsistency between the aforementioned information and the data used in impairment testing in prior years or external information

Reasons for the variance between the information utilised in the Company's impairment testing in prior years and the actual circumstances of the current year

Other description

19. Other Non-Current Financial Assets

Unit: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	98,872,421.77	99,881,071.54
Including: Fund investments	73,603,810.38	73,603,810.38
Convertible corporate bond investments (Note 1*)	25,268,611.39	26,277,261.16
Total	98,872,421.77	99,881,071.54

Other description:

Note 1*: The convertible bonds were subscribed by Nature Health Development (Hong Kong) Co., Ltd. on 20 September 2024, for NUGEN MEDICAL DEVICES INC. These convertible bonds are due within five years from the closing date and bear an annual interest rate of 12%.

Prior to maturity, the holders have the right to convert all or any portion of the outstanding principal amount of the convertible bonds into one ordinary share of NUGEN MEDICAL DEVICES INC. and one ordinary share purchase warrant at an exercise price of CAD0.10 per share.

20. Investment Properties

(1) Investment properties measured at cost

√Applicable ☐N/A

Unit: RMB

Item	Buildings	Land use rights	Construction in progress	Total
I. Original book value				
1. Opening balance	5,972,970.52			5,972,970.52
2. Increase in current period				
(1) Outsourcing				
(2) Transfer from inventory / fixed assets / construction in progress				
(3) Increase by business combination				
3. Decrease in current period				
(1) Disposal				
(2) Other roll-out				
4. Closing balance	5,972,970.52			5,972,970.52
II Accumulated depreciation and accumulated amortization				
1. Opening balance	4,518,675.25			4,518,675.25
2. Increase in current period	449,655.82			449,655.82
(1) Provision or amortization	449,655.82			449,655.82
3. Decrease in current period				
(1) Disposal				
(2) Other roll-out				
4. Closing balance	4,968,331.07			4,968,331.07
III. Provision for impairment				
1. Opening balance				
2. Increase in current period				
(1) Provision				
3. Decrease in current period				
(1) Disposal				
(2) Other roll-out				
4. Closing balance				
IV. Carrying amount				
1. Closing carrying amount	1,004,639.45			1,004,639.45
2. Opening carrying amount	1,454,295.27			1,454,295.27

The recoverable amount is determined according to the higher of the net amount of the assets fair value subtracted by the disposal costs

☐Applicable √N/A

The recoverable amount is determined based on the present value of expected future cash flows

☐Applicable √N/A

Reasons for the apparent inconsistency between the aforementioned information and the data used in impairment testing in prior years or external information

Reasons for the variance between the information utilised in the Company's impairment testing in prior years and the actual circumstances of the current year

Other description:

(2) Investment properties measured using the fair value model

☐Applicable √N/A

(3) Transfer to investment properties using the fair value model

Unit: RMB

Item	Accounts before conversion	Amount	Conversion reason	Approval procedures	Impact on profit or loss	Impact on other comprehensive income

(4) Investment properties without certificates of title

Unit: RMB

Item	Carrying amount	Reasons for not obtaining the certificate of title

Other description

21. Fixed Assets

Unit: RMB

Item	Closing balance	Opening balance
Fixed assets	4,138,743,158.96	4,199,969,234.92
Total	4,138,743,158.96	4,199,969,234.92

(1) Fixed assets

Unit: RMB

Item	Buildings	Land ownership	Machinery	Vehicles	Electronic equipment, office equipment and others	Total
I. Original book value:						
1. Opening balance	3,272,497,173.77	2,689,773.12	2,437,071,196.70	42,315,222.10	260,342,679.77	6,014,916,045.46
2. Increase in current period	23,076,156.53		70,421,404.85	2,236,022.49	21,051,038.77	116,784,622.64
(1) Purchase	2,482,395.93		60,377,408.71	2,236,022.49	21,014,829.04	86,110,656.17
(2) Transfers from construction in progress	20,593,760.60		10,043,996.14		36,209.73	30,673,966.47
(3) Increase by business combination						
3. Decrease in current period	2,243,090.11		12,101,558.01	759,085.19	9,480,700.68	24,584,433.99
(1) Disposal or scrap	238,043.43		11,148,765.99	631,951.13	9,011,629.94	21,030,390.49
Exchange rate movement	2,005,046.68		952,792.02	127,134.06	469,070.74	3,554,043.52
4. Closing balance	3,293,330,240.19	2,689,773.12	2,495,391,043.54	43,792,159.40	271,913,017.86	6,107,116,234.11
II. Accumulated depreciation						
1. Opening balance	545,213,099.96		986,500,222.29	22,335,530.72	149,145,802.87	1,703,194,655.84
2. Increase in current period	58,664,182.14		89,626,148.98	1,324,407.63	15,346,153.97	164,960,892.72
(1) Provision	58,664,182.14		89,626,148.98	1,324,407.63	15,346,153.97	164,960,892.72

Item	Buildings	Land ownership	Machinery	Vehicles	Electronic equipment, office equipment and others	Total
3. Decrease in current period	414,263.05		5,294,437.52	485,762.43	4,777,161.24	10,971,624.24
(1) Disposal or scrap	183,654.00		5,294,437.52	485,691.50	4,760,422.09	10,724,205.11
Exchange rate movement	230,609.05			70.93	16,739.15	247,419.13
4. Closing balance	603,463,019.05		1,070,831,933.75	23,174,175.92	159,714,795.60	1,857,183,924.32
III. Provision for impairment						
1. Opening balance	46,943,964.21		63,695,676.92		1,112,513.57	111,752,154.70
2. Increase in current period			47,173.04		7,935.11	55,108.15
(1) Provision			47,173.04		7,935.11	55,108.15
3. Decrease in current period	140,749.80		477,362.22			618,112.02
(1) Disposal or scrap			477,362.22			477,362.22
Exchange rate movement	140,749.80					140,749.80
4. Closing balance	46,803,214.41		63,265,487.74		1,120,448.68	111,189,150.83
IV. Carrying amount						
1. Closing carrying amount	2,643,064,006.73	2,689,773.12	1,361,293,622.05	20,617,983.48	111,077,773.58	4,138,743,158.96
2. Opening carrying amount	2,680,340,109.60	2,689,773.12	1,386,875,297.49	19,979,691.38	110,084,363.33	4,199,969,234.92

(2) Fixed assets that are temporarily idle

Unit: RMB

Item	Original book value	Accumulated depreciation	Provision for impairment	Carrying amount	Remark
Machinery equipment	42,497,466.01	19,468,032.91	13,772,204.16	9,257,228.94	Not needed for now
Electronic equipment and office equipment, etc.	6,173,116.81	5,171,935.60	220,657.30	780,523.91	Not needed for now
Total	48,670,582.82	24,639,968.51	13,992,861.46	10,037,752.85	

(3) Fixed assets leased out under operating leases

Unit: RMB

Item	Ending carrying amount
Plants leased out	4,048,426.12

(4) Fixed assets without certificates of title

Unit: RMB

Item	Carrying amount	Reasons for not obtaining the certificate of title
Winner Medical (Wuhan) - No.1 Workshop, Phase II (Phase II)	112,442,507.51	The formalities have not yet been completed
Winner Medical (Wuhan) - No.1 Sorting Workshops (Phase II)	66,605,682.48	The formalities have not yet been completed
Winner Medical (Wuhan) - No.2 Sorting Workshops (Phase II)	129,589,117.53	The formalities have not yet been completed
Winner Medical (Wuhan) - No.3 Sorting Workshops (Phase II)	58,888,161.73	The formalities have not yet been completed
Winner Medical (Wuhan) - Connecting Corridor for Sorting Workshops (Phase II)	2,634,736.20	The formalities have not yet been completed
Winner Medical (Wuhan) - Guardhouse, Phase II	169,721.81	The formalities have not yet been completed
Winner Medical (Wuhan) - Fire Pump Room, Phase II (Phase II)	221,006.80	The formalities have not yet been completed
Winner Medical (Wuhan) - Shift Workers' Dormitory Building No. 10	29,584,883.39	The formalities have not yet been completed
Winner Medical (Wuhan) - Canteen Expansion Project	8,888,978.46	The formalities have not yet been completed
Winner Medical (Wuhan) - R&D Building, Phase II (Phase II)	66,945,391.92	The formalities have not yet been completed
Winner Medical (Hunan) - Hazardous Chemicals Warehouse (with Spill Containment Basin)	2,551,915.89	The formalities have not yet been completed

Other description

(5) Impairment testing of fixed assets

□Applicable √N/A

(6) Liquidation of fixed assets

Unit: RMB

Item	Closing balance	Opening balance

Other description

22. Construction in progress

Unit: RMB

Item	Closing balance	Opening balance
Construction in progress	492,588,739.83	511,625,219.44
Total	492,588,739.83	511,625,219.44

(1) Construction in progress

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Winner Medical	10,064,448.99		10,064,448.99	9,838,707.10		9,838,707.10

(Jiayu) engineering project						
Winner Medical (Shenzhen) engineering project	400,650.62		400,650.62	12,104,881.82		12,104,881.82
Winner Medical (Hunan) Engineering Project	240,254,654.93		240,254,654.93	196,620,000.37		196,620,000.37
Mexico Longterm Medical Engineering Project	61,134,615.60		61,134,615.60	57,351,464.37		57,351,464.37
XJ Purcotton Engineering Project	5,714,949.22		5,714,949.22			
GRI Engineering Project	2,679,307.74		2,679,307.74	4,969,915.33		4,969,915.33
Winner Guilin engineering project	15,880,227.64	10,205,833.26	5,674,394.38	15,880,227.64	10,205,833.26	5,674,394.38
Winner Medical (Huanggang) Engineering Project	12,529,689.88		12,529,689.88	26,426,689.78		26,426,689.78
Other equipment to be installed and	154,136,028.47		154,136,028.47	198,639,166.29		198,639,166.29
miscellaneous projects						
Total	502,794,573.09	10,205,833.26	492,588,739.83	521,831,052.70	10,205,833.26	511,625,219.44

(2) Current changes in major projects under construction

Unit: RMB

Project name	Budget number	Opening balance	Increase in current period	Amount carried forward to fixed assets in current period	Other decreases in current period	Closing balance	Proportion of total project input to the budget	Progress of works	Accumulated amount of interest capitalisation	Including: interest capitalisation funds in the current period	Interest capitalisation rate in the current period	Source of funds
Winner Medical (Hunan) Engineering Project - Industrial Park Project Phase I	369,300,000.00	196,620,000.37	43,890,212.39	236,689.91		240,273,522.85	88.30%	99%				Others
Mexico Longterm Medical Engineering Project - Plant Cleanroom Project	70,288,000.00	57,351,464.37	3,250,639.23			60,602,103.60	89.65%	90%				Others
Total	439,588,000.00	253,971,464.74	47,140,851.62	236,689.91	0.00	300,875,626.45						

(3) Provision for impairment of construction in progress in current period

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance	Reason for provision
Winner Guilin - Buildings in 1-3# Workshops	10,205,833.26			10,205,833.26	Project on hold due to policy reason
Total	10,205,833.26			10,205,833.26	--

Other description

(4) Impairment testing of construction in progress

□Applicable √N/A

(5) Engineering materials

Unit: RMB

Item	Closing balance	Opening balance

	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount

Other description:

23. Productive Biological Assets

(1) Productive biological assets using cost measurement mode

☐Applicable √N/A

(2) Impairment testing of productive biological assets using the cost measurement model

☐Applicable √N/A

(3) Productive biological assets using fair value measurement mode

☐Applicable √N/A

24. Oil and Gas Assets

☐Applicable √N/A

25. Right-of-Use Assets

(1) Right-of-use assets

Unit: RMB

Item	Buildings	Machinery	Vehicles	Total
I. Original book value				
1. Opening balance	1,010,582,403.40	930,892.52	3,407,962.37	1,014,921,258.29
2. Increase in current period	60,410,235.52	0.00	0.00	60,410,235.52
(1) New lease	60,410,235.52	0.00	0.00	60,410,235.52
3. Decrease in current period	67,302,437.34	28,858.62	105,650.32	67,436,946.28
(1) Disposal	61,183,508.15	0.00	0.00	61,183,508.15
(2) Changes in exchange rate	6,118,929.19	28,858.62	105,650.32	6,253,438.13
4. Closing balance	1,003,690,201.58	902,033.90	3,302,312.05	1,007,894,547.53
II. Accumulated depreciation				
1. Opening balance	458,578,667.32	445,422.40	1,114,538.89	460,138,628.61
2. Increase in current period	103,123,361.09	139,323.84	431,994.82	103,694,679.75
(1) Provision	103,123,361.09	139,323.84	431,994.82	103,694,679.75
3. Decrease in current period	58,784,487.73	13,808.55	34,551.85	58,832,848.13
(1) Disposal	57,960,007.27	0.00	0.00	57,960,007.27
(2) Changes in exchange rate	824,480.46	13,808.55	34,551.85	872,840.86
4. Closing balance	502,917,540.68	570,937.69	1,511,981.86	505,000,460.23
III. Provision for impairment				
1. Opening balance				
2. Increase in current period				
(1) Provision				
3. Decrease in current period				
(1) Disposal				
4. Closing balance				
IV. Carrying amount				
1. Closing carrying amount	500,772,660.90	331,096.21	1,790,330.19	502,894,087.30
2. Opening carrying amount	552,003,736.08	485,470.12	2,293,423.48	554,782,629.68

(2) Testing for impairment of right-of-use assets

☐Applicable √N/A

Other description:

26. Intangible Assets

(1) Intangible assets

Unit: RMB

Item	Land use rights	Patent right	Non-patented technology	Software use right	Franchised use right	Trademark right	Client relations	Total
I. Original book value								
1. Opening balance	585,966,016.92	290,313,235.96		91,897,426.26	10,228,226.53	148,416,951.82	244,557,772.00	1,371,379,629.49
2. Increase in current period		360,000.00		17,164,884.25				17,524,884.25
(1) Purchase		360,000.00		17,164,884.25				17,524,884.25
(2) Internal R&D								
(3) Increase by business combination								
3. Decrease in current period	299,696.25	27,136.28		141,886.72		127,612.87		596,332.12
(1) Disposal				18,867.92				18,867.92
(2) Changes in exchange rate	299,696.25	27,136.28		123,018.80		127,612.87		577,464.20
4. Closing balance	585,666,320.67	290,646,099.68		108,920,423.79	10,228,226.53	148,289,338.95	244,557,772.00	1,388,308,181.62
II. Accumulated amortization								
1. Opening balance	85,494,312.61	98,747,854.80		61,181,579.17	10,228,226.53	34,750,153.49	72,129,000.14	362,531,126.74
2. Increase in current period	6,510,048.29	15,296,138.58		4,108,202.64		7,251,817.94	14,183,252.16	47,349,459.61
(1) Provision	6,510,048.29	15,296,138.58		4,108,202.64		7,251,817.94	14,183,252.16	47,349,459.61
3. Decrease in current period	318,719.66	95,212.54		251,412.71		324,488.74		989,833.65
(1) Disposal				14,779.87				14,779.87
(2) Changes in exchange rate	318,719.66	95,212.54		236,632.84		324,488.74		975,053.78
4. Closing balance	91,685,641.24	113,948,780.84		65,038,369.10	10,228,226.53	41,677,482.69	86,312,252.30	408,890,752.70
III. Provision for impairment								
1. Opening balance								
2. Increase in current period								
(1) Provision								
3. Decrease in current period								
(1) Disposal								
4. Closing balance								
IV. Carrying amount								
1. Closing carrying amount	493,980,679.43	176,697,318.84		43,882,054.69		106,611,856.26	158,245,519.70	979,417,428.92
2. Opening carrying amount	500,471,704.31	191,565,381.16		30,715,847.09		113,666,798.33	172,428,771.86	1,008,848,502.75

The proportion of intangible assets formed through internal R & D of the Company in the balance of intangible assets at the end of current period: 0.00%

(2) Data resources recognised as intangible assets

Unit: RMB

Item	Intangible assets of outsourced data resources	Intangible assets of self-processed data resources	Intangible assets of data resources otherwise acquired	Total

(3) Land use rights without certificate of title

Unit: RMB

Item	Carrying amount	Reasons for not obtaining the certificate of title
Winner Medical (Hunan) - Infusion class Phase II land	79,429,754.03	Two certificates combined into one. The completed plant has obtained the real estate title certificate; the remaining plant will apply for the real estate title certificate upon completion.

Other description

(4) Testing for impairment of intangible assets

☐Applicable √N/A

27. Goodwill

(1) Original book value of goodwill

Unit: RMB

Invested entity name or goodwill forming matter	Opening balance	Increase in current period		Decrease in current period	Closing balance
		Formed by business combination	Exchange rate movement	Disposal	
Business combination not involving entities under common control - Acquisition of GRI	464,544,303.53		-14,401,349.18		450,142,954.35
Business combination not involving entities under common control - Acquisition of Winner Medical Malaysia	2,681,232.09				2,681,232.09
Business combination not involving entities under common control - Acquisition of Longterm Medical	392,686,398.74				392,686,398.74
Business combination not involving entities under common control - Acquisition of Winner Guilin	253,215,940.40				253,215,940.40
Business combination not involving entities under common control - Acquisition of Winner Medical (Hunan)	388,989,258.26				388,989,258.26
Business combination not involving entities under common control - Acquisition of Junjian Medical	20,397,972.33				20,397,972.33
Business combination not involving entities under common control - Acquisition of Hubei Zhongfu	411,644.13				411,644.13
Total	1,522,926,749.48		-14,401,349.18		1,508,525,400.30

(2) Provision for impairment of goodwill

Unit: RMB

Invested entity name or goodwill forming matter	Opening balance	Increase in current period	Decrease in current period	Closing balance
		Provision	Disposal	
Business combination not involving	2,681,232.09			2,681,232.09

entities under common control - Acquisition of Winner Medical Malaysia		
Business combination not involving entities under common control - Acquisition of Winner Guilin	123,384,750.24	123,384,750.24
Business combination not involving entities under common control - Acquisition of Winner Medical (Hunan)	335,186,885.63	335,186,885.63
Total	461,252,867.96	461,252,867.96

(3) Information relating to the asset group or asset group combination of goodwill

Name	The composition and basis of the asset group or portfolio it belongs to	Operating segments and basis	Is it consistent with previous years?
GRI	The cash inflows generated by GRI from operating related long-term assets are basically independent of the cash inflows produced by other assets or asset groups.		Yes
Zhejiang Longterm and its subsidiaries	The cash inflows generated by Longterm Medical and its subsidiaries from operating related long-term assets are basically independent of the cash inflows produced by other assets or asset groups.		Yes
Winner Medical (Hunan) and its subsidiaries	The cash inflows generated by Winner Medical (Hunan) and its subsidiaries from operating related long-term assets are basically independent of the cash inflows produced by other assets or asset groups.		Yes
Winner Guilin and its subsidiaries	The cash inflows generated by Winner Guilin and its subsidiaries from operating related long-term assets are basically independent of the cash inflows produced by other assets or asset groups.		Yes
Junjian Medical	Junjian Medical operate related long-term assets, with cash inflows generated being largely independent Junjian generated by other assets or asset groups.		Yes
Hubei Zhongfu	The cash inflows generated by Hubei Zhongfu from operating related long-term assets are basically independent of the cash inflows produced by other assets or asset groups.		Yes

Changes in asset groups or combinations of asset groups

Name	Composition before the change	Composition after the change	Objective facts and basis leading to changes

Other description

(4) Specific method for determining recoverable amount

The recoverable amount is determined according to the higher of the net amount of the assets fair value subtracted by the disposal costs

☐Applicable √N/A

The recoverable amount is determined based on the present value of expected future cash flows

☐Applicable √N/A

Reasons for the apparent inconsistency between the aforementioned information and the data used in impairment testing in prior years or external information

Reasons for the variance between the information utilised in the Company's impairment testing in prior years and the actual circumstances of the current year

(5) Completion of performance commitments and corresponding impairment of goodwill

A performance commitment is present when goodwill is established, and the Reporting Period, or the preceding period, falls within the commitment period.

