高視 GAUSH

Gaush Meditech Ltd

高视医疗科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2407)

PROFIT UPDATE IN RESPECT OF THE FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2024

This announcement is made by Gaush Meditech Ltd (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

The board (the "**Board**") of directors (the "**Director(s)**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that based on the information currently available and a preliminary review of the unaudited consolidated management accounts of the Group for the financial year ended December 31, 2024 ("**FY2024**"), it is expected that the Group will record a net profit of approximately RMB80.2 million to RMB88.6 million for FY2024, as compared to a net profit of approximately RMB172.9 million for the financial year ended December 31, 2023 ("**FY2023**"), representing a decrease by approximately 48.8% to 53.6%.

Based on the information currently available to the Board, the main factors impacting net profit are as follows:

1. Despite the impact of economic environment and competing pressure, the