□Applicable √N/A

Other description

28. Long-Term Prepaid Expenses

Unit: RMB

Item	Opening balance	Increase in current period	Amortization amount in current period	Other decreases	Closing balance
Decoration cost	59,275,318.42	11,888,313.61	14,355,833.35	1,611,771.79	55,196,026.89
Decoration expenses on leased assets	72,601,132.38	15,435,119.58	16,322,059.20	992,847.74	70,721,345.02
Others	2,024,563.29	124,508.83	419,090.69	43,571.04	1,686,410.39
Total	133,901,014.09	27,447,942.02	31,096,983.24	2,648,190.57	127,603,782.30

Other description

29. Deferred Tax Assets and Deferred Tax Liabilities

(1) Unoffset deferred tax assets

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for impairment of assets	475,816,467.62	78,782,846.16	492,818,700.52	83,709,759.89
Unrealized profit of internal transaction	120,790,683.19	27,203,004.32	198,204,306.81	29,730,646.02
Deductible loss	19,038,697.20	3,849,169.88	16,643,858.26	1,209,683.26
Dismission welfare	2,414,144.48	373,675.77	6,145,109.42	969,438.85
Deferred Income	223,120,061.00	34,459,533.54	211,162,383.14	32,710,427.18
Member points	14,331,525.04	3,582,881.26	12,677,270.34	3,169,317.58
Accrued expenses	2,165,646.58	541,411.65	15,247,192.70	2,721,192.02
Others	56,815,395.30	14,203,848.83	24,521,745.80	6,051,139.48
Deferred tax assets arising from leases	531,066,699.76	119,364,937.18	601,510,665.94	134,030,658.55
Total	1,445,559,320.17	282,361,308.59	1,578,931,232.93	294,302,262.83

(2) Unoffset deferred tax liabilities

Unit: RMB

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Asset evaluation increment for business combination not involving entities under common control	670,287,633.42	124,786,008.08	724,757,791.91	131,212,262.85
Changes in fair value of trading financial assets	51,746,272.51	8,120,221.99	25,280,603.31	3,997,679.97
Depreciation of fixed assets	129,339,623.34	19,400,943.49	138,362,863.72	20,754,429.57
Changes in fair value of other non-current financial assets	3,603,810.38	540,571.56	3,603,810.38	540,571.56
Others	997,659.52	249,414.88	881,568.59	220,392.14
Deferred tax liabilities arising from leases	534,948,689.93	111,049,241.10	576,310,192.80	128,363,802.68
Total	1,390,923,689.10	264,146,401.10	1,469,196,830.71	285,089,138.77

(3) Deferred tax assets or liabilities presented as net amount after offset

Unit: RMB

Item	Ending offset amount of deferred tax assets and liabilities	Closing balance of deferred tax assets and liabilities after offset	Beginning offset amount of deferred tax assets and liabilities	Beginning balance of deferred tax assets and liabilities after offset
Deferred tax assets	134,558,386.58	147,802,922.01	148,192,931.59	146,109,331.24
Deferred tax liabilities	134,558,386.58	129,588,014.52	148,192,931.59	136,896,207.18

(4) Details of unrecognised deferred tax assets

Unit: RMB

Item	Closing balance	Opening balance
Deductible loss	337,647,405.05	327,677,451.79
Provision for impairment of assets	1,419,773.38	1,572,475.78
Total	339,067,178.43	329,249,927.57

(5) Deductible losses on unrecognised deferred tax assets will expire in the following year

Unit: RMB

Year	Closing balance	Beginning amount	Remark
2026	44,657,013.68	58,424,501.17	
2027	57,409,545.85	66,306,538.57	
2028	20,926,758.49	20,926,758.49	
2029	15,025,863.01	15,653,500.08	
2030	16,328,290.26	19,973,750.69	
2031	9,834,832.19		
No maturity date	173,465,101.57	146,392,402.79	
Total	337,647,405.05	327,677,451.79	

Other description

30. Other Non-Current Assets

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
CDs	932,797,077.67		932,797,077.67	1,559,776,367.96		1,559,776,367.96
Prepayments for long-term assets	262,121,482.52		262,121,482.52	77,756,462.62		77,756,462.62
Buildings and land use rights of Shenzhen Longhua Industrial Park	20,228,190.61		20,228,190.61	20,228,190.61		20,228,190.61
Total	1,215,146,750.80		1,215,146,750.80	1,657,761,021.19		1,657,761,021.19

Information related to compensatory assets

Other description:

31. Assets with Restricted Ownership or Use Rights.

Unit: RMB

Item	Closing balance				Opening balance			
	Book balance	Carrying amount	Type of restriction	Restricted situation	Book balance	Carrying amount	Type of restriction	Restricted situation
Currency fund	24,538,891.46	24,538,891.46	Security deposit	For details, see "VII. Notes to the consolidated financial statements / 1. Currency Funds".	33,267,211.34	33,267,211.34	Security deposit	For details, see "VII. Notes to the consolidated financial statements / 1. Currency Funds".
Fixed assets	168,872,352.88	96,159,758.52	Pledge	Mortgage	124,717,671.57	59,215,679.29	Pledge	Mortgage
Intangible Assets	8,932,380.55	7,473,425.09	Pledge	Mortgage				
Total	202,343,624.89	128,172,075.07			157,984,882.91	92,482,890.63		

Other description:

32. Short-Term Loans

(1) Classification of short-term borrowings

Unit: RMB

Item	Closing balance	Opening balance
Mortgage	20,000,000.00	90,000,000.00
Debt of honor	2,111,613,832.15	222,013,524.63
Bill discount	110,000,000.00	1,522,800,000.00
Borrowing interest	2,149,809.34	1,816,054.61
Total	2,243,763,641.49	1,836,629,579.24

Description of classification of short-term borrowings:

(2) short-term loans unpaid overdue

The total amount of overdue and unpaid short-term loans at the end of the period is RMB0.00, of which the important overdue and unpaid short-term loans are as follows:

Unit: RMB

Item	Closing balance	Borrowing interest rate	Overdue time	Overdue interest rate

Other description

33. Financial Liabilities Held for Trading

Unit: RMB

Item	Closing balance	Opening balance
Including:		
Including:		

Other description:

34. Derivative Financial Liabilities

Unit: RMB

Item	Closing balance	Opening balance

Other description:

35. Notes Payable

Unit: RMB

Type	Closing balance	Opening balance
Bank acceptance bills	393,163,306.73	381,818,750.95
Total	393,163,306.73	381,818,750.95

The total amount of notes payable due and unpaid at the end of the period is RMB0.00, and the reason for the overdue is.

36. Accounts Payable

(1) Presentation of accounts payable

Unit: RMB

Item	Closing balance	Opening balance
Within 1 year, inclusive	1,059,960,726.54	1,260,125,441.19
1~2 years (including 2 years)	37,754,541.12	11,159,306.59
2~3 years (including 3 years)	8,549,489.21	2,955,160.54
Over 3 years	6,670,918.36	6,378,829.00
Total	1,112,935,675.23	1,280,618,737.32

(2) Significant accounts payable aged over one year

Unit: RMB

Item	Closing balance	Reasons for failure of payment or carryover
Hubei Industrial Construction Group Co., Ltd.	8,746,111.00	Not yet finally accepted
Wuxi Hongqi Textile Machinery Equipment Co., Ltd.	6,625,000.00	Not yet finally accepted
Total	15,371,111.00	

Other description:

37. Other Payables

Unit: RMB

Item	Closing balance	Opening balance
Interest payable		0.00
Dividends payable	121,984,316.10	
Other payables	477,478,070.87	529,651,533.30
Total	599,462,386.97	529,651,533.30

(1) Interest payable

Unit: RMB

Item	Closing balance	Opening balance
Total		0.00

Significant overdue and unpaid interest:

Unit: RMB

Borrower	Overdue balance	Overdue reason

Other description:

(2) Dividends payable

Unit: RMB

Item	Closing balance	Opening balance
Common stock dividends	121,984,316.10	
Total	121,984,316.10	

Other descriptions, including significant dividends payable that have not been paid for over one year, should disclose the reasons for non-payment:

(3) Other Payables

1) Other payables by nature

Unit: RMB

Item	Closing balance	Opening balance
Deposit and guarantee deposit	306,231,473.30	293,025,055.19
Freight and other accrued expenses	123,326,724.70	161,355,764.74
Commission	10,282,490.80	27,177,544.35
ESOP stock buyback requirement	3,816,080.07	3,975,155.07
Others	33,821,302.00	44,118,013.95
Total	477,478,070.87	529,651,533.30

2) Significant accounts payable aged over one year

Unit: RMB

Item	Closing balance	Reasons for failure of payment or carryover
Shenzhen Xingda Real Estate Development Co., Ltd.	249,949,168.93	Relocation compensation deposits for the Urban Renewal Project of Winner Industrial Park (Note XVIII.7)
Total	249,949,168.93	

Other description

38. Advance from Customers

(1) Presentation of advance from customers

Unit: RMB

Item	Closing balance	Opening balance
Total		0.00

(2) Significant receipts in advance aged over one year or overdue

Unit: RMB

Item	Closing balance	Reasons for failure of payment or carryover

Unit: RMB

Item	Changes in balance	Reason for change

39. Contract Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Customer consideration received	160,831,088.39	157,237,221.09
Member points	14,331,525.04	12,677,270.34
Total	175,162,613.43	169,914,491.43

Significant contract liabilities aged over one year

Unit: RMB

Item	Closing balance	Reasons for failure of payment or carryover

Amount and reasons for significant changes in carrying amount in the reporting period

Unit: RMB

Item	Changes in balance	Reason for change

40. Employee Benefits Payable

(1) Presentation of employee benefits payable

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
I. Short-term compensation	319,119,484.12	966,228,380.19	1,026,820,670.29	258,527,194.02
II. Welfare after dismission - defined contribution plan	7,312,197.92	83,050,837.25	83,061,048.60	7,301,986.57
III. Dismission welfare	6,145,109.42	12,626,690.49	15,085,103.43	3,686,696.48
Total	332,576,791.46	1,061,905,907.93	1,124,966,822.32	269,515,877.07

(2) Presentation of short-term employee benefits

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
1. Wages, bonuses, allowances and subsidies	315,255,041.72	897,549,396.58	957,133,258.50	255,671,179.80
2. Employee welfare expenses	1,956,734.64	5,806,083.35	6,864,339.14	898,478.85
3. Social insurance premium	431,561.81	38,767,334.65	38,767,128.97	431,767.49
Including: medical insurance premium	255,370.30	33,641,719.40	33,641,797.73	255,291.97
Industrial injury insurance premium	123,607.72	3,423,949.70	3,423,665.69	123,891.73
Birth insurance premium	52,583.79	1,701,665.55	1,701,665.55	52,583.79
4. Housing fund	21,955.00	22,796,376.97	22,796,658.97	21,673.00
5. Labor union expenditure and personnel education fund	788,445.04	1,133,755.73	1,203,851.80	718,348.97
Other short-term compensation	665,745.91	175,432.91	55,432.91	785,745.91
Total	319,119,484.12	966,228,380.19	1,026,820,670.29	258,527,194.02

(3) Presentation of defined contribution plans

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
1. Basic endowment insurance	7,206,060.52	79,598,031.41	79,608,383.81	7,195,708.12
2. Unemployment insurance premium	106,137.40	3,452,805.84	3,452,664.79	106,278.45
Total	7,312,197.92	83,050,837.25	83,061,048.60	7,301,986.57

Other description:

41. Taxes Payable

Unit: RMB

Item	Closing balance	Opening balance
Value-added tax (VAT)	37,942,357.04	12,324,094.87
Corporate income tax	86,903,808.03	98,510,386.40
Individual income tax	3,980,368.31	4,856,974.77
Urban maintenance and construction tax	2,780,742.98	1,704,477.26
Housing property tax	6,162,504.84	7,400,348.77

Item	Closing balance	Opening balance
Education surcharge and local education surcharge	2,025,713.09	1,404,573.18
Land use tax	3,085,605.91	2,164,977.79
Stamp duty	1,414,707.53	1,321,989.49
Others	11,397.56	871,713.49
Total	144,307,205.29	130,559,536.02

Other description

42. Liabilities Held for Sale

Unit: RMB

Item	Closing balance	Opening balance

Other description

Unit: RMB

43. Non-Current Liabilities Due within One Year

Item	Closing balance	Opening balance
Long-term borrowing due within one year	1,670,000.00	
Lease liabilities due within one year	174,424,305.08	184,899,235.07
Current portion of long-term employee benefits payable	319,841.24	647,000.00
Total	176,414,146.32	185,546,235.07

Other description:

Unit: RMB

44. Other Current Liabilities

Item	Closing balance	Opening balance
Refund payable	2,165,646.58	1,965,794.96
Output tax to be transferred	19,181,941.88	20,112,610.98
Endorsed bills not derecognised	5,592,303.52	
Total	26,939,891.98	22,078,405.94

Increase or decrease in short-term bonds payable:

Unit: RMB

Name of debt	Book value	Coupon rate	Issue date	Term of debt	Issue amount	Opening balance	Current issue	Provision interest at book value	Amortization of premium and discount	Current repayment	Closing balance	Default or not
Total												

Other description:

45. Long-Term Loans

(1) Classification of long-term borrowings

Unit: RMB

Item	Closing balance	Opening balance
Debt of honor	158,330,000.00	50,000,000.00
Total	158,330,000.00	50,000,000.00

Description of classification of long-term borrowings:

Other descriptions, including interest rate range:

46. Bonds Payable

(1) Bonds Payable

Unit: RMB

Item	Closing balance	Opening balance

(2) Increase or decrease in bonds payable (excluding preference shares, perpetual bonds and other financial instruments classified as financial liabilities)

Unit: RMB

Name of debt	Book value	Coupon rate	Issue date	Term of debt	Issue amount	Opening balance	Current issue	Provision interest at book value	Amortization of premium and discount	Current repayment	Closing balance	Default or not
Total												

(3) Description of convertible corporate bonds

(4) Description of other financial instruments classified as financial liabilities

Basic information of preference shares, perpetual bonds and other financial instruments issued at the end of the period

Changes in preference shares, perpetual bonds and other financial instruments issued at the end of the period

Unit: RMB

Outstanding financial instruments	Opening balance		Increase in current period		Decrease in current period		Closing balance	
	Quantity	Carrying amount	Quantity	Carrying amount	Quantity	Carrying amount	Quantity	Carrying amount

Description of the basis for classification of other financial instruments as financial liabilities

Other description

47. Lease Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Lease liabilities	550,486,841.14	601,774,309.04
Lease liabilities due within one year	-174,424,305.08	-184,899,235.07
Total	376,062,536.06	416,875,073.97

Other description

48. Long-Term Payable

Unit: RMB

Item	Closing balance	Opening balance
Long-term payable	25,958,339.05	26,994,520.77
Total	25,958,339.05	26,994,520.77

(1) Long-term payables by nature

Unit: RMB

Item	Closing balance	Opening balance
Borrowings from Related Parties Outside the Scope of Group Consolidation (Note 1)	25,958,339.05	26,994,520.77

Other description:

Note 1: This represents an interest-free loan provided by the controlling shareholder, Winner Group Limited, to Nature Health (HK), with a principal amount of CAD6,000,000.00 (equivalent to RMB30,685,200.00). The loan term is from 1 September 2024 to 31 August 2029. After taking into account the discounting effect, the recognised loan amount was RMB26,994,520.77. The difference was recognised as an equity transaction in other capital reserves.

The impact of exchange rate changes during the period was RMB-1,036,181.72, resulting in a closing balance of RMB25,958,339.05.

(2) Special accounts payable

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance	Causes

Other description:

49. Long-Term Employee Benefits Payable

(1) Table of long-term employee benefits payable

Unit: RMB

Item	Closing balance	Opening balance
I Welfare after dismission - net liabilities of defined benefit plan	8,348,841.24	8,676,000.00
Current portion of long-term employee benefits payable	-319,841.24	-647,000.00
Deferred compensation (Note) Note 1*	5,488,616.62	5,242,993.56
Total	13,517,616.62	13,271,993.56

Note 1*: Deferred compensation represents a certain proportion of compensation for certain GRI employees that is deferred until after their retirement.

(2) Changes in defined benefit obligations

Changes in the present value of defined benefit obligations are as follows:

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period

Planned assets:

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period

Net defined benefit liability/(asset)

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period

Description of the content of defined benefit plan and its related risks, impact on the Company's future cash flow, time and uncertainty:

Description of significant actuarial assumptions and sensitivity analysis results of defined benefit plan:

Other description:

50. Estimated Liabilities

Unit: RMB

Item	Closing balance	Opening balance	Causes
Total		0.00	

Other descriptions, including relevant important assumptions and estimation descriptions of important provisions:

51. Deferred Income

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance	Causes
Government grants	211,162,383.13	18,715,000.00	6,757,322.13	223,120,061.00	Government grants related to assets
Total	211,162,383.13	18,715,000.00	6,757,322.13	223,120,061.00	

Other description:

52. Other Non-Current Liabilities

Unit: RMB

Item	Closing balance	Opening balance
GRI remaining equity forward purchase obligations (Note)	411,966,094.32	387,682,358.99
Total	411,966,094.32	387,682,358.99

Other description:

In September 2024, the Group acquired a 75.2% equity interest in GRI. Pursuant to the share purchase agreement, the Group has a forward purchase obligation for the remaining 24.8% equity interest held by minority shareholders. This obligation represents a non-discretionary share repurchase obligation that cannot be unconditionally avoided. Accordingly, the Group recognised this repurchase obligation as a financial liability at the present value of the required settlement amount at initial recognition, and subsequently measured it at fair value.

53. Share Capital

Unit: RMB

	Opening balance	Increase/decrease (+, -)					Closing balance
		New issue of shares	Bonus issuance	Share capital increase from capital surplus	Others	Subtotal	
Total number of shares	582,329,808.00				641,120.00	641,120.00	582,970,928.00

Other description:

Note: In June 2026, pursuant to the "Proposal on the Company's 2024 Restricted Stock Incentive Plan (Draft) and its Summary" and other related proposals reviewed and approved at the 4th meeting of the 4th session of the Board of Directors, the 4th meeting of the 4th session of the Board of Supervisors, and the 4th Extraordinary General Meeting of Shareholders in 2024, the initial grant of restricted shares under the incentive plan entered its first vesting period on 18 May 2026. As of 12 June 2026, 90 incentive participants subscribed for the restricted shares vested during the first vesting period of the initial grant under the 2024 Restricted Stock Incentive Plan. The grant price was RMB14.39 per share, and 641,120.00 restricted shares vested, with total subscription funds of RMB9,225,716.80, of which RMB641,120.00 was recognised as an increase in share capital and RMB8,584,596.80 was transferred to capital reserves. Following the change, the Company's registered capital and share capital were both RMB582,970,928.00.

54. Other Equity Instruments

(1) Basic information of preference shares, perpetual bonds and other financial instruments issued at the end of the period

(2) Changes in preference shares, perpetual bonds and other financial instruments issued at the end of the period

Unit: RMB

Outstanding financial instruments	Opening balance		Increase in current period		Decrease in current period		Closing balance	
	Quantity	Carrying amount	Quantity	Carrying amount	Quantity	Carrying amount	Quantity	Carrying amount

Changes in other equity instruments in the current period, explanation of the reasons for the changes, and the basis for relevant accounting treatment:

Other description:

55. Capital Reserves

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
Capital premium (share capital premium)	3,236,368,903.49	19,686,323.00	24,283,735.34	3,231,771,491.15
Other capital surplus	153,368,650.10		15,502,904.54	137,865,745.56
Total	3,389,737,553.59	19,686,323.00	39,786,639.88	3,369,637,236.71

Other descriptions, including the changes in the current period and the reasons for the changes:

(1) In June 2026, pursuant to the "Proposal on the Company's 2024 Restricted Stock Incentive Plan (Draft) and its Summary" and other related proposals reviewed and approved at the 4th meeting of the 4th session of the Board of Directors, the 4th meeting of the 4th session of the Board of Supervisors, and the 4th Extraordinary General Meeting of Shareholders in 2024, the initial grant of restricted shares under the incentive plan entered its first vesting period on 18 May 2026. As of 12 June 2026, 90 incentive participants subscribed for the restricted shares vested during the first vesting period of the initial grant under the 2024 Restricted Stock Incentive Plan. The grant price was RMB14.39 per share, and 641,120.00 restricted shares vested, with total subscription funds of RMB9,225,716.80, of which RMB641,120.00 was recognised as an increase in share capital and RMB8,584,596.80 was transferred to capital premium. The corresponding unlocking share-based payment expenses of RMB 11,101,726.20 were transferred from other capital reserves to capital premium.

(2) The decrease during the year was primarily due to the following: In September 2024, the Company acquired a 75.2% equity interest in GRI. Pursuant to the share purchase agreement, the Company has a forward purchase obligation for the minority interests. In the consolidated financial statements, the Company assumed a non-discretionary share repurchase obligation that cannot be unconditionally avoided. The Company recognised this repurchase obligation as a financial liability at the present value of the required settlement amount and included it in capital premium. The change in this financial liability during the current year resulted in a decrease of RMB 24,283,735.34 in capital reserve.

(3) The decrease in other capital reserves was mainly due to the reversal of RMB4,401,178.34 in share-based payment expenses during the period, and the unlocking of the equity incentive plan during the period, with the corresponding unlocking share-based payment expenses of RMB11,101,726.20 transferred from other capital reserves to capital premium.

56. Treasury Shares

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
Treasury shares	4,187,537.10	129,449,806.28		133,637,343.38
Total	4,187,537.10	129,449,806.28		133,637,343.38

Other descriptions, including the changes in the current period and the reasons for the changes:

1. The increase during the period was due to the Company's repurchase of 4,604,262 shares

during the period.

57. Other Comprehensive Income

Unit: RMB

Item	Opening balance	Amount incurred in current period						Closing balance
		Amount before current income tax	Less: amount included in other comprehensive income in previous period transferred into profit or loss in current period	Less: amount included in other comprehensive income in previous period transferred into retained income in current period	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive income that will not be reclassified to profit or loss	-236,876.20							-236,876.20
Including: Remeasurement of a defined benefit plan	-236,876.20							-236,876.20
II. Other comprehensive income that may be reclassified to profit or loss	-11,598,162.79	-24,342,713.77				-24,342,713.77	1,800,343.78	-35,940,876.56
Exchange differences on translation of foreign currency financial statements	-11,598,162.79	-24,342,713.77				-24,342,713.77	1,800,343.78	-35,940,876.56
Total other comprehensive income	-11,835,038.99	-24,342,713.77				-24,342,713.77	1,800,343.78	-36,177,752.76

Other explanations, including the adjustment of the effective part of the cash flow hedging gains and losses transferred to the initial recognised amount of the hedged item:

58. Specialised Reserves

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance

Other descriptions, including the changes in the current period and the reasons for the changes:

59. Surplus Reserves

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
Statutory surplus reserves	420,212,778.13			420,212,778.13
Total	420,212,778.13			420,212,778.13

Description of surplus reserves, including changes in the current period and reasons for changes:

60. Undistributed Profit

Unit: RMB

Item	Current period	Prior period
Undistributed profit at the end of previous period	7,140,453,466.82	6,780,116,870.53

before adjustment		
Undistributed profits at the beginning of the period after adjustment	7,140,453,466.82	6,780,116,870.53
Add: Net profits attributable to the owners of parent company in the current period	513,499,129.90	491,998,009.07
Less: Dividends payable on ordinary shares	174,698,942.40	145,582,452.00
Undistributed profits at the end of the period	7,479,253,654.32	7,126,532,427.60

Details of undistributed profits at the beginning of the adjustment period:

1). Due to retrospective adjustment of Accounting Standards for Business Enterprises and related new regulations, the undistributed profit at the beginning of the period is RMB0.00.

2). Due to the change of accounting policy, the undistributed profit at the beginning of the period is RMB0.00.

3). Due to the correction of major accounting errors, the undistributed profit at the beginning of the period is affected by RMB0.00.

4). Changes in the scope of consolidation due to common control affect the opening undistributed profit of RMB0.00.

5). The total impact of other adjustments on the opening undistributed profit is RMB0.00

Detailed explanation on the use of capital reserve to offset losses:

61. Revenue and Cost

Unit: RMB

Item	Amount incurred in current period		Amount incurred in previous period	
	Revenue	Cost	Revenue	Cost
Main business	5,432,222,971.61	2,755,864,275.33	5,260,562,564.63	2,710,598,502.93
Other businesses	53,988,286.91	42,303,640.80	35,649,392.29	25,796,277.79
Total	5,486,211,258.52	2,798,167,916.13	5,296,211,956.92	2,736,394,780.72

Breakdown of revenue and cost of sales:

Unit: RMB

Contract classification	Segment 1		Segment 2		Medical consumables		Consumer goods		Total	
	Revenue	Operating costs	Revenue	Operating costs	Revenue	Operating costs	Revenue	Operating costs	Revenue	Operating costs
Business type					2,641,988,399.38	1,628,155,047.66	2,844,222,859.14	1,170,012,868.47	5,486,211,258.52	2,798,167,916.13
Including:										
Main business					2,588,000,112.47	1,585,851,406.86	2,844,222,859.14	1,170,012,868.47	5,432,222,971.61	2,755,864,275.33
Other businesses					53,988,286.91	42,303,640.80			53,988,286.91	42,303,640.80
Classified by operating area					2,641,988,399.38	1,628,155,047.66	2,844,222,859.14	1,170,012,868.47	5,486,211,258.52	2,798,167,916.13
Including:					1,048,156,986.72	669,709,673.32	2,844,222,859.14	1,170,012,868.47	3,892,379,845.86	1,839,722,541.79
Domestic sales					1,593,831,412.66	958,445,374.34			1,593,831,412.66	958,445,374.34
Overseas sales										
Type of markets or clients										
Including:										
Type of contracts										
Including:										
Classified by timing of transfer of goods										
Including:										
Classified by contract duration										
Including:										
Classified by sales channels										
Including:										
Total										

Information relating to performance obligations:

Item	Time to fulfill performance obligations	Important payment terms	The nature of the goods the Company promises to transfer	Is he the main responsible person?	Amounts borne by the Company that are expected to be refunded to customers	Types of quality assurance provided by the Company and related obligations

Other description

Information relating to the transaction price allocated to the remaining performance obligations:

The amount of income corresponding to the performance obligations signed but not yet performed or completed at the end of this Reporting Period is RMB0.00, of which RMB0.00 is expected to be recognised as revenue in year, RMB0.00 is expected to be recognised as revenue in year, and RMB0.00 is expected to be recognised as revenue in year.

Information about variable consideration in the contract:

Significant contract changes or significant transaction price adjustments

Unit: RMB

Item	Accounting treatment methods	Amount of impact on revenue

Other description

62. Taxes and Surcharges

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Urban maintenance and construction tax	18,806,503.86	16,943,704.74
Education surcharge	8,620,652.53	7,700,584.35
Housing property tax	12,087,845.86	10,314,447.25
Land use tax	5,840,437.87	3,200,049.68
Stamp duty	2,755,710.42	3,735,171.94
Local education surcharge	5,746,920.67	5,146,119.47
Others	283,020.02	166,588.15
Total	54,141,091.23	47,206,665.58

Other description:

63. Administrative Expenses

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Employee compensation	241,957,171.71	251,518,957.88
Depreciation and amortization charge	97,779,159.15	100,415,385.08
Consultant and intermediary service fees	26,630,305.01	18,381,220.78
Communication and network services, cloud service fees, etc.	11,937,186.36	12,101,926.68
Water/electricity fee	5,637,578.53	5,659,637.32
Travel expenses	4,674,833.32	3,583,340.61
Office allowance	5,408,314.71	8,549,393.50
Maintenance cost	2,909,482.40	5,007,138.76
Material consumption	2,187,140.56	3,919,752.37
Others	30,113,955.58	27,036,373.74
Total	429,235,127.33	436,173,126.72

Other description

64. Selling Expenses

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Employee compensation	371,564,957.44	351,756,153.04
Travel expenses	17,110,775.89	15,038,995.11
Office communication costs	10,828,534.25	8,503,507.92
Sales commissions and expenses from the e-commerce platform	138,761,589.51	144,526,632.13
Depreciation and amortization	112,477,625.82	121,179,518.36
Advertising and promotion expenses	558,441,510.83	501,245,493.81
Lease and property management expenses	78,009,852.01	68,438,212.02
Others	32,658,016.59	44,215,140.42
Total	1,319,852,862.34	1,254,903,652.81

Other description:

65. Research and Development Expenses

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Employee compensation	88,275,542.89	90,467,325.35
Depreciation and amortization	11,560,067.49	11,527,447.14
Material	45,859,413.65	37,106,947.90
Other miscellaneous expenses	46,745,050.83	55,275,846.51
Total	192,440,074.86	194,377,566.90

Other description

66. Finance Expenses

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Interest expenses	25,093,014.26	32,211,146.81
Including: Interest expense on lease liabilities	10,140,734.00	11,474,345.41
Less: Interest income	37,540,602.03	40,152,719.55
Exchange gain or loss	76,467,787.28	-4,046,409.42
Others	2,377,993.77	655,601.21
Total	66,398,193.28	-11,332,380.95

Other description

67. Other Income

Unit: RMB

Sources of other income	Amount incurred in current period	Amount incurred in previous period
Government grants	35,311,870.62	29,417,982.09
Tax credits and deductions	7,732,613.64	15,105,319.97
Total	43,044,484.26	44,523,302.06

68. Net Exposure Hedging

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period

Other description

69. Fair Value Gains

Unit: RMB

Source of fair value gains	Amount incurred in current period	Amount incurred in previous period
Income from structured deposits of bank financial products and trust products	31,032,052.63	8,043,719.46
Total	31,032,052.63	8,043,719.46

Other description:

70. Investment Income

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Long-term equity investment gains measured by employing the equity method	-7,087,870.47	-12,839,023.48
Investment income from purchasing financial products	17,053,263.88	23,089,639.93
Total	9,965,393.41	10,250,616.45

Other description

71. Credit Impairment Loss

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Loss on bad debts of accounts receivable	-7,451,536.21	-11,702,418.09
Loss on bad debts of other receivables	-149,701.50	465,138.14
Impairment loss for long-term receivables	255,710.59	-260,524.10
Total	-7,345,527.12	-11,497,804.05

Other description

72. Impairment losses of assets

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
I. Inventory falling price loss and impairment loss of contract performance costs	-37,652,513.02	-28,797,662.46
IV. Impairment loss of fixed assets	-55,108.15	-3,504,483.05
XII. Others	531,696.72	40,880.55
Total	-37,175,924.45	-32,261,264.96

Other description:

73. Gains on Disposal of Non-Current Assets

Unit: RMB

Gains on disposal of non-current assets	Amount incurred in current period	Amount incurred in previous period
Gains on disposal of non-current assets	-478,162.30	1,518,248.05

74. Non-Operating Income

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period	Amounts recorded in the non-recurring gains and losses of the current period
Government grants	1,043.64	182,000.00	1,043.64
Gains on retirement of non-current assets	247,892.02	146,846.93	247,892.02
Income from compensation or fines	435,020.25	444,471.56	435,020.25
Others	3,353,427.47	2,208,547.64	3,353,427.47
Total	4,037,383.38	2,981,866.13	4,037,383.38

Other description:

75. Non-Operating Expenses

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period	Amounts recorded in the non-recurring gains and losses of the current period
External donations	205,409.06	1,867,517.79	205,409.06
Losses on damage and retirement of non-current assets	1,235,366.39	8,519,605.93	1,235,366.39
Compensation or amercement outlay	4,279,813.33	4,189,848.71	4,279,813.33
Others	967,562.32	1,841,351.15	967,562.32
Total	6,688,151.10	16,418,323.58	6,688,151.10

Other description:

76. Income Tax Expenses

(1) Table of income tax expenses

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Current tax	126,590,536.77	132,152,672.92
Deferred tax	-9,490,077.35	-4,711,231.02
Total	117,100,459.42	127,441,441.90

(2) Accounting profit and income tax expense adjustment process

Unit: RMB

Item	Amount incurred in current period
Total profit	662,367,542.06
Tax at the statutory/applicable tax rate	99,355,131.31
Effect of different tax rates for subsidiaries	26,077,229.53
Impact of income tax before adjustment	12,559,443.74
Effect of costs, expenses and losses not deductible for tax	1,004,856.30
Effect of tax losses for which deferred tax assets were not recognised in prior periods	-10,617,904.11
Effect of deductible temporary differences or tax losses for which deferred tax assets were not recognised in current period	8,517,615.55
Effect of additional deductions for research and development expenses	-19,003,658.78
Others	-792,254.12
Income tax expenses	117,100,459.42

Other description:

77. Other Comprehensive Income

Refer to Note 57. Other comprehensive income for details.

78. Cash Flow Statement Items

(1) Cash related to operating activities

Other cash receipts relating to operating activities

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Guarantee deposit, deposit and quality guarantee deposit received	14,997,088.72	50,106,046.07
Interest income received	14,014,477.57	11,503,565.45
Government grants received	47,269,548.49	76,617,449.78
Others	27,283,312.84	17,565,207.69
Total	103,564,427.62	155,792,268.99

Descriptions of other cash receipts relating to operating activities:

Other cash payments relating to operating activities

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Management and R&D costs paid in cash	98,594,084.34	95,577,535.04
Selling expenses paid in cash	137,205,302.24	126,907,306.06
Deposit, guarantee deposit and quality guarantee deposit paid	16,676,996.43	18,713,013.96
Bank handling charge	2,377,993.77	655,601.21
Others	66,603,161.68	96,564,124.15
Total	321,457,538.46	338,417,580.42

Description of other cash payments relating to operating activities:

(2) Cash relating to investing activities

Other cash receipts relating to investing activities

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Guarantee deposits received related to investment recovery	2,130,000.00	
Total	2,130,000.00	

Significant cash received related to investing activities

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period

Description of other cash received related to investing activities:

Other cash payments relating to investing activities

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period

Significant cash paid for investing activities

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period

Description of other cash paid related to investing activities:

(3) Cash relating to investing activities

Other cash receipts relating to investing activities

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period

Description of other cash received related to investing activities:

Other cash payments relating to investing activities

Item	Amount incurred in current period	Amount incurred in previous period
Lease liability principal and interest paid on lease payments	117,415,390.58	142,325,856.76
Treasury shares repurchase paid	129,449,806.28	
Deposit paid on bills and letters of credit (for financing purposes)		27,651,448.11
Total	246,865,196.86	169,977,304.87

Description of other cash paid related to investing activities:

Changes in various liabilities arising from financing activities

√Applicable ☐N/A

Unit: RMB

Item	Opening balance	Increase in current period		Decrease in current period		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term loans	1,836,629,579.24	435,869,781.96			28,735,719.71	2,243,763,641.49
Dividends payable			174,698,942.40	52,714,626.30		121,984,316.10
Long-term payable	26,994,520.77			1,036,181.72		25,958,339.05
Current portion of non-current liabilities	185,546,235.07		176,414,146.32	185,546,235.07		176,414,146.32
Long-term loans	50,000,000.00	110,000,000.00			1,670,000.00	158,330,000.00
Lease liabilities	416,875,073.97		26,671,306.58	67,483,844.49		376,062,536.06
Total	2,516,045,409.05	545,869,781.96	377,784,395.30	306,780,887.58	30,405,719.71	3,102,512,979.02

(4) Description of cash flows presented on a net basis

Item	Relevant facts	Basis for net presentation	Financial impact

(5) Significant activities and financial impacts that do not involve current cash receipts and payments but affect the Company's financial status or may affect the Company's cash flow in the future

79. Supplemental Information for the Statement of Cash Flows

(1) Supplemental information for the statement of cash flows

Unit: RMB

Further Information	Current amount	Last term amount
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	545,267,082.64	518,187,462.80
Add: Provision for impairment of assets	44,521,451.57	43,759,069.01
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	164,960,892.72	151,182,762.40
Depreciation of right-of-use assets	103,694,679.76	109,888,719.38
Amortization of intangible assets	47,349,459.61	48,375,479.79
Amortization of long-term deferred expenses	31,096,983.24	29,807,533.80
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains expressed with "-")	-478,162.30	-1,518,248.05
Loss on retirement of fixed assets (gains expressed with "-")	987,474.37	8,372,759.00
Loss from fair value change (gains expressed with "-")	-31,032,052.63	-8,043,719.46
Finance expenses (gains expressed with "-")	47,201,591.37	-3,561,992.71
Investment losses (gains expressed with "-")	-9,965,393.41	-10,250,616.45
Decreased in deferred tax assets (increase expressed with "-")	-1,693,590.77	6,833,291.49
Increase in deferred income tax liabilities (Decrease is indicated by "-")	-7,308,192.66	-11,633,284.57
Decrease in inventories (increase expressed with "-")	-148,164,981.50	-38,054,042.96
Decrease in operating receivables (increase is indicated by "-")	-237,515,272.59	-271,120,354.80
Increase in operating payables (Decrease is indicated by "-")	-231,087,900.02	-253,098,192.32
Others	-4,401,178.34	20,799,147.72
Net cash flows from operating activities	313,432,891.06	339,925,774.07
2. Significant investing and financing activities not involving cash receipts and payments		
Debts converted to capital		
Convertible bonds due within 1 year		
Fixed assets under finance leases		
3. Net change in cash and cash equivalents:		
Closing balance of cash	1,770,850,227.94	1,487,086,387.91
Less: Opening balance of cash	1,560,722,108.58	1,357,097,385.35
Add: Closing balance of cash equivalents		
Less: Closing balance of cash equivalents		
Net increase in cash and cash equivalents	210,128,119.36	129,989,002.56

(2) Net cash paid for acquisition of subsidiaries in the current period

Unit: RMB

	Amount
Including:	
Including:	
Including:	

Other description:

(3) Net cash received from disposal of subsidiaries in the current period

Unit: RMB

	Amount
Including:	
Including:	
Including:	

Other description:

(4) Composition of currency fund

Unit: RMB

Item	Closing balance	Opening balance
I. Cash	1,770,850,227.94	1,560,722,108.58
Including: cash on hand	185,259.18	98,223.24
Cash at banks readily available for payment	1,752,300,782.98	1,541,265,623.54
Other monetary capital readily available for payment	18,364,185.78	19,358,261.80
III. Balance of currency fund at end of period	1,770,850,227.94	1,560,722,108.58

(5) Limited scope of use but still classified as cash and cash equivalents

Unit: RMB

Item	Current amount	Last term amount	Reasons for retaining currency fund

(6) Currency funds that do not belong to cash and cash equivalents

Unit: RMB

Item	Current amount	Last term amount	Reasons for not qualifying as currency fund

Other description:

(7) Description of other significant activities

80. Notes to items in the statement of changes in equity

Description of "Other" items and adjustment amount that adjust the closing balance of the previous year:

81. Foreign Currency Monetary Items

(1) Foreign Currency Monetary Items

Unit: RMB

Item	Closing balance in foreign currency	Conversion exchange rate	Closing balance converted to RMB
Currency fund			371,878,922.69
Including: USD	50,543,002.98	6.8109	344,243,339.00
EUR	7,793,854.42	0.86855	6,769,352.26
HKD	2,259,482.88	7.7671	17,549,629.48
GBP	367,918.57	9.0145	3,316,601.95
Accounts receivable			263,910,632.89
Including: USD	37,344,339.39	6.8109	254,348,561.15
EUR	730,648.57	7.7671	5,675,020.51
HKD			
GBP	431,199.87	9.0145	3,887,051.23
Long-term loans			
Including: USD			
EUR			
HKD			
Other receivables			6,825,134.10
USD	1,002,089.90	6.8109	6,825,134.10
Accounts payable			20,568,698.55
USD	2,758,813.66	6.8109	18,790,003.96
EUR	215,880.10	7.7671	1,676,762.32
GBP	11,307.59	9.0145	101,932.27
Other payables			27,786,579.39
USD	4,079,722.12	6.8109	27,786,579.39

Other description:

(2) The Nature and Financial Impact of the Lack of Exchangeability of Currencies, the Spot Exchange Rates Used and the Estimation Process, and the Risks Faced by the Enterprise Due to the Lack of Exchangeability of Currencies

☐Applicable √N/A

(3) Description of overseas operating entities, including for important overseas operating entities, the main overseas business place, recording currency and selection basis shall be disclosed, and the reasons for changes in recording currency shall also be disclosed.

√Applicable ☐N/A

The significant foreign operations included in the Group's consolidated financial statements comprise the Group's subsidiaries GRI USA, Alleset Inc., GRI Alleset, and GRI VN, whose principal places of operation are the United States, Hong Kong, Vietnam, and other overseas locations. Each operating entity uses its primary business currency as its functional currency. In the first half of 2026, the functional currencies of the above significant foreign operations remained unchanged.

(4) Circumstances Where the Functional Currency of a Foreign Operation Lacks Exchangeability with the Enterprise's Presentation Currency

☐Applicable √N/A

82. Leases

(1) The Company as the lessee:

√Applicable ☐N/A

Variable lease payments not included in the measurement of the lease liabilities

√Applicable ☐N/A

Item	January-June 2026
Interest expense of lease liabilities	10,140,734.00
Simplified treatment of short-term lease expenses included in the cost of related assets or profit or loss	21,026,627.39
Variable lease payments excluded from the lease liability measurement, included in the cost of the related asset, or in the current period's profit or loss	7,890,523.77
Cash outflows for fixed lease payments	117,415,390.58
Total cash outflow related to leases	146,332,541.74

The Group has lease contracts for various items of houses and buildings, machinery and vehicles used in its operations. Leases of houses and buildings and machinery generally have lease terms of 1-20 years, while those of vehicles generally have lease terms of 6 years.

Lease payments on short-term leases and leases of low-value assets applying practical expedients

√Applicable ☐N/A

See the chart above

Leases involving sale and leaseback transactions

(2) The Company as lessor:

Operating leases - the Company as lessor

√Applicable ☐N/A

Unit: RMB

Item	Lease income	Including: Income related to variable lease payments not accounted for in lease receipts
Rental income Note 1*	227,522.94	0.00
Total	227,522.94	0.00

Note 1*: The Group has entered into operating leases on the fourth floor of Building No. 8 located in Deqing County, Zhejiang Province, with a lease term from May 2023 to April 2027; and on Building No. 8 (6 rooms in total) located in Lixian County, Hunan Province, with a lease term from January 2021 to June 2026.

Finance leases - the Company as lessor

√Applicable ☐N/A

Unit: RMB

Item	Sales profit or loss	Finance income	Income relating to variable lease payments not included in the net investment in the lease
Finance income on the net investment in the lease		845,023.26	
Total		845,023.26	

Annual undiscounted lease receivables for the next five years

√Applicable ☐N/A

Unit: RMB

Item	Annual lease receipts before discounting	
	Closing balance	Beginning amount
First year	6,289,948.26	6,289,948.26
Second year	6,145,575.48	6,145,575.48
Year 3	6,126,136.18	6,126,136.18
Year 4	5,981,763.41	5,981,763.41
Year 5	5,966,894.84	5,966,894.84
Total undiscounted lease receipts after five years	6,106,771.89	6,106,771.89

Reconciliation between undiscounted lease receivables and net investment in the lease

According to the lease contracts signed with lessees, the undiscounted minimum lease receipts are as follows:

Item	30 June 2026	31 December 2025
Within 1 year, inclusive	6,289,948.26	6,289,948.26
1 to 2 years (inclusive)	6,145,575.48	6,145,575.48
2 to 3 years (inclusive)	6,126,136.18	6,126,136.18
3 to 4 years (inclusive)	5,981,763.41	5,981,763.41
4 to 5 years (inclusive)	5,966,894.84	5,966,894.84
Over 5 years	6,106,771.88	6,106,771.89
Subtotal	36,617,090.05	36,617,090.06
Less: Unearned finance income	4,562,487.43	5,407,510.69
Net investment in the leases	32,054,602.62	31,209,579.37

(3) Recognizing financial lease sales profits and losses as a manufacturer or distributor

☐Applicable √N/A

83. Data Resources

84. Others

VIII. Research and Development Expenditure

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Employee compensation	88,275,542.89	90,467,325.35
Depreciation and amortization	11,560,067.49	11,527,447.14
Material	45,859,413.65	37,106,947.90
Other miscellaneous expenses	46,745,050.83	55,275,846.51
Total	192,440,074.86	194,377,566.90
Including: Research and development expenditure expensed as incurred	192,440,074.86	194,377,566.90

1. Research and Development Items Eligible for Capitalisation

Unit: RMB

Item	Opening balance	Increase in current period		Decrease in current period		Closing balance
		Internal development expenditure	Others	Recognised as intangible assets	Transfer to profit or loss	
Total						

Significant capitalised R&D projects

Item	R&D progress	Estimated completion time	How economic benefits are expected to be generated	The point at which capitalisation begins	Specific criteria for initiating capitalisation

Provision for impairment of development expenditures

Unit: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance	Impairment testing

2. Important Outsourced Research Projects

Project name	The manner in which economic benefits are expected to be generated	Judgment standards and specific basis for capitalisation or expense

Other description:

IX. Consolidation Scope Changes

1. Business Combination not Involving Entities under Common Control

(1) Business combination not involving entities under common control for the period

Unit: RMB

Name of the acquiree	Time of equity acquisition	Cost of equity acquisition	Equity acquisition ratio	Method of equity acquisition	Acquisition date	Basis for determination of acquisition date	Income of the acquiree from the acquisition date to the end of the period	Net profit of the acquiree from the acquisition date to the end of the period	Cash flows of the acquired entity from the acquisition date to the end of the period

Other description:

(2) Cost of the combination and goodwill

Unit: RMB

Combination cost
- Cash
- Fair value of non-cash assets
- Fair value of debt issued or assumed
--Fair value of equity securities issued
--Fair value of contingent consideration
--Fair value of the equity held prior to the purchase date on the purchase date
- Others
Total combination cost
Less: the share of the fair value of identifiable net assets acquired
The amount of goodwill / combination cost less than the share of the fair value of identifiable net assets acquired

Method for determining the fair value of equity

Disclosure of contingent consideration and the related changes:

Main reasons for the formation of large goodwill:

Other description:

(3) Identifiable assets and liabilities of the acquiree on the acquisition date

Unit: RMB

	Fair value on the acquisition date	Carrying amount on the acquisition date
Assets:		
Currency fund		
Accounts receivable payments		
Inventory		
Fixed assets		
Intangible Assets		
Debt:		
Loan		
Account payable payments		
Deferred tax liabilities		
Net assets		
Less: Minority equity		
Net assets acquired		

Methods for determining the fair values of identifiable assets and liabilities:

Contingent liabilities of the acquiree assumed in a business combination:

Other description:

(4) Gains or losses arising from remeasurement of equity held prior to the acquisition date at fair value

Whether there are transactions that realize the business combination step by step through multiple transactions and obtain control right during the Reporting Period

□Yes √No

(5) Relevant description of the combination consideration or the fair value of the identifiable assets and liabilities of the acquiree that cannot be reasonably determined on the acquisition date or at the end of current period of the combination

(6) Other description

2. Business Combination Involving Entities under Common Control

(1) Business combination involving entities under common control during the period

Unit: RMB

Name of merged party	Proportion of equity obtained in business combination	Basis of business combination involving entities under common control	Merger date	Basis for determination of merger date	Income of the combined party from the beginning of current period to the date of combination	Net profit of the combined party from the beginning of current period to the date of combination	Income of the combined party during the comparison period	Net profit of the combined party during the comparison period

Other description:

(2) Combination cost

Unit: RMB

Combination cost	
- Cash	
-- Carrying amount of non-cash assets	
-- Carrying amount of debt issued or assumed	
-- Book value of equity securities issued	
-- Contingent consideration	

Disclosure of contingent consideration and the related changes:

Other description:

(3) Carrying amount of assets and liabilities of the entity being absorbed on the combination date

Unit: RMB

	Merger date	End of previous period
Assets:		
Currency fund		
Accounts receivable payments		
Inventory		
Fixed assets		
Intangible assets		
Debt:		
Loan		
Account payable payments		
Net assets		
Less: Minority equity		
Net assets acquired		

Contingent liabilities of the entity being absorbed assumed in a business combination:

Other description:

3. Reverse Purchase

Basic information of transaction, basis of transaction forming reverse purchase, whether the assets and liabilities retained by the listed company constitute business and their basis, determination of combination cost, amount and calculation of adjusted equity in accordance with equity transaction:

4. Disposal of a Subsidiary

Whether there are transactions or events that result in the loss of control over subsidiaries in the current period

☐Yes √No

Whether there is a situation that the investment in subsidiaries is disposed step by step through multiple transactions and control is lost in current period

☐Yes √No

5. Changes in Scope of Consolidation for Other Reasons

Disclose the changes in the scope of consolidation (e.g., new subsidiaries, liquidation of subsidiaries) due to other reasons

Due to business needs, the Company established Shenzhen PureH2B Technology Co., Ltd. in January 2026 with a 100% equity interest; its subsidiary Nature Health International established Winner Medical (VN) in January 2026 with a 100% equity interest; and its subsidiary GRI deregistered its subsidiary Thermogear, Inc. in January 2026.

6. Others

X. Interests in Other Entities

1. Interests in a Subsidiary

(1) Composition of enterprise group

Unit: RMB

Subsidiary name	Registered capital	Main operation site	Registration place	Business nature	Shareholding ratio		Way of obtaining
					Direct	Indirect	
Shenzhen Purcotton	130,000,000.00	Shenzhen City, Guangdong Province	Shenzhen City, Guangdong Province	Sale of Purcotton products	100.00%	0.00%	Establishment
Beijing Purcotton	3,000,000.00	Beijing	Beijing	Sale of Purcotton products	0.00%	100.00%	Establishment
Guangzhou Purcotton	1,000,000.00	Guangzhou City, Guangdong Province	Guangzhou City, Guangdong Province	Sale of Purcotton products	0.00%	100.00%	Establishment
Shanghai Purcotton	3,000,000.00	Shanghai	Shanghai	Sale of Purcotton products	0.00%	100.00%	Establishment
Qianhai Purcotton	10,000,000.00	Shenzhen City, Guangdong Province	Shenzhen City, Guangdong Province	Sale of Purcotton products	0.00%	100.00%	Establishment
Winner Medical (Huanggang)	259,459,200.00	Huanggang City, Hubei Province	Huanggang City, Hubei Province	Production and sales of pure cotton spunlace non-woven fabric, medical consumables and Purcotton products	100.00%	0.00%	Business combination involving entities under common control
Winner Medical (Jingmen)	23,000,000.00	Jingmen City, Hubei Province	Jingmen City, Hubei Province	Production and sales of medical consumables and Purcotton products	100.00%	0.00%	Business combination involving entities under common control
Winner Medical (Chongyang)	28,550,000.00	Chongyang County, Hubei Province	Chongyang County, Hubei Province	Production and sales of medical consumables	100.00%	0.00%	Business combination involving entities under common control
Winner Medical (Jiayu)	333,040,000.00	Jiayu County, Hubei Province	Jiayu County, Hubei Province	Production and sales of medical consumables and Purcotton products	100.00%	0.00%	Business combination involving entities under common control
Winner Medical (Yichang)	12,413,669.00	Zhijiang City, Hubei Province	Zhijiang City, Hubei Province	Production and sales of medical gray cloth	100.00%	0.00%	Business combination involving entities under common control
Winner Medical (Tianmen)	37,670,000.00	Tianmen City, Hubei Province	Tianmen City, Hubei Province	Production and sales of pure cotton spunlace non-woven fabric and Purcotton products	100.00%	0.00%	Business combination involving entities under common control
Winner Medical (Hong Kong)	897,570.00	Hong Kong	Hong Kong	Sales of medical consumables and healthy living consumer goods	60.00%	0.00%	Business combination involving entities under common control
Winner Medical Malaysia	4,943,266.40	Malaysia	Malaysia	Sales of medical consumables	100.00%	0.00%	Business combination not involving entities under common control
Winner Medical (Heyuan)	100,000,000.00	Heyuan City, Guangdong Province	Heyuan City, Guangdong Province	There is no actual business operation at present	100.00%	0.00%	Establishment
Winner Medical (Wuhan)	800,000,000.00	Wuhan City, Hubei Province	Wuhan City, Hubei Province	Production and sterilization of pure cotton spunlace non-woven fabric and Purcotton products	100.00%	0.00%	Establishment
PureH2B	150,000,000.00	Shenzhen City, Guangdong Province	Shenzhen City, Guangdong Province	Sales of personal care and other products	100.00%	0.00%	Establishment
Purunderwear	5,000,000.00	Shenzhen City, Guangdong Province	Shenzhen City, Guangdong Province	Sales of Cotton Lining products	0.00%	100.00%	Establishment
Huanggang Purcotton	10,000,000.00	Huanggang City, Hubei Province	Huanggang City, Hubei Province	Sale of Purcotton products	0.00%	100.00%	Establishment
Zhejiang Longterm	50,000,000.00	Huzhou, Zhejiang	Huzhou, Zhejiang	Production and sales of medical consumables	55.00%	0.00%	Business combination not involving entities under common control
Hangzhou Shengyi	5,000,000.00	Hangzhou, Zhejiang	Hangzhou, Zhejiang	Other technology promotion services	0.00%	55.00%	Business combination not involving entities under common control
Xi'an Longtemu	5,000,000.00	Xi'an, Shaanxi	Xi'an, Shaanxi	Engineering technical research and experimental	0.00%	55.00%	Business Combination not under Common

Subsidiary name	Registered capital	Main operation site	Registration place	Business nature	Shareholding ratio		Way of obtaining
					Direct	Indirect	
				development			Control
Deqing Longterm	2,000,000.00	Huzhou, Zhejiang	Huzhou, Zhejiang	Manufacturing of medical instruments, equipment and device	0.00%	55.00%	Business combination not involving entities under common control
Medical US	0.00	US	US	Manufacturing of medical instruments, equipment and device	0.00%	55.00%	Business combination not involving entities under common control
Zhejiang Honglan	10,651,163.00	Wenzhou City, Zhejiang Province	Wenzhou City, Zhejiang Province	Software and Information Technology Services Industry	0.00%	31.35%	Business combination not involving entities under common control
Guilin Latex	86,600,997.00	Xiufeng District, Guilin City, Guangxi Zhuang Autonomous Region	Xiufeng District, Guilin City, Guangxi Zhuang Autonomous Region	Rubber products industry	91.74%	0.00%	Business combination not involving entities under common control
Winner Medical (Hunan)	44,000,111.00	Changde, Hunan	Changde, Hunan	Production and sales of medical consumables	68.70%	0.00%	Business combination not involving entities under common control
Ruian Medical Device	2,000,000.00	Changsha, Hunan	Changsha, Hunan	Engineering technical research and experimental development	0.00%	68.70%	Business combination not involving entities under common control
Junjian Medical	20,120,000.00	Shenzhen City, Guangdong Province	Shenzhen City, Guangdong Province	Sales of medical consumables	100.00%	0.00%	Business combination not involving entities under common control
MEDICAL CV	138,467,940.00	Mexico	Mexico	Production and sales of medical consumables	0.00%	55.00%	Establishment
Shanghai Hongsong	2,000,000.00	Shanghai	Shanghai	Sales of medical consumables	60.00%	0.00%	Business combination not involving entities under common control
Jinzhou Latex	87,500,000.00	Jingzhou City, Hubei Province	Jingzhou City, Hubei Province	Production and sale of rubber products	0.00%	91.74%	Business combination not involving entities under common control
Wuhan Purcotton	20,000,000.00	Wuhan City, Hubei Province	Wuhan City, Hubei Province	Sale of Purcotton products	0.00%	100.00%	Establishment
Hong Kong Purcotton	2,768,100.00	Hong Kong	Hong Kong	Sale of Purcotton products	0.00%	100.00%	Establishment
Pan-China (H.K.)	1,285,531,260.00	Hong Kong	Hong Kong	Trade and consultancy services	100.00%	0.00%	Establishment
Winner Medical	5,000,000.00	Wuhan City, Hubei Province	Wuhan City, Hubei Province	Research and experimental development	0.00%	67.00%	Establishment
Purcotton Agricultural	5,000,000.00	Wuhan City, Hubei Province	Wuhan City, Hubei Province	Research and experimental development	0.00%	58.00%	Establishment
Hubei Zhongfu	10,000,000.00	Wuhan City, Hubei Province	Wuhan City, Hubei Province	Manufacturing of chemical raw materials and chemical products	0.00%	67.00%	Business combination not involving entities under common control
GRI METC	Note 1*	Jiaxing City, Zhejiang Province	Jiaxing City, Zhejiang Province	Sales of medical devices and special industrial protective products		75.20%	Business combination not involving entities under common control
GRI Alleset	Note 2*	Hong Kong	Hong Kong	Sales of medical products		75.20%	Business combination not involving entities under common control
Alleset Inc	Note 3*	US	US	Sales of medical products		75.20%	Business combination not involving entities under common control
GRI USA	Note 4*	US	US	Sales of medical products		75.20%	Business combination not involving entities under common control

Note: Note 1* The registered capital of GRI METC is USD6.6 million

Note 2* The registered capital of GRI Alleset is HKD1 million

Note 3* The registered capital of Alleset Inc is USD500

Note 4* The registered capital of GRI USA is USD1 million

Difference between the shareholding ratio and the voting right ratio in the subsidiary:

Basis for holding half or less of the voting rights but still controlling the invested entity, and holding more than half of the voting rights but not controlling the invested entity:

For the important structured entity included in the combination scope, the control basis is as follows:

Basis for determining whether the company is an agent or a principal:

Other description:

The above are the Group's major subsidiaries

(2) Material non-wholly owned subsidiary

Unit: RMB

Subsidiary name	Minority shareholding ratio	Profit or loss attributable to minority shareholders	Current dividends declared to minority shareholders	Closing balance of minority equity
Longterm Medical	45.00%	29,688,285.54		452,042,927.97

Difference between the shareholding ratio and the voting right ratio of the minority shareholders of the subsidiary:

Other description:

(3) Summarised financial information of material non-wholly owned subsidiaries

Unit: RMB

Subsidiary name	Closing balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Longterm Medical	441,658,855.00	713,221,508.03	1,154,880,363.03	115,700,847.69	34,169,487.44	149,870,335.13	380,855,609.68	732,692,154.61	1,113,547,764.29	137,935,985.28	37,325,234.91	175,261,220.19

Unit: RMB

Subsidiary name	Amount incurred in current period				Amount incurred in previous period			
	Revenue	Net profit	Total comprehensive income	Cash flow from investing activities	Revenue	Net profit	Total comprehensive income	Cash flow from investing activities
Longterm Medical	270,553,868.74	65,592,265.57	65,592,265.57		270,387,739.98	62,273,639.59	62,273,639.59	

Other description:

(4) Major restrictions on the use of enterprise group assets and the settlement of enterprise group debts

(5) Financial or other support provided to structured entities included in the scope of consolidated financial statements

Other description:

2. Transactions in which the Share of Equity in Subsidiaries Changes and the Control is not Affected

(1) Description of changes in the share of equity in subsidiaries

(2) Effect of the transaction on non-controlling interests and equity attributable to owners of the parent

Unit: RMB

Purchase cost / Disposal consideration	
- Cash	
- Fair value of non-cash assets	
Total purchase cost / Disposal consideration	
Less: The share of the net asset of a subsidiary calculated based on the proportion of equity acquired/disposed	
Balance	
Including: Capital reserve adjusted	
Surplus reserve adjusted	
Undistributed profit adjusted	

Other description

3. Equity in Joint Ventures and Associates

(1) Important cooperative enterprises or joint ventures

Name of cooperative enterprise or joint venture	Main operation site	Registration place	Business nature	Shareholding ratio		Accounting treatment method of investment in cooperative enterprises or joint ventures
				Direct	Indirect	
Company S	US	Cayman Islands	Sales of medical products		38.82%	Accounted for as long-term equity investment

Difference between the shareholding ratio and the voting right ratio in the cooperative enterprise or joint venture:

Basis for holding less than 20% of the voting rights but having a significant impact, or holding 20% or more of the voting rights but not having a significant impact:

(2) Major Financial Information about Important Cooperative Enterprises

Unit: RMB

	Closing balance/amount incurred in current period	Beginning balance/amount incurred in previous period
Current assets		
Including: Currency fund		
Non-current assets		
Total assets		
Current liabilities		
Non-current liabilities		
Total liabilities		
Non-controlling interests		
Attributable to the parent company shareholders' equity		
Share of net assets by shareholding ratio		
Adjustment items		
- Goodwill		
- Unrealized profit of internal transaction		
- Others		
Carrying amount of equity investments in joint ventures		
Fair value of equity investments in joint ventures with publicly quoted prices		
Revenue		
Finance expenses		
Income tax expenses		
Net profit		
Net profit of discontinued operation		
Other Comprehensive Income		
Total comprehensive income		
Dividends received from joint ventures in current year		

Other description

(3) Major Financial Information About Important Jointly Operated Enterprises

Unit: RMB

	Closing balance/amount incurred in current period	Beginning balance/amount incurred in previous period
	Company S	Company S
Current assets	313,595,418.94	357,114,141.83
Non-current assets	216,187,928.66	233,580,447.87
Total assets	529,783,347.60	590,694,589.70
Current liabilities	218,794,068.08	244,085,702.39
Non-current liabilities	10,116,124.58	22,927,826.20
Total liabilities	228,910,192.66	267,013,528.59
Net assets	300,873,154.94	323,681,061.11
Non-controlling interests		
Attributable to the parent company shareholders' equity		
Share of net assets by shareholding ratio	116,804,675.34	125,659,137.86
Adjustment items	315,995,459.92	330,925,981.63
- Goodwill		
- Unrealized profit of internal transaction		
- Others		
Carrying amount of equity investments in cooperative enterprises	432,800,135.26	456,585,119.49
Fair value of equity investments in cooperative enterprises with publicly quoted prices		
Revenue	280,043,810.46	239,573,520.31
Net profit	-16,967,041.11	-35,522,800.70
Net profit of discontinued operation		
Other Comprehensive Income	-16,967,041.11	-35,522,800.70
Total comprehensive income		
Dividends received from cooperative enterprises in current year		

Other description

(4) Summary of financial information of unimportant cooperative enterprises and joint ventures

Unit: RMB

	Closing balance/amount incurred in current period	Beginning balance/amount incurred in previous period
Cooperative enterprise:		
Total number of following items by shareholding ratio		
- Joint venture:		
Total carrying amount of investment	21,877,509.20	22,404,705.55
Total number of following items by shareholding ratio		
- Net profit	-500,942.74	-333,043.88
- Total comprehensive income	-500,942.74	-333,043.88

Other description

(5) Description of significant restrictions on the ability of joint ventures or associates to transfer funds to the Company

(6) Excess losses of cooperative enterprise or joint venture

Unit: RMB

Name of cooperative enterprise or joint venture	Accumulated unrecognised losses in the previous period	Unrecognised loss in current period (or net profit shared in current period)	Accumulated unrecognised losses at the end of current period

Other description

(7) Unrecognised commitments related to investments in joint ventures

(8) Contingent liabilities related to the investments in joint ventures or associates

4. Important Pooling of Interests

Name of joint operation	Main operation site	Registration place	Business nature	Shareholding ratio / share enjoyed	
				Direct	Indirect

Difference between the shareholding ratio or share enjoyed and the voting right ratio in joint operation:

When the joint operation is a separate entity, the basis for classifying it as a joint operation is as below:

Other description

5. Description of Structured Entities not Included in the Scope of Consolidated Financial Statements:

Description of structured entities not included in the scope of consolidated financial statements:

6. Others

XI. Government Grants

1. Government Grants Recognised at the Amount Receivable at the End of the Reporting Period

☐Applicable √N/A

Reasons for failing to receive the estimated amount of government grants at the estimated time point

☐Applicable √N/A

2. Liability Items Relating to Government Grants

√Applicable ☐N/A

Unit: RMB

Accounting subject	Opening balance	Addition of grants in the current period	Amount recognised in non-operating income in the current period	Amounts transferred in other income in the current period	Other changes during the period	Closing balance	Asset/income related
Deferred Income	211,162,383.13	18,715,000.00		6,757,322.13		223,120,061.00	Asset related

3. Government Grants Included in Profit or Loss

√Applicable ☐N/A

Unit: RMB

Accounting subject	Amount incurred in current period	Amount incurred in previous period
Other income	35,311,870.62	29,417,982.09
Non-operating income	1,043.64	182,000.00

Other description

XII. Risks Related to Financial Instruments

1. Risks Arising from Financial Instruments

The Group's daily activities expose it to risks arising from various financial instruments, mainly including credit risk, liquidity risk and market risk. The Group's risk management policy to address these risks is described as follows:

The Board of Directors is responsible for planning and establishing the Group's risk management framework, formulating risk management policies and relevant guidelines, and supervising the implementation of risk management measures. The Group has risk management policies to identify and analyse risks faced by the Group, which set rules for specific risks, covering market risk, credit risk and liquidity risk management. The Group regularly assesses changes in the market environment and its operating activities to determine whether to update risk management policies and systems. The Group's risk management is carried out by the Group's Risk Control Department in accordance with the policies approved by the Board of Directors. The department identifies, evaluates and mitigates risks through close cooperation with other business units of the Group. The Internal Audit Department of the Group reviews risk management control and procedures on a regular basis and reports the results to the Audit Committee of the Group.

The Group diversifies the risk of financial instruments through various appropriate investment and business portfolios and mitigates the risk of concentration in a single industry, specific region or specific counterparty by formulating corresponding risk management policies.

(1) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will cause a financial loss for the Group by failing to discharge an obligation.

The Group's credit risk mainly arises from currency funds, notes receivable, accounts receivable, receivables financing and other receivables, as well as debt investments at fair value through profit or loss that are not included in the scope of impairment assessment, etc. At the balance sheet date, the carrying amount of the Group's financial assets is equal to its maximum credit exposure.

The Group believes that there is no significant credit risk associated with currency funds as they are deposited with well-established state-owned banks and other large and medium-sized listed commercial banks with high credit rating. Management does not expect that there will be any significant credit losses from non-performance by these counterparties.

In addition, the Group has policies to limit the credit exposure on notes receivable, accounts receivable, receivables financing, contract assets and other receivables. The Group assesses the credit quality of and sets credit periods for its customers based on their financial position and credit records, the availability of third-party guarantees, and other factors such as current market conditions. The credit records of customers are regularly monitored by the Group. For customers with poor credit records, the Group uses written payment reminders, or shortens or cancels credit periods, to ensure that the Group's credit risk is overall controllable.

The Group does not require collateral as it only trades with recognised and creditworthy third parties. Credit risk concentration is managed according to customers/counterparties, geographic regions and industries. Since the customer base of the Group's accounts receivable is widely dispersed, the Group has no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements on the balance of accounts receivable

Criteria for determining significant increase in credit risk

At each balance sheet date, the Group assesses whether the credit risk on financial instruments has increased significantly since initial recognition. The principal criteria adopted by the Group in determining a significant increase in credit risk are more than 30 days overdue, or significant changes in one or more of the following indicators: material adverse changes in the debtor's operating environment, internal/external credit ratings, actual or expected operating results.

Definition of credit-impaired assets

The main criterion adopted by the Group in determining credit impairment is more than 90 days overdue. However, in certain cases where internal or external information indicates that it may not be able to collect a contract amount in full before considering any credit enhancements held, the Group will also consider that credit impairment has occurred. It may not be possible to identify a single discrete event - instead, the combined effect of several events may have caused financial assets to become credit-impaired.

(2) Liquidity risk

Liquidity risk refers to the risk of capital shortage when the Company performs the obligation of settlement by cash payment or other financial assets. The Group's policy is designed to ensure that sufficient cash is available to repay debts as they fall due. Liquidity risk is managed centrally by the Group's Finance Department. The department monitors rolling forecasts of cash balances, readily realisable securities and cash flows over the next 12 months, to ensure that the Group has sufficient funds to repay its debts under all reasonable forecasts. The department also continuously monitors whether the Group complies with the provisions of borrowing agreements and obtains commitments from major financial institutions to provide sufficient reserve funds to meet short-term and long-term liquidity requirements.

The maturity profile of financial liabilities based on undiscounted contractual cash flow is summarised as follows:

June 2026

Item	Within 1 year	1 to 2 years	2-5 years	Over 5 years	Total
Short-term loans	2,246,557,460.68	-	-	-	2,246,557,460.68
Notes payable	393,163,306.73	-	-	-	393,163,306.73
Accounts payable	1,112,935,675.23	-	-	-	1,112,935,675.23
Other payables	599,462,386.97	-	-	-	599,462,386.97
Current portion of non-current liabilities	179,867,808.54	-	-	-	179,867,808.54
Long-term loans	-	8,331,343.26	138,916,520.68	19,593,508.94	166,841,372.88
Long-term payable	-	-	28,708,200.00	-	28,708,200.00
Lease liabilities	-	133,109,545.63	136,920,132.08	115,648,971.51	385,678,649.22
Total	4,531,986,638.15	141,440,888.89	304,544,852.76	135,242,480.45	5,113,214,860.25

2025

Item	Within 1 year	1 to 2 years	2-5 years	Over 5 years	Total
Short-term loans	1,839,923,994.52	-	-	-	1,839,923,994.52
Notes payable	381,818,750.95	-	-	-	381,818,750.95
Accounts payable	1,280,618,737.32	-	-	-	1,280,618,737.32
Other payables	529,651,533.30	-	-	-	529,651,533.30
Current portion of non-current liabilities	186,876,235.07	-	-	-	186,876,235.07
Long-term loans	-	1,330,000.00	3,990,000.00	52,482,666.67	57,802,666.67
Long-term payable	-	-	30,685,200.00	-	30,685,200.00
Lease liabilities	-	152,753,817.53	196,567,725.23	104,678,613.82	454,000,156.58
Total	4,218,889,251.16	154,083,817.53	231,242,925.23	157,161,280.49	4,761,377,274.41

(3) Market risk

Market risk of a financial instrument is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, currency risk and price risk.

(1) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest-bearing financial instruments with fixed and floating interest rates expose the Group to fair value interest rate risk and cash flow interest rate risk, respectively. The Group determines the relative proportions of its instruments issued at fixed and floating interest rate based on market conditions and maintains an appropriate mix of such instruments through regular review and monitoring. The Group uses interest rate swaps to hedge interest rate risk, if necessary.

As at 30 June 2026, with other variables held unchanged, had the borrowing rate calculated at the floating interest rate risen or fallen by 100 basis points (The Group had no borrowings with floating interest rates in June 2026), the Group's profit would have decreased or increased by RMB0.00. The management considers that 100 basis points reasonably reflects a reasonable range of possible changes in interest rate over the next year.

(2) Exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flow of financial instruments fluctuates due to the change of foreign exchange rate.

The Group continuously monitors transactions denominated in foreign currencies and the scale of foreign currency assets and liabilities to minimise the currency risk. The Group may also enter into forward foreign exchange contracts or currency swap contracts to avoid the currency risk. In the current and prior periods, the Group did not enter into any forward foreign exchange contracts or currency swap contracts.

The currency risk faced by the Group mainly comes from financial assets and liabilities denominated in USD. The amount of foreign currency financial assets and liabilities converted into RMB is as follows:

June 2026

Item	USD/EUR exchange rate	Net profit or loss	Increase/(decrease) in other comprehensive income net of tax	Total equity
	Increase/(decrease) %	Increase/(decrease)		Increase/(decrease)
Weaker RMB against USD	5%	23,945,914.21	4,403,973.22	28,349,887.44
Stronger RMB against USD	-5%	-23,945,914.21	-4,403,973.22	-28,349,887.44
Weaker RMB against EUR	5%	886,929.75	1,237,333.18	2,124,262.93
Stronger RMB against EUR	-5%	-886,929.75	-1,237,333.18	-2,124,262.93

2025

Item	USD/EUR exchange rate	Net profit or loss	Increase/(decrease) in other comprehensive income net of tax	Total equity
	Increase/(decrease) %	Increase/(decrease)		Increase/(decrease)
Weaker RMB against USD	5%	42,029,257.12	11,449,078.16	53,478,335.28
Stronger RMB against USD	-5%	-42,029,257.12	-11,449,078.16	-53,478,335.28
Weaker RMB against EUR	5%	828,850.62	802,122.99	1,630,973.61
Stronger RMB against EUR	-5%	-828,850.62	-802,122.99	-1,630,973.61

(3) Price risk

The Group's exposure to price risk is the risk arising from changes in the fair value of financial assets and liabilities held for trading classified as financial assets and liabilities at fair value through profit or loss. The Group manages this exposure by maintaining a portfolio of investments with different risks.

The table below illustrates the sensitivity of the Group's net profit or loss and other comprehensive income net of tax to every 5% change in the fair value of financial assets held for trading, based on the carrying amounts as at the balance sheet date, with all other variables held constant.

June 2026

Item	Financial assets held for trading	Net profit or loss	Increase/(decrease) in other comprehensive income net of tax	Total equity
	Carrying amount	Increase/(decrease)	Increase/(decrease)	Increase/(decrease)
Financial assets held for trading				
Financial assets at fair value through profit or loss	3,259,490,059.08	134,163,438.73		134,163,438.73

2025

Item	Financial assets held for trading	Net profit or loss	Increase/(decrease) in other comprehensive income net of tax	Total equity
	Carrying amount	Increase/(decrease)	Increase/(decrease)	Increase/(decrease)
Financial assets held for trading				
Financial assets at fair value through profit or loss	2,825,378,695.56	116,209,580.82	-	116,209,580.82

2. Capital management

The primary objective of the Group's capital management is to safeguard its ability to continue as a going concern and to maintain healthy capital ratios to support its business development and maximise shareholders' value.

The Group manages and adjusts its capital structure in light of economic dynamics and changes in risk characteristics of relevant assets. To maintain or adjust the capital structure, the Group may adjust dividend payments, return capital or issue new shares to shareholders. The Group is not subject to external mandatory capital requirements. No changes in the objectives, policies or processes for managing capital were made in the first half of 2026 and in 2025.

The Group monitors capital using an asset-liability ratio, which is calculated by dividing total liabilities by total assets. The Group's policies are designed to maintain the ratio at a reasonable level. The asset-liability ratio of the Group as at the balance sheet date is as follows:

Item	30 June 2026	31 December 2025
Total assets	18,971,905,602.01	18,404,858,027.22
Total liabilities	6,480,207,406.08	6,112,276,598.33
Asset-liability ratio	34.16%	33.21%

2. Hedge

(1) The Company carries out hedging business for risk management

☐Applicable √N/A

(2) The Company carries out qualified hedging business and applies hedging accounting

Unit: RMB

Item	Carrying amount related to hedged items and hedging instruments	Cumulative fair value hedging adjustments of hedged items included in recognised carrying amounts	Some sources of hedging effectiveness and ineffectiveness	The impact of hedge accounting on a company's financial statements
Hedging risk type				
Hedge type				

Other description

(3) The Company engages in hedging activities for risk management purposes and anticipates achieving risk management objectives but does not apply hedge accounting

☐Applicable √N/A

3. Financial Assets

(1) Transfer method classification

√Applicable ☐N/A

Unit: RMB

Transfer method	Nature of financial assets transferred	Amount of financial assets transferred	Derecognition	Basis for judgment on termination of confirmation
Bill endorsement	Notes Receivable	6,115,168.48	Not terminated	Retain substantially all of its risks and rewards, including default risks associated therewith
Bill endorsement	Receivables financing	34,531,845.46	Derecognition	Substantially all risks and rewards have been transferred
Total		40,647,013.94		

(2) Financial assets derecognised due to transfers

√Applicable ☐N/A

Unit: RMB

Item	Methods of transferring financial assets	Amount of financial assets derecognised	Gains or losses related to derecognition
Receivables financing	Bill endorsement	145,090,410.80	
Total		145,090,410.80	

(3) Asset transfer financial assets that continue to be involved

☐Applicable √N/A

Other description

XIII. Fair Value Disclosure

1. Closing Fair Value of Assets and Liabilities Measured with Fair Value

Unit: RMB

Item	Closing fair value			
	Measurement of fair value at first level	Measurement of fair value at second level	Measurement of fair value at third level	Total
I. Continuous fair value measurement	--	--	--	--
(I) Financial assets held for trading		3,259,490,059.08		3,259,490,059.08
1. Financial assets at fair value through profit or loss		3,259,490,059.08		3,259,490,059.08
Receivables financing		56,001,074.45		56,001,074.45
Other non-current financial assets		25,268,611.39	73,603,810.38	98,872,421.77
Total assets continuously measured at fair value		3,340,759,744.92	73,603,810.38	3,414,363,555.30
II. Non-continuous fair value measurement	--	--	--	--

2. Continuous and Non-Continuous Measurement Items of Fair Value at First Level and Recognition Basis for Market Price

3. Continuous and Non-Continuous Measurement Items of Fair Value at Second Level, Qualitative and Quantitative Information on Valuation Techniques Adopted and Important Parameters

The Group enters into wealth management product contracts with various counterparties, principally financial institutions with high credit ratings. These financial instruments are not traded in active markets, but there are active market quotes for similar financial instruments. For wealth management products measured at fair value through profit or loss, the expected rate of return available in the market is used to estimate the future cash flows, and the fair value is determined by discounting the future cash flows at the interest rate determined based on the best estimates of the expected risk levels.

Convertible corporate bond investments measured at fair value through profit or loss are measured using the valuation technique of the binomial tree model. The model covers a number of market-observable inputs, including the underlying stock prices, exercise prices and maturities.

The fair value of receivables financing is measured at their par value.

In identifying similar financial instruments, the Group considers factors such as characteristics of assets or liabilities, contract terms and risks, to ensure that the selected instruments are highly similar to the valued instruments in key aspects. The Group regularly evaluates the effectiveness of the selected valuation model and adjusts model parameters in a timely manner in response to market changes to ensure the accuracy of fair value.

4. Continuous and Non-Continuous Measurement Items of Fair Value at Third Level, Qualitative and Quantitative Information on Valuation Techniques Adopted and Important Parameters

The Group's Finance Department headed by the finance controller is responsible for formulating policies and procedures for the fair value measurement of financial instruments. At each reporting date, the Finance Department analyses movements in the value of financial instruments and identifies the major inputs applied in the valuation. The valuation is reviewed and approved by the finance controller.

The fair value of the Group's unlisted fund investments using fair value measurement within Level 3 is determined based on the net asset value provided by the manager. This net asset value is determined based on the data of comparable companies and taking into account market multipliers such as the price-to-earnings (P/E) ratio and the price-to-book (P/B) ratio, or referring to the market value of comparable companies. The Group believes that the fair value estimated using the valuation technique and its changes are reasonable. It is the most appropriate value as at the balance sheet date.

5. Continuous Measurement Items of Fair Value at Third Level, Adjustment Information between Opening and Closing Carrying Amount and Sensitivity Analysis of Unobservable Parameters

6. For Continuous Measurement Items of Fair Value, if There is a Conversion between Different Levels in Current Period, the Reasons for the Conversion and the Policies for Determining the Conversion Time Point

7. Valuation Technology Change and Reason of Change in Current Period

8. Fair Value Information of Financial Assets and Liabilities not Measured at Fair Value

9. Others

XIV. Related Parties and Transactions

1. Parent Company of the Company

Parent company name	Registration place	Business nature	Registered capital	Shareholding ratio of the parent company in the Company	Voting right ratio of the parent company in the Company
Winner Group Limited	Cayman Islands	Equity investment and management business	HKD 1,143,000.00	69.75%	69.75%

Parent company of the Company

The ultimate controlling party of the Company is Li Jianquan.

Other description:

2. Subsidiaries of the Company

See Note "X. Interests in other entities".

3. Investment in Associates and Joint Ventures

See the note "X. Interests in other entities" for important cooperative enterprises or joint ventures of the Company.

Other cooperative enterprises or joint ventures that made related party transactions with the Company in the current period, or formed the balance of related party transactions with the Company in the previous periods are as follows:

Name of cooperative enterprise or joint venture	Relationship with the Company
Company S	Cooperative enterprise
Chengdu Winner Likang Medical Products Co., Ltd.	Cooperative enterprise
Hubei Xianchuang Technology Co., Ltd.	Cooperative enterprise
Zhejiang Shiyou Medical Materials Co., Ltd.	Cooperative enterprise

Other description

4. Other Related Parties

Name of other related parties	Relationship of other related parties with the Company
Glory Ray Holdings Limited	A company controlled by the actual controller
Glory Ray Limited	A company controlled by the actual controller through Glory Ray Holdings
Beijing Sequoia Xinyuan Equity Investment Center (limited partnership)	Shareholder of the Company
Shenzhen Capital Group Co., Ltd.	Shareholder of the Company
Chengdu Winner Likang Medical Products Co., Ltd.	Joint venture, with 49% equity hold by the Company
GRI-Alleset India Pvt Ltd	Controlled by minority shareholders of GRI
Hubei Zhuoling Packaging Co., Ltd.	A company controlled by close family members of the Company's key managers
Company S	Cooperative enterprise
Huang Jun	Original shareholder and original director of Winner Medical (Hunan)
Lixian SHRCB Rural Bank Co., Ltd.	A company in which Zheng Datian, Vice Chairman of Winner Medical (Hunan), serves as a director
Jingyun Biotechnology (Shanghai) Co., Ltd.	A company actually controlled by Wu Kangping, a shareholder of Longterm Medical
Shenzhen Nine Stars Printing and Packaging Group Co., Ltd.	A company controlled by the final controller of Winner Guilin before merge
Shenzhen Shengtianning Medical Device Co., Ltd.	A company controlled by the actual controller of Junjian Medical before merge
Shenzhen Zhengjun Medical Device Co., Ltd.	A company controlled by the actual controller of Junjian Medical before merge
Zhejiang Kanglidi Medical Articles Co., Ltd.	A company actually controlled by Wu Di, a shareholder of Longterm Medical
ZheJiang Longmed Medical Technology Co., Ltd.	A company actually controlled by Wu Di, a shareholder of Longterm Medical
ZheJiang Longrising Medical New Materials Co., Ltd.	A company actually controlled by Wu Kangping, a shareholder of Longterm Medical
Zheng Junhui	Controlling shareholder and actual controller of Junjian Medical before merger
Wu Kangping, Huang Lepei, Wu Di	Controlling shareholder of Longterm Medical before merger and its current minority shareholder
Cao Wensong, Zhang Yuqing	Controlling shareholder of Shanghai Hongsong before merger and its current minority shareholder

Name of other related parties	Relationship of other related parties with the Company
Guilin Golden Eagle Latex Technology Co., Ltd.	Minority shareholders of Guilin Latex, former shareholders of Jingzhou Latex
James Michael Mabry	Shareholder of GRI before merger and its current minority shareholder
Min Tang	Shareholder of GRI before merger and its current minority shareholder
Martin Dean Paugh	Shareholder of GRI before merger and its current minority shareholder
John Brian Steward	Shareholder of GRI before merger and its current minority shareholder
Mark Steven Fellows	Shareholder of GRI before merger and its current minority shareholder

Other description

5. Connected Transaction

(1) Related party transactions of sales and purchases of goods and provision and receipts of services

Purchase of goods/acceptance of services

Unit: RMB

Related party	Connected transaction content	Amount incurred in current period	Approved transaction quota	Whether the transaction quota is exceeded	Amount incurred in previous period
Chengdu Winner Likang Medical Products Co., Ltd.	Purchasing goods or services	3,738.40		No	22,153.50
Shenzhen Nine Stars Printing and Packaging Group Co., Ltd.	Purchasing goods or services	157,765.23		No	915,280.30
Zhejiang Kanglidi Medical Articles Co., Ltd.	Purchasing goods or services	20,835.75		No	
ZheJiang Longrising Medical New Materials Co., Ltd.	Purchasing goods or services	0.00		No	535,459.40
ZheJiang Longmed Medical Technology Co., Ltd.	Purchasing goods or services	304,256.17		No	103,600.00
Guilin Golden Eagle Latex Technology Co., Ltd.	Purchasing goods or services	10,550.73		No	496,956.32
Hubei Zhuoling Packaging Co., Ltd.	Purchasing goods or services	10,419,437.82		No	9,685,422.08
Zhejiang Shiyou Medical Materials Co., Ltd.	Purchasing goods or services	17,275,068.38		No	0.00
Company S	Purchasing goods or services	2,170,713.42		No	0.00
GRI-ALLESET INDIA PVT LTD	Purchasing goods or services	2,064,863.72		No	

Selling commodities/offering labor

Unit: RMB

Related party	Connected transaction content	Amount incurred in current period	Amount incurred in previous period
Chengdu Winner Likang Medical Products Co., Ltd.	Sell of goods or services	2,148,771.48	882,360.68
ZheJiang Longmed Medical Technology Co., Ltd.	Sell of goods or services	82,176.80	252,342.87
Zhejiang Kanglidi Medical Articles Co., Ltd.	Sell of goods or services	1,251,435.19	2,163,810.63
Company S	Sell of goods or services	13,033,906.35	5,377,133.21
GRI-Alleset India Pvt Ltd	Sell of goods or services	407,043.17	470,555.41

Related party transactions of sales and purchases of goods and provision and receipts of services

(2) Entrusted/contracted activities and delegated/outsourced activities with related party

Entrusted/contracted activities:

Unit: RMB

Name of entrusting party / subcontractor	Name of entrusting party / contractor	Entrusted / contracting asset type	Fiduciary / contracting start date	Fiduciary / contracting termination date	Pricing basis of fiduciary income / contracting income	Fiduciary income / contracting income recognised in current period

Associated fiduciary / contracting

Delegated/outsourced activities:

Unit: RMB

Name of entrusting party / subcontractor	Name of entrusting party / contractor	Entrusting / subcontracting asset type	Entrusting / subcontracting start date	Entrusting / subcontracting termination date	Pricing basis of trusteeship / subcontracting fee	Trusteeship / subcontracting fee recognised in current period

Associated management / subcontracting

(3) Related-party lease

The Company as the lessor:

Unit: RMB

Name of lessee	Type of leased assets	Lease income recognised in the current period	Lease income recognised in the previous period
Chengdu Winner Likang Medical Products Co., Ltd.Note 1*	Plant	845,023.26	968,646.36

Note: Note 1* The rental income amount represents the unrealized finance income for the year

The Company as the lessee:

Unit: RMB

<table>
<tr><th rowspan="2">Name of lessor</th><th rowspan="2">Type of leased assets</th><th>Simplified processing of short-term leases and rental expenses of low-value asset leases (if applicable)</th><th>Variable lease payments not included in the measurement of the lease liabilities</th><th>Rent paid</th><th>Interest expenses incurred on lease liabilities</th><th>Right-of-use assets increased</th></tr>
<tr><th>Amount for the current period Amount for the prior period</th><th>Amount for the current period Amount for the prior period</th><th>Amount for the current period Amount for the prior period</th><th>Amount for the current period Amount for the prior period</th><th>Amount for the current period Amount for the prior period</th></tr>
</table>

Related-party lease description

(4) Related-party guarantee

The Company as the guarantor

Unit: RMB

Secured party	Amount guaranteed	Guarantee start date	Guarantee maturity date	Whether the guarantee has been fulfilled

The Company as guaranteed party

Unit: RMB

Guarantor	Amount guaranteed	Guarantee start date	Guarantee maturity date	Whether the guarantee has been fulfilled

Related-party guarantee

(5) Related party loan at call

Unit: RMB

Related party	Borrowing amount	Start date	Maturity date	Description
Borrowing				
Lending				

(6) Related party asset transfers and debt restructuring

Unit: RMB

Related party	Connected transaction content	Amount incurred in current period	Amount incurred in previous period

(7) Compensation of key management personnel

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Compensation of key management personnel	6,918,458.09	9,380,052.75

(8) Other connected transactions

Item	30 June 2026	31 December 2025
Related party fund lending (Note 1)	28,708,200.00	30,685,200.00

Note: It represents an interest-free loan from the controlling shareholder - Winner Group Limited to Pan-China (H.K.). For details, please refer to Note VII.48.

6. Accounts Receivable and Payable By Related Parties

(1) Receivables

Unit: RMB

Project name	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable	GRI-Alleset India Pvt Ltd	12,295,144.79	7,818,714.48	12,910,902.74	8,620,320.59
Accounts receivable	Zhejiang Kanglidi Medical Articles Co., Ltd.	1,732,396.07	86,619.80	1,906,824.00	95,341.20
Accounts receivable	Chengdu Winner Likang Medical Products Co., Ltd.	443,638.73	22,181.94	839,283.13	41,964.16
Accounts receivable	Company S	14,961,373.87	748,370.82	4,199,677.24	209,983.86
Other receivables	GRI-ALLESET INDIA PVT LTD	4,917,703.07	4,913,674.41	5,075,034.33	5,058,092.23
Other receivables	Company S	4,010,984.13	200,549.21	4,010,984.13	200,549.21
Advances to suppliers	Company S	31,394.07			
Advances to suppliers	GRI-ALLESET INDIA PVT LTD	13,092,413.81		9,676,637.38	
Non-current assets due within a year	Chengdu Winner Likang Medical Products Co., Ltd.	4,836,676.55		4,707,526.63	
Long-term receivables	Chengdu Winner Likang Medical Products Co., Ltd.	27,217,926.08		26,502,052.74	
Other non-current assets	Guilin Golden Eagle Latex Technology Co., Ltd.	283,500.00		96,100.00	
Other non-current assets	Company S	2,658,849.64			

(2) Payables

Unit: RMB

Project name	Related party	Closing balance	Opening balance
Accounts payable	Chengdu Winner Likang Medical Products Co., Ltd.	312.93	9,987.27
Accounts payable	Hubei Zhuoling Packaging Co., Ltd.	7,130,101.88	7,153,560.05
Accounts payable	Shenzhen Nine Stars Printing and Packaging Group Co., Ltd.	157,521.09	325,353.96
Accounts payable	Zhejiang Kanglidi Medical Articles Co., Ltd.	0.00	14,557.20
Accounts payable	ZheJiang Longmed Medical Technology Co., Ltd.	270,168.35	46,346.46
Accounts payable	Guilin Golden Eagle Latex Technology Co., Ltd.	426,070.00	455,825.00
Accounts payable	Company S	916,975.86	5,717,843.05
Contract Liabilities	Company S	20,859.06	21,526.40
Contract Liabilities	ZheJiang Longmed Medical Technology Co., Ltd.	984.00	43,043.81
Long-term payable	Winner Group Limited	25,958,339.05	26,994,520.77
Other payables	Zhejiang Shiyou Medical Materials Co., Ltd.	3,992,245.72	10.23
Other payables	Company S	0.00	281,234.11
Other non-current liabilities	Minority shareholders of GRI	411,966,094.33	387,682,358.99
Dividends payable	Winner Group Limited	121,984,316.10	

7. Related Party Commitment

8. Others

XV. Share-Based Payments

1. Share-Based Payments

√Applicable ☐N/A

Unit: RMB

Grant object category	Granted in the current period		Exercised in the current period		Unlocked in the current period		Invalidated in the current period	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Management personnel					308,160.00	5,336,142.92	1,306,040.00	22,615,576.62
Sales personnel					241,760.00	4,186,350.96	1,120,640.00	19,405,163.54
R&D personnel					91,200.00	1,579,232.32	227,800.00	3,944,617.59
Total					641,120.00	11,101,726.20	2,654,480.00	45,965,357.75

Share options or other equity instruments outstanding at period end

√Applicable ☐N/A

Grant object category	Stock options outstanding at the end of the period		Other equity instruments outstanding at the end of the period	
	Range of exercise prices	Remaining contractual term	Range of exercise prices	Remaining contractual term
Management personnel	RMB 21.5 / share	3 months	RMB 14.69 / share	34.5 months
Sales personnel	RMB 21.5 / share	3 months	RMB 14.69 / share	34.5 months
R&D personnel	RMB 21.5 / share	3 months	RMB 14.69 / share	34.5 months

Other description

2. Equity-Settled Share-Based Payments

√Applicable ☐N/A

Unit: RMB

Method for determining the fair value of equity instruments on the grant date	Calculated based on the agreed stock price and the Black-Scholes model
Significant parameters of determining the fair value of equity instruments on the grant date	Dividend yield, expected volatility, historical volatility, risk-free interest rate, expected term of the share options, and weighted average share price
Basis for the determination of the number of viable equity instruments	The vesting conditions are expected to be satisfied.
Reasons for significant differences between the current and previous estimates	None
Accumulated amount of equity-settled share-based payments recorded in capital reserves	128,473,133.74
Total amount of expenses recognised by equity-settled share-based payments in current period	-4,401,178.34

Other description

(1) 2023 Employee Stock Ownership Plan (ESOP)

The Company held the 16th meeting of the third Board of Directors and the 11th meeting of the third Board of Supervisors on 15 August 2023, and held the 2nd Extraordinary General Meeting of Shareholders of 2023 on 5 September 2023, which reviewed and approved the Proposal on the First Grant of the Employee Stock Ownership Plan (Draft), the Proposal on the Management Measures for the First Grant of the Employee Stock Ownership Plan, and other related proposals.

The purchase price of the ESOP is RMB43.00 per share. The actual subscription funds totaled RMB21,715,000 (excluding reserved shares), and the actual number of shares subscribed were 21,715,000. The ratio of employee self-raised funds to incentive funds set aside by the Company is 1:1. The source of share is the Company’s A-share ordinaryshares repurchased in itsspecial repurchase account. The Company completed the non-trading transfer of the 2023 ESOP on 11 October 2023.

The ESOP is valid for 60 months, calculated from the date when the plan is approved at the shareholders' meeting and the Company announces the transfer of the underlyingshares to the ESOP. The corresponding equity interests will vest in three tranches to respective ESOP participants, contingent upon the performance assessment during the vesting period, namely, 12 months, 24 months, and 36 months from the date when the underlyingshares are transferred to the ESOP. The vesting proportions will be 30%, 30%, and 40% of the total number ofshares under the ESOP, respectively.

(2) 2024 Class II Restricted Share Incentive Scheme

On 20 August 2025, the Company held the 7th meeting of the fourth Board of Directors and the 7th meeting of the fourth Board of Supervisors, which reviewed and approved the Proposal on Adjusting the Grant Price of the 2024 Restricted Share Incentive Plan. The grant price of this incentive plan was adjusted due to equity distribution implemented by the Company. Upon completion of this adjustment, the grant price for both the initial and reserved restricted shares under this incentive plan was adjusted from RMB15.39 per share to RMB14.69 per share.

On 12 November 2025, the Company held the 9th meeting of the fourth Board of Directors, which reviewed and approved the Proposal on the Grant of Restricted Shares to Participants of 2024 Restricted Share Incentive Scheme, granting 500,000 reserved restricted shares to 13 participants.

This scheme is valid from the date of initial grant to the date when all restricted shares granted to participants are vested or cancelled. The maximum period shall not exceed 60 months. The initial grant portion shall be vested in three tranches to respective participants upon the performance assessment during the vesting period. The reserved grant portion shall be vested in two tranches to respective participants upon the performance assessment during the vesting period. Specific vesting arrangements are detailed in the relevant announcements disclosed by the Company on the CNINFO website.

3. Cash-Settled Share-Based Payments

☐Applicable √N/A

4. Share-Based Payments in Current Period

√Applicable ☐N/A

Unit: RMB

Grant object category	Equity share-based payment expense	Cash share-based payment expense
Management personnel	-2,579,571.29	
Sales personnel	-1,505,675.73	
R&D personnel	-315,931.32	
Total	-4,401,178.34	

Other description

5. Modifications and Terminations of Share-Based Payments

None

6. Other Information

XVI. Commitment and Contingencies

1. Important Commitment Issues

Significant commitments existing at the balance sheet date

Item	30 June 2026	31 December 2025
Capital commitments	171,618,782.31	176,386,066.44
Total	171,618,782.31	176,386,066.44

2. Contingencies

(1) Significant contingencies existing at the balance sheet date

As at 30 June 2026, the Company had no significant contingent matters requiring disclosure.

(2) In cases where the Company has no significant contingencies requiring disclosure, this fact should also be disclosed.

The Company confirms that there are no significant contingencies that require disclosure.

3. Others

XVII. Post-Balance Sheet Events

1. Important Non-Adjustment Items

Unit: RMB

Item	Description	Influence number of financial position and operating results	Reasons for influence number cannot be estimated

2. Profit Distribution

Declared dividend per 10 shares after approval (RMB Yuan)	5.00
Bonus shares to be distributed per 10 shares (shares)	
Declared capitalisation shares per 10 shares after approval (shares)	-
Declared dividend per 10 shares after approval (RMB Yuan)	5.00
Declared bonus shares per 10 shares after approval (shares)	
Declared capitalisation shares per 10 shares after approval (shares)	-
Profit distribution plan	The Company's profit distribution plan for the first half of 2026 is as follows: based on 574,924,166 shares, representing the total share capital of 582,970,928 shares as of 21 August 2026 less 8,046,762 shares held in the special securities account for repurchase, the Company will distribute a cash dividend of RMB5.0 (tax inclusive) for every 10 shares to all shareholders, with an estimated total cash dividend of RMB287,462,083.00 (tax inclusive). No bonus shares will be issued, and no shares will be converted from capital reserves. During the period from the disclosure of the profit distribution plan through its implementation, if the total number of shares entitled to the distribution changes, the Company will make corresponding adjustments based on the principle that the cash dividend per share remains unchanged while the total cash dividend amount is adjusted accordingly.

3. Sales Return

4. Other Post-Balance Sheet Events

XVIII. Other Significant Events

1. Correction of Prior Period Errors

(1) Retrospective restatement

Unit: RMB

Content of accounting error correction	Processing procedures	Report item name of each affected comparison period	Cumulative influence number

(2) Prospective application

Content of accounting error correction	Approval procedures	Reason for adopting prospective application

2. Debt Restructuring

3. Assets Replacement

(1) Exchange of non-monetary assets

(2) Other asset replacement

4. Pension Plan

5. Discontinued Operation

Unit: RMB

Item	Revenue	Cost	Total profit	Income Tax Expenses	Net profit	Profit from discontinued operations attributable to the owners of parent company

Other description

6. Segment Information

(1) Determination basis and accounting policy of reporting segment

According to its internal organizational structure, management requirements and internal reporting system, the Company has two reportable segments: medical consumables and consumer goods. Reportable segments of the Company offer different products or services or operate in different regions. Since both segments require different techniques or marketing strategies, management of the Company manages operating activities of each reportable segment separately and regularly evaluates their operating results to determine the allocation of resources to them and evaluate their performance.

The inter-segment transfer price is determined on the basis of the actual transaction price, and the expenses indirectly attributable to the segments are distributed among the segments in proportion to the income (as determined by the Company). Assets are allocated according to the operations of a segment and the location of the assets. Liabilities of a segment include liabilities attributable to that segment arising from the operations of a segment. If expenses related to liabilities shared by multiple operating segments are allocated to those operating segments, such shared liabilities are also allocated to those operating segments.

(2) Financial information of reporting segments

Unit: RMB

Item	Medical consumables (segment 1)	Consumer goods (Segment 2)	Unallocated	Offset between segments	Total

Revenue	2,641,988,399.38	2,844,222,859.14			5,486,211,258.52
Operating costs	1,628,155,047.66	1,170,012,868.47			2,798,167,916.13
Impairment losses of assets and credit impairment losses	13,798,348.53	30,723,103.04			44,521,451.57
Depreciation and amortisation	95,867,110.42	125,949,742.04			221,816,852.46
Operating profit/(loss)	188,303,377.34	403,116,557.85	73,598,374.59		665,018,309.78
Non-operating income and expenses			-2,650,767.72		-2,650,767.72
Assets and liabilities					
Total assets	7,824,872,164.14	4,035,028,857.12	7,112,004,580.75		18,971,905,602.01
Total liabilities	2,001,278,989.44	1,260,733,362.41	3,218,195,054.23		6,480,207,406.08

(3) In cases where the Company has no reporting segments, or if it cannot disclose the total assets and total liabilities of each reporting segment, the reasons shall be explained.

(4) Other description

7. Other Important Transactions and Matters Affecting the Decision of Investors

7.1 Urban renewal project of winner industrial park

(1) Project overview

On 6 April 2017, the Group and Shenzhen Galaxy Real Estate Development Co., Ltd. ("Galaxy Real Estate") signed the Cooperation Agreement on Urban Renewal Project of Winner Industrial Park to apply for and implement the demolition and reconstruction of urban renewal and reconstruction of Winner Industrial Park in Longhua District, Shenzhen City (hereinafter referred to as "the Project"). The scope of land to be demolished for the Project is a state-owned land that has been transferred. The land parcel number is A819-0123. The land area is 29,064.49 m^2, and the current use is industrial land. According to the statutory plan of No.402-19&20&21, Bao'an District, Shenzhen City [Pinus tabulaeformis area], the planned use of this plot is second-class residential land. The land has been registered for title with a construction area of 36,625.89 m^2, used for office, plant and dormitory. The Group shall be the sole subject of rights to the said plot and all the buildings (structures) and appendages thereon. The first to sixth floors of the second office building, the first to sixth floors of the third dormitory building, and the first to sixth floors of the fourth dormitory building have been mortgaged at present.

(2) Cooperation mode

The Group agrees to entrust the underlying plot and buildings to Galaxy Real Estate for application for approval of the urban renewal unit plan, and accepts the relocation compensation provided by Galaxy Real Estate according to the conditions agreed in the agreement. Galaxy Real Estate is responsible for all the work related to the declaration of renewal unit plan of the underlying plot and buildings and implementation of urban renewal, as well as the relocation compensation and demolition and reconstruction funds, and enjoys the interest in the renewal project as the single market implementer. After the renewal and reconstruction of the underlying plot and buildings is approved as an urban renewal unit plan, Galaxy Real Estate shall discuss with the Group, among others, the specific transformation and development intensity, planned purposes and indicators in advance of the formal application for construction, but the final details shall be subject to the approval of relevant government departments.

Galaxy Real Estate will pay the cooperation consideration to the Group through relocation compensation payments. The Group voluntarily chooses a relocation compensation method that combines monetary compensation and title exchange (relocation). Specifically: 1) the monetary compensation amounts to RMB415 million; 2) the area of title exchange (relocation) attributable to Party B shall be determined at 40% of the gross floor area for sale based on the area determined in the final approval of the special planning of the renewal unit of the Project.

(3) Project progress

The Company held the 14th meeting of the third session of Board of Directors on 12 June 2023, and the first Extraordinary General Meeting of Shareholders in 2023 on 7 July 2023, to review and approve the Proposal on Executing Relevant Agreements on Relocation Compensation and Resettlement for the Urban Renewal Units of the Winner Industrial Park. The Company cooperated with Shenzhen Xingda Real Estate Development Co., Ltd. (hereinafter referred to as “Xingda”) and signed the Agreement on Relocation Compensation and Resettlement for Urban Renewal Units of the Winner Industrial Park in Longhua District in Shenzhen, the Relinquishment of Real Estate Rights Statement and other relevant documents with Xingda on the plot and above-ground buildings of the Winner Industrial Park in Longhua District of Shenzhen City.

After the Company and Xingda Company signed the Agreement on Relocation Compensation and Resettlement for Urban Renewal Units of the Winner Industrial Park in Longhua District in Shenzhen and the Relinquishment of Real Estate Rights Statement and other relevant documents, both parties actively promoted the execution of the transaction. The Project received the Reply Letter from the Shenzhen Longhua District Urban Renewal and Land Preparation Bureau on the Approval Status of the "Urban Renewal Unit Planning of Winner Industrial Park in Longhua Street, Longhua District" (Shenhua Renewal Letter [2023] No. 25). According to the letter, the approval status indicates that the use of land in the Winner Industrial Park has been changed from current Class I industrial land to planned Class II residential land + commercial land. The Company vacated the industrial park and handed it over to Xingda Company on 17 July 2023. The two parties signed the Transfer Confirmation Letter and settled utility fees. Then Xingda Company began to demolish old buildings.

In light of the significant changes in the real estate market, following an amicable negotiation, the Company and Xingda signed the Confirmation Letter on the Revocation of the “Relinquishment of Real Estate Rights Statement” on 29 January 2024, which sets forth that: the Project will be temporarily halted, and the Company retrieved all Relinquishment of Real Estate Rights Statement according to the agreement, and rescinded all the statements therein.

The Company held the 23rd meeting of the third session of Board of Directors on 26 July 2024, and the second Extraordinary General Meeting of Shareholders in 2024 on 12 August 2024, to review and approve the Proposal on Executing Relevant Supplementary Agreements on Relocation Compensation and Resettlement for the Urban Renewal Units of the Winner Industrial Park. On 19 August 2024, the Company and Xingda and its subsidiary Galaxy Real Estate signed the Supplementary Agreement I and II to the Relocation Compensation and Resettlement Agreement and the Supplementary Agreement I to the Agreement (collectively referred to as the “Supplementary Agreements”). According to the Supplementary Agreements, the principles for distribution of compensations and titles of relocation properties had changed. The area of office properties and commercial properties attributable to the Company remains unchanged (39,240 square meters and 200 square meters, respectively), while the area of residential properties and the amount of compensations attributable to the Company are linked to the actual average transaction price of commercial housing obtained by Xingda. The

Supplementary Agreements also stipulate that the office property, commercial property and residential property attributable to the Company shall be delivered within four years after the construction license is obtained for the plot, but the delivery date shall be postponed accordingly in case of force majeure or delays caused by changes in government policies and approvals during the above period.

On 3 April 2026, the Company and Xingda Company signed the Land Acquisition Agreement with the relevant local government authorities. Xingda Company is currently applying for procedures regarding the contractual allocation of land to obtain a contract for the grant of state-owned construction land use rights. Subsequently, Xingda Company will advance land development and construction work in accordance with the relevant processes prescribed by the government.

As at 30 June 2026, the Company received a total of RMB250 million in cash, including: a deposit of RMB50 million in April 2017, a prepaid relocation compensation of RMB100 million in February 2020, and monetary compensation of RMB100 million in July 2023, as agreed upon in the Relocation Compensation and Resettlement Agreement, all of which were included into other payables at the end of year. As at 30 June 2026, the land had not yet been transferred and was recognised as other non-current assets.

7.2 Heyuan Investment and Construction Project (Heyuan Project)

(1) Problem background

In 2016, as guided and encouraged by the Shenzhen Longhua District Committee and District Government, the Group plans to move part of the production and logistics functions to Heyuan Zijin Linjiang Industrial Park in response to the policy of pairing assistance between Heyuan City and Shenzhen City. In May 2016, the Group and the People’s Government of Zijin County of Heyuan City signed the Agreement on the Investment and Construction of Medical Kit and Cotton-Based Daily Necessities Production Project (hereinafter referred to as the “Investment Agreement”), with a construction land area of 200,000 square metres.

After the project was signed and started construction, the government required all construction projects under construction in Zijin Linjiang Industrial Park to stop due to land conflicts between the project site and the planned Heyuan East Station of Jiangxi-Shenzhen High-speed Railway and the High-speed Railway New Town. Meanwhile, the relevant land use procedures were suspended.

(2) Project progress

In June 2019, the Detailed Regulatory Planning and Detailed Constructional Urban Design of the Core Area of Heyuan High-speed Railway New Town was published to the public from 22 June 2019 to 22 July 2019. According to the final publicity content, it is determined that the square in front of Heyuan East Station of High-speed Railway, National Highway 205 and the High-speed Railway New Town overlap with the project land of Winner Medical (Heyuan).

In October 2019, the Company signed a tripartite agreement with the People’s Government of Zijin County and the Management Committee of Heyuan Jiangdong New District to clarify the overall resolution plan. The land used for Heyuan Project and its above-ground buildings will be reclaimed by the People’s Government of Zijin County, and the three parties agreed to determine the amount of compensation through arbitration. The People’s Government of Zijin County paid RMB30 million to the Company as the performance bond.

In November 2019, Ganjiang New Area International Arbitration Court issued the Award ((2019) G.G.Z.Zi No.095), which confirmed the termination of the original Investment Agreement, and the People’s Government of Zijin County shall bear attorney fees, legal costs and other expenses totaling RMB2,655,320.00, return the guarantee deposits for land transfer of RMB3 million to the Company and compensate for the Company’s economic loss of RMB550 million. The People’s Government of Zijin County shall pay 50% of the amount before 31 December 2019 and 50% before 29 February 2020.

As at 30 June 2026, the Company received the guarantee deposits for land transfer of RMB3 million returned by the People's Government of Zijin County and the compensation of RMB334.5 million. The Company also handed over the project land, above-ground buildings, equipment and facilities and relevant supporting materials to the People's Government of Zijin County. Outstanding compensation of RMB215 million was recognised as other receivables at the end of the Reporting Period.

8. Others

XIX. Notes to Key Items of the Parent's Financial Statements

1. Accounts Receivable

(1) Disclosure by aging

Unit: RMB

Aging	Closing balance	Opening balance
Within 1 year, inclusive	489,029,183.95	455,408,160.41
1 to 2 years	12,472,290.90	14,675,943.73
2 to 3 years	2,075,365.47	575,226.99
Over 3 years	3,473,886.93	3,305,977.97
3 to 4 years	970,512.71	815,936.73
4 to 5 years	163,701.20	171,106.91
Over 5 years	2,339,673.02	2,318,934.33
Total	507,050,727.25	473,965,309.10

(2) Disclosure by bad debt provision accrual method

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Provision ratio (%)		Amount	Proportion (%)	Amount	Provision ratio (%)	
Accounts receivable with provision for bad debts made on an individual basis						121,702.53	0.03%	121,702.53	100.00%	0.00
Including:										
Accounts receivable with provision for bad debts made on a collective basis	507,050,727.25	100.00%	20,800,465.38	4.10%	486,250,261.87	473,843,606.57	99.97%	20,539,154.07	4.33%	453,304,452.50
Including:										
Aging group	380,475,914.85	75.04%	20,800,465.38	5.47%	359,675,449.47	396,227,276.37	83.60%	20,539,154.07	5.18%	375,688,122.30
No credit risk group	126,574,812.40	24.96%		0.00%	126,574,812.40	77,616,330.20	16.38%		0.00%	77,616,330.20
Total	507,050,727.25	100.00%	20,800,465.38	4.10%	486,250,261.87	473,965,309.10	100.00%	20,660,856.60	4.36%	453,304,452.50

Provision for bad debts of aging group:

Unit: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision ratio (%)
Within 1 year	364,715,405.51	18,235,770.28	5.00%
1 to 2 years	12,472,290.90	1,247,229.09	10.00%
2 to 3 years	2,075,365.47	622,609.64	30.00%
3 to 4 years	970,512.71	485,256.36	50.00%
4 to 5 years	163,701.20	130,960.96	80.00%
Over 5 years	78,639.06	78,639.06	100.00%
Total	380,475,914.85	20,800,465.38	

Description of the basis for determining provision for bad debts on a collective basis:

Provision for bad debts is made based on the general expected credit loss (ECL) model:

□Applicable √N/A

(3) Provision for bad debts accrued, reversed or recovered

Changes in provision for bad debts are as follows:

Unit: RMB

Category	Opening balance	Amount of change in current period				Closing balance
		Accrual	Recovery or reversal	Write-off	Others	
Provision for bad debts of accounts receivable	20,660,856.60	2,138,788.01	1,997,004.23	2,175.00		20,800,465.38
Total	20,660,856.60	2,138,788.01	1,997,004.23	2,175.00		20,800,465.38

Significant recovery or reversal of provision for bad debts:

Unit: RMB

Unit name	Amount recovered or reversed	Reasons for reversal	Method of recovery	Basis and rationale for proportion of original provision for bad debts accrued

(4) Accounts receivable actually written off

Unit: RMB

Item	Amount written off
Accounts receivable actually written off	2,175.00

Significant write-off of accounts receivable:

Unit: RMB

Unit name	Nature of accounts	Amount written off	Reasons for write-off	Write-off procedures performed	Whether caused by related-party transactions

Notes on the write-off of accounts receivable:

(5) Top 5 accounts receivable and contract assets with closing balances by debtor

Unit: RMB

Unit name	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion of total closing balance of accounts receivable and contract assets	Closing balance of bad debt provision for accounts receivable and impairment provision for contract assets
First	82,139,750.84		82,139,750.84	16.20%	0.00
Second	33,985,015.00		33,985,015.00	6.70%	1,730,296.63
Third	28,638,676.47		28,638,676.47	5.65%	1,431,933.82
Fourth	13,414,461.31		13,414,461.31	2.65%	0.00
Fifth	13,015,937.40		13,015,937.40	2.57%	650,796.87
Total	171,193,841.02		171,193,841.02	33.76%	3,813,027.32

2. Other receivables

Unit: RMB

Item	Closing balance	Opening balance
Other receivables	253,419,300.66	250,844,030.72
Total	253,419,300.66	250,844,030.72

(1) Interest receivable

1) Classification of interest receivable

Unit: RMB

Item	Closing balance	Opening balance

2) Important overdue interest

Unit: RMB

Borrower	Closing balance	Overdue time	Overdue reason	Whether there is impairment and its judgment basis

Other description:

3) Disclosure by bad debt provision accrual method

☐Applicable √N/A

4) Provision for bad debts accrued, reversed or recovered

Unit: RMB

Category	Opening balance	Amount of change in current period				Closing balance
		Accrual	Recovery or reversal	Write-off	Other changes	

Significant recovery or reversal of provision for bad debts:

Unit: RMB

Unit name	Amount recovered or reversed	Reasons for reversal	Method of recovery	Basis and rationale for original bad debt provision ratio

Other description:

5) Interest receivable actually written off

Unit: RMB

Item	Amount written off

Significant write-off of interest receivable:

Unit: RMB

Unit name	Nature of other receivables	Amount written off	Reasons for write-off	Write-off procedures performed	Whether caused by related-party transactions

Notes on write-off interest receivable:

Other description:

(2) Dividends receivable

1) Classification of dividends receivable

Unit: RMB

Project (or invested unit)	Closing balance	Opening balance

2) Significant dividends receivable aged over 1 year

Unit: RMB

Project (or invested unit)	Closing balance	Aging	Reason for non-recovery	Whether there is impairment and its judgment basis

3) Disclosure by bad debt provision accrual method

☐Applicable √N/A

4) Provision for bad debts accrued, reversed or recovered

Unit: RMB

Category	Opening balance	Amount of change in current period				Closing balance
		Accrual	Recovery or reversal	Write-off	Other changes	

Significant recovery or reversal of provision for bad debts:

Unit: RMB

Unit name	Amount recovered or reversed	Reasons for reversal	Method of recovery	Basis and rationale for original bad debt provision ratio

Other description:

5) Dividends receivable actually written off

Unit: RMB

Item	Amount written off

Significant write-off of dividends receivable

Unit: RMB

Unit name	Nature of other receivables	Amount written off	Reasons for write-off	Write-off procedures performed	Whether caused by related-party transactions

Notes on write-off of dividends receivable:

Other description:

(3) Other receivables

1) Classification by nature

Unit: RMB

Nature of other receivables	Closing balance	Opening balance
Compensation for investment and construction project of Winner Medical (Heyuan)	215,155,320.00	215,155,320.00
Amounts due from/to related parties	119,706,478.53	122,793,979.20
Deposits and guarantee deposits	17,311,067.79	19,414,485.78
Employee pretty cash	578,756.95	207,660.62
Others	9,880,174.47	2,539,999.13
Total	362,631,797.74	360,111,444.73

2) Disclosure by aging

Unit: RMB

Aging	Closing balance	Opening balance
Within 1 year, inclusive	30,154,345.75	98,493,242.48
1 to 2 years	117,322,131.99	46,462,882.25
Over 3 years	215,155,320.00	215,155,320.00
Over 5 years	215,155,320.00	215,155,320.00
Total	362,631,797.74	360,111,444.73

3) Disclosure by bad debt provision accrual method

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Provision ratio (%)		Amount	Proportion (%)	Amount	Provision ratio (%)	
Provision for bad debts made on an individual basis	215,155,320.00	59.33%	107,577,660.00	50.00%	107,577,660.00	215,554,919.00	59.86%	107,977,259.00	50.09%	107,577,660.00
Including:										
Provision for bad debts made on a collective basis	147,476,477.74	40.67%	1,634,837.08	1.11%	145,841,640.66	144,556,525.73	40.14%	1,290,155.01	0.89%	143,266,370.72
Including:										
No credit risk group	115,695,494.40	31.90%		0.00%	115,695,494.40	118,782,995.07	32.99%	0.00	0.00%	118,782,995.07

Aging group	14,469,915.55	3.99%	769,283.69	5.32%	13,700,631.86	6,758,643.88	1.88%	339,410.67	5.02%	6,419,233.21
Deposits and guarantee deposits	17,311,067.79	4.77%	865,553.39	5.00%	16,445,514.40	19,014,886.78	5.28%	950,744.34	5.00%	18,064,142.44
Total	362,631,797.74	100.00%	109,212,497.08	30.12%	253,419,300.66	360,111,444.73	100.00%	109,267,414.01	30.34%	250,844,030.72

Provision for bad debts made on an individual basis:

Unit: RMB

Name	Opening balance		Closing balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
Zijin County People's Government	215,155,320.00	107,577,660.00	215,155,320.00	107,577,660.00	50.00%	Receivables from government aged over 5 years
T&L CO., LTD	399,599.00	399,599.00				
Total	215,554,919.00	107,977,259.00	215,155,320.00	107,577,660.00		

Provision for bad debts made on a collective basis:

Unit: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision ratio (%)
Within 1 year	13,554,157.36	677,707.87	5.00%
1 to 2 years	915,758.19	91,575.82	10.00%
Total	14,469,915.55	769,283.69	

Description of the basis for determining provision for bad debts on a collective basis:

Provision for bad debts is made based on the general expected credit loss (ECL) model:

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month ECLs	Lifetime ECLs (not yet credit-impaired)	Lifetime ECLs (credit-impaired)	
Balance on 1 January 2026	1,290,155.01	107,977,259.00		109,267,414.01
Opening balance				
Accrual	577,865.87			577,865.87
Recovery or reversal	233,183.80			233,183.80
Write-off	399,599.00			399,599.00
Balance on 30 June 2026	1,235,238.08	107,977,259.00	0.00	109,212,497.08

Criteria for stage classification and provision ratio for bad debts

Material changes in balance of provision for bad debts:

☐Applicable √N/A

4) Provision for bad debts accrued, reversed or recovered

Provision for bad debts:

Unit: RMB

Category	Opening balance	Amount of change in current period				Closing balance
		Accrual	Recovery or reversal	Write-off	Others	
Provision for bad debts	109,267,414.01	577,865.87	233,183.80	399,599.00		109,212,497.08
Total	109,267,414.01	577,865.87	233,183.80	399,599.00		109,212,497.08

Significant reversal of recovery of provision for bad debts:

Unit: RMB

Unit name	Amount recovered or reversed	Reasons for reversal	Method of recovery	Basis and rationale for original bad debt provision ratio

5) Other receivables actually written off

Unit: RMB

Item	Amount written off
Write-off of other receivables	399,599.00

Significant write-off of other receivables:

Unit: RMB

Unit name	Nature of other receivables	Amount written off	Reasons for write-off	Write-off procedures performed	Whether caused by related-party transactions

Description of write-off of other receivables:

6) Top 5 other receivables with closing balances by debtor

Unit: RMB

Unit name	Nature of other receivables	Closing balance	Aging	Proportion in total other closing balance receivable	Closing balance of bad debt provision
First	Receivables related to Heyuan project	215,155,320.00	Over 5 years	59.33%	107,577,660.00
Second	Related parties within the Group	115,695,494.40	1 to 2 years	31.90%	0.00
Third	Deposits and guarantee deposits	15,656,693.47	Within 1 year	4.32%	782,834.67
Fourth	Others	6,193,340.03	Within 1 year	1.71%	309,667.00
Fifth	Amounts due from related parties outside the scope of consolidation of the Group	4,010,984.13	Within 1 year	1.11%	200,549.21
Total		356,711,832.03		98.37%	108,870,710.88

7) Recorded under other receivables due to centralized fund management

Unit: RMB

Other description:

3. Long-Term Equity Investments

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Investment in subsidiaries	5,501,395,896.74	452,807,762.97	5,048,588,133.77	5,431,235,747.65	452,807,762.97	4,978,427,984.68
Investment in associates and joint ventures	20,630,264.65		20,630,264.65	20,987,023.45		20,987,023.45
Total	5,522,026,161.39	452,807,762.97	5,069,218,398.42	5,452,222,771.10	452,807,762.97	4,999,415,008.13

(1) Investment in subsidiaries

Unit: RMB

Invested unit	Beginning balance (carrying amount)	Opening balance of provision for impairment	Increase or decrease in current period				Closing balance (carrying amount)	Closing balance of impairment provision
			Further investment	Capital reduction	Provision for impairment	Others		
Winner Medical (Huanggang)	268,338,230.89			264,571.16			268,073,659.73	
Winner Medical (Jingmen)	27,704,544.82			144,311.53			27,560,233.29	
Shenzhen Purcotton	151,231,302.70			546,310.11			150,684,992.59	
Winner Medical (Chongyang)	34,303,240.34			210,454.32			34,092,786.02	
Winner Medical (Jiayu)	337,013,824.66			180,389.43			336,833,435.23	
Winner Medical (Tianmen)	40,389,951.53			216,467.33			40,173,484.20	
Winner Medical (Hong Kong)	1,456,720.00						1,456,720.00	
Winner Medical (Yichang)	18,749,825.23			48,103.83			18,701,721.40	
Winner Medical Malaysia		4,086,994.48						4,086,994.48
Winner Medical (Heyuan)	100,000,000.00						100,000,000.00	
Winner Medical (Wuhan)	800,461,783.48			144,311.53			800,317,471.95	
PureH2B		150,000,000.00						150,000,000.00
Zhejiang Longterm	727,540,000.00						727,540,000.00	
Guilin Latex	430,592,241.74	69,908,023.73		156,337.51			430,435,904.23	69,908,023.73
Winner Medical (Hunan)	523,374,280.75	228,812,744.76		135,891.14			523,238,389.61	228,812,744.76
Junjian Medical	192,076,963.91			24,051.93			192,052,911.98	
Shanghai Hongsong	39,329,721.41			36,077.89			39,293,643.52	

Pan-China (H.K.)	1,285,531,327.74		69,025,000.00		1,354,556,327.74	
GRI	334,025.48		242,426.80		576,452.28	
Jinliang Services			2,000,000.00		2,000,000.00	
Winner Digital			1,000,000.00		1,000,000.00	
Total	4,978,427,984.68	452,807,762.97	72,267,426.80	2,107,277.71	5,048,588,133.77	452,807,762.97

(2) Investment in associates and joint ventures

Unit: RMB

Invested entity	Beginning balance (carrying amount)	Opening balance of provision for impairment	Increase or decrease in current period								Closing balance (carrying amount)	Closing balance of impairment provision
			Further investment	Capital reduction	Investment gains and losses recognised by the equity method	Adjustment of other comprehensive income	Changes in other equity	Declared payment of cash dividends or profits	Provision for impairment	Others		
I. Joint ventures												
II. Associates												
Chengdu Winner Likang Medical Products Co., Ltd.	20,987,023.45				-356,758.80						20,630,264.65	
Subtotal	20,987,023.45				-356,758.80						20,630,264.65	
Total	20,987,023.45				-356,758.80						20,630,264.65	

The recoverable amount is determined according to the higher of the net amount of the assets fair value subtracted by the disposal costs

□Applicable √N/A

The recoverable amount is determined based on the present value of expected future cash flows

□Applicable √N/A

Reasons for the apparent inconsistency between the aforementioned information and the data used in impairment testing in prior years or external information

Reasons for the variance between the information utilised in the Company's impairment testing in prior years and the actual circumstances of the current year

(3) Other description

4. Revenue and Cost

Unit: RMB

Item	Amount incurred in current period		Amount incurred in previous period	
	Revenue	Cost	Revenue	Cost
Main business	1,325,307,692.12	925,554,388.04	1,321,615,084.12	924,739,742.32
Other businesses	92,632,691.16	4,428,634.31	85,665,531.38	5,809,198.94
Total	1,417,940,383.28	929,983,022.35	1,407,280,615.50	930,548,941.26

Breakdown of revenue and cost of sales:

Unit: RMB

Contract classification	Segment 1		Segment 2				Total	
	Revenue	Operating costs	Revenue	Operating costs	Revenue	Operating costs	Revenue	Operating costs
Business type								
Including:								
Classified by operating area								
Including:								
Type of markets or clients								
Including:								
Type of contracts								
Including:								
Classified by timing of transfer of goods								
Including:								
Classified by contract duration								
Including:								
Classified by sales channels								
Including:								
Total								

Information relating to performance obligations:

Item	Time to fulfill performance obligations	Important payment terms	The nature of the goods the Company promises to transfer	Is he the main responsible person?	Amounts borne by the Company that are expected to be refunded to customers	Types of quality assurance provided by the Company and related obligations

Other description

Information relating to the transaction price allocated to the remaining performance obligations:

The revenue amount corresponding to performance obligations under contracts signed but not yet fulfilled or not yet fully fulfilled as of the end of this Reporting Period is RMB0.00. Among them, RMB0.00 is expected to be recognised as revenue in the year, RMB0.00 is expected to be recognised as revenue in the year, and RMB0.00 is expected to be recognised as revenue in the year.

Significant contract changes or significant transaction price adjustments

Unit: RMB

Item	Accounting treatment methods	Amount of impact on revenue

Other description:

5. Investment Income

Unit: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Long-term equity investment income accounted for using the cost method		5,614,438.27
Long-term equity investment gains measured by employing the equity method	-356,758.80	213,714.71
Investment income from purchasing financial products	11,480,630.06	21,883,880.59
Total	11,123,871.26	27,712,033.57

6. Others

XX. Further Information

1. Items and Amounts of Non-recurring Gains and Losses

√Applicable ☐N/A

Unit: RMB

Item	Amount	Description
Profit or loss on disposal of non-current assets	-1,131,350.65	
Government grants recognised in the current period's profit or loss (excluding grants closely related to the Company's regular business operations, aligned with national policies, and meeting specific criteria with a continuous impact on the Company's profit or loss)	21,604,303.31	
Gains and losses from changes in the fair value of financial assets and liabilities held by non-financial corporations, and gains and losses from the disposal of financial assets and liabilities, excluding effective hedging operations related to the Company's regular business operations	48,085,316.51	
Income and expenditure other than those mentioned above	-1,997,579.37	
Less: Amount affected by income tax	11,880,929.13	
Amount of minority shareholders' equity affected (after tax)	3,507,067.47	
Total	51,172,693.20	--

Details of other items meeting the definition of non-recurring profit or loss:

☐Applicable √N/A

There were no other profit or loss items that met the definition of non-recurring profit or loss.

Explanation on defining the non-recurring profit or loss items enumerated in the Interpretative Announcement No. 1 on Information Disclosure of Public Securities Issuing Companies - Non-recurring Profits and Losses as recurring profit or loss items

√Applicable ☐N/A

Item	Amount involved (RMB)	Reason
Cotton transportation subsidies		Complies with national policy regulations, meets established standards, and has a continuing impact on profit or loss
Interest income from large-denomination certificates of deposit		The Company's routine cash management practices, with a continuing impact on profit or loss

2. Return on Equity (ROE) and Earnings Per Share (EPS)

Profit before tax	Weighted average return on equity	Earnings per share	
		Basic earnings per share (yuan/share)	Diluted earnings per share (yuan/share)
Net profit attributable to ordinary shareholders of the Company	4.36%	0.8821	0.8821
Net profit attributable to ordinary shareholders of the Company after deduction of non-recurring profits and losses	3.93%	0.7942	0.7942

3. Differences in Accounting Information Prepared under Domestic and Foreign Accounting Standards

(1) The difference between net profits and net assets in financial statements disclosed according to the International Accounting Standards (IAS) and Chinese Accounting Standards simultaneously

☐Applicable √N/A

(2) The difference between net profits and net assets in financial statements disclosed according to the Overseas Accounting Standards (IAS) and Chinese Accounting Standards simultaneously

☐Applicable √N/A

(3) Causes for differences in accounting data under domestic and foreign accounting standards. If the difference adjustment has been made to the data audited by the overseas audit institution, the name of the overseas audit institution shall be indicated

☐Applicable √N/A

4. Others

Appendix: Information on Medical Device Products

(I) Statistics on the Number of Registration Certificates for Medical Devices

Statistics on the number of domestic product registration certificates				
Registration Categories	Opening balance	Number of additions	Number of failures	Closing balance
Class I	158	5	1	162
Class II	183	5	2	186
Class III	27	5	0	32
Hong Kong, Macao, Taiwan	16	0	0	16
Total	384	15	3	396
Statistics on the number of foreign product registration certificate				
Registration Categories	Opening balance	Number of additions	Number of failures	Closing balance
Abroad	481	31	7	505

Note: The opening balances have been revised due to changes in the reporting basis and applicable rules.

(II) Newly Registered Medical Device Certificates in the First Half of 2026

1. Domestic

Serial number	Product	Registration categories	Certificate owner	Date of issuance
1.	Eye heat therapy patch	Category II	Winner Medical Co., Ltd.	21 January 2026
2.	Medical pad	Category II	Winner Medical (Chongyang) Co., Ltd.	28 May 2026
3.	Medical hydrogel dressing	Category II	Winner Medical (Jiayu) Co., Ltd.	10 April 2026
4.	Medical nursing pad	Category I	Winner Medical (Jiayu) Co., Ltd.	22 April 2026
5.	Disposable pressure extension tube	Category III	Winner Medical (Hunan) Co., Ltd.	13 February 2026
6.	Disposable light-resistant infusion set with needle	Category III	Winner Medical (Hunan) Co., Ltd.	11 March 2026
7.	Disposable light-resistant precision filter infusion set with needle	Category III	Winner Medical (Hunan) Co., Ltd.	11 March 2026
8.	Disposable precision filtered infusion set with needle	Category III	Winner Medical (Hunan) Co., Ltd.	24 March 2026
9.	Disposable precision filtered infusion set with needle	Category III	Winner Medical (Hunan) Co., Ltd.	24 March 2026
10.	Radiation protection collar	Category I	Winner Guilin Latex Co., Ltd.	06 January 2026

Serial number	Product	Registration categories	Certificate owner	Date of issuance
11.	Radiation protection cap	Category I	Winner Guilin Latex Co., Ltd.	06 January 2026
12.	Medical radiation protective square towel	Category I	Winner Guilin Latex Co., Ltd.	06 January 2026
13.	Medical radiation protective clothing	Category I	Winner Guilin Latex Co., Ltd.	20 January 2026
14.	Silicone gel umbilical sticker	Category II	Xi'an Longtemu Medical Technology Co., Ltd.	04 January 2026
15.	Disposable intestinal irrigation bag	Category II	GRI Medical & Electronics Technology Co., Ltd.	20 January 2026

2. Abroad

Serial number	Region	Certificate No.	Name of certificates	Registration categories	Certificate owner	Product	Date of issuance	Validity
1.	Malaysia	GC4475826-221708	MDA Certificate	Class C	Winner Medical Co., Ltd.	Activated carbon super absorbent pad (green)	08 January 2026	07 January 2031
2.	Malaysia	GA8409726-224357	MDA Certificate	Class A	Winner Medical Co., Ltd.	Skin protection film series	29 January 2026	29 January 2031
3.	Saudi Arabia	MDMA-2-2023-0343	MDMA Authorization Number	Class C	Winner Medical Co., Ltd.	Foam dressing	29 March 2026	08 March 2029
4.	Saudi Arabia	MDMA-2-2023-0343	MDMA Authorization Number	Class C	Winner Medical Co., Ltd.	Silicone foam dressing	29 March 2026	08 March 2029
5.	Saudi Arabia	MDMA-2-2023-0343	MDMA Authorization Number	Class C	Winner Medical Co., Ltd.	Super absorbent pad	29 March 2026	08 March 2029
6.	Saudi Arabia	MDMA-2-2023-0343	MDMA Authorization Number	Class C	Winner Medical Co., Ltd.	Silica gel super absorbent pad	29 March 2026	08 March 2029
7.	Saudi Arabia	MDMA-2-2026-1567	MDMA Authorization Number	Class B	Winner Medical Co., Ltd.	Gauze pads/sponges/balls/rolls	11 April 2026	26 May 2027
8.	Saudi Arabia	MDMA-2-2026-1621	MDMA Authorization Number	Class A	Winner Medical Co., Ltd.	Elastic bandage	15 April 2026	21 February 2029
9.	Saudi Arabia	MDMA-2-2026-1649	MDMA Authorization Number	Class A	Winner Medical Co., Ltd.	Transparent dressing	17 April 2026	17 April 2029
10.	Saudi Arabia	MDMA-2-2026-1649	MDMA Authorization Number	Class A	Winner Medical Co., Ltd.	Non-woven dressing	17 April 2026	17 April 2029
11.	Saudi Arabia	MDMA-2-2026-1650	MDMA Authorization Number	Class D	Winner Medical Co., Ltd.	Silver alginate dressing	17 April 2026	17 April 2029
12.	Saudi Arabia	MDMA-2-2023-0626	MDMA Authorization Number	Class C	Winner Medical Co., Ltd.	Activated carbon super absorbent pad	17 May 2026	01 May 2029
13.	Saudi Arabia	MDMA-2-2026-2397	MDMA Authorization Number	Class D	Winner Medical Co., Ltd.	Collagen dressing	02 June 2026	02 June 2029
14.	The United Kingdom	UKCA CERTIFICATE	UKCA 752977	FFP2 NR Un-valved	Winner Medical Co., Ltd.	PPE protective masks	26 March 2026	03 March 2027

Serial number	Region	Certificate No.	Name of certificates	Registration categories	Certificate owner	Product	Date of issuance	Validity
15.	The United Kingdom	MHRA Registration Confirmation Letter	2026050201489448	Class Ins	Winner Medical Co., Ltd.	Silicon scar treatment strips	02 May 2026	09 July 2028
16.	The United Kingdom	MHRA Registration Confirmation Letter	2026062501505248	Class Ins	Winner Medical Co., Ltd.	Hydrocolloid roll	26 June 2026	09 July 2028
17.	EU	CE Certificate	CE 735016	FFP2 NR Un-valved	Winner Medical Co., Ltd.	PPE protective masks	25 March 2026	01 April 2031
18.	EU	G26 067110 0017 Rev.00	EU Production Quality Assurance Certificate	Class IIa	Winner Medical (Hunan) Co., Ltd.	Disposable sterile hypodermic syringe	27 May 2026	05 May 2031
19.	EU	G26 067110 0017 Rev.00	EU Production Quality Assurance Certificate	Class IIa	Winner Medical (Hunan) Co., Ltd.	Disposable sterile-care insulin syringe	27 May 2026	05 May 2031
20.	EU	G26 067110 0017 Rev.00	EU Production Quality Assurance Certificate	Class IIa	Winner Medical (Hunan) Co., Ltd.	Disposable self-destructing syringe	27 May 2026	05 May 2031
21.	US	/	/	N/A	Winner Medical (Hunan) Co., Ltd.	SOL-M products for export to the united states	24 June 2026	31 December 2026
22.	Brazil	80686369142	ANVISA registration	Class II	Winner Guilin Latex Co., Ltd.	GOBON Sterile Surgical Gloves Prepowdered	02 March 2026	N/A
23.	Brazil	80686369143	ANVISA registration	Class II	Winner Guilin Latex Co., Ltd.	GOBON Sterile Surgical Gloves Powder free	02 March 2026	N/A
24.	European Union region	HZ 2095853-1	EU Certificate (MDR) Quality Management System Regulation (EU) 2017/745 ON Medical Devices	ClassIs, ClassIIa, Class IIb	Winner Guilin Latex Co., Ltd.	Products of class I, STERILE: T010201 – LATEX EXAMINATION / TREATMENT GLOVES -Latex Examination Gloves T010202 – SYNTHETIC EXAMINATION / TREATMENT GLOVES -Nitrile Examination Gloves Products of class IIa: T010101 - LATEX SURGICALGLOVES -LATEX SURGICAL GLOVES T010102 – SYNTHETIC SURGICAL GLOVES -Polyisoprene Surgical Gloves Products of class IIb: U110101 – MALE CONTRACEPTIVE DEVICES CONDOMS -Latex Male Condoms	01 June 2026	30 May 2031
25.	Canada	115372	HYDROCOLLOIDDRESSINGS	Class II	Zhejiang Longterm Medical Technology Co., Ltd.	HYDROCOLLOID DRESSINGS	08 May 2026	N/A

Serial number	Region	Certificate No.	Name of certificates	Registration categories	Certificate owner	Product	Date of issuance	Validity
26.	Thailand	69-2-3-2-0002536	Certificate of Registration of Import	Class I	Molnlycke	Basins	16 March 2026	15 March 2031
27.	Thailand	69-2-3-2-0002003	Certificate of Registration of Import	Class I	Molnlycke	Trays	24 February 2026	23 February 2031
28.	Thailand	69-2-3-2-0002499	Certificate of Registration of Import	Class I	Molnlycke	Medical Forceps and Clamps	13 March 2026	12 March 2031
29.	Thailand	69-2-3-2-0001844	Certificate of Registration of Import	Class I	Molnlycke	Sponge Stick	19 February 2026	18 February 2031
30.	Canada	115082	Medical Device Licence	Class II	GRI MEDICAL & ELECTRONIC TECHNOLOGY CO., LTD	INTRAVITREAL INJECTION KIT	19 March 2026	19 March 2027
31.	Canada	115131	Medical Device Licence	Class II	GRI MEDICAL & ELECTRONIC TECHNOLOGY CO., LTD	Foley insertion tray	30 March 2026	30 March 2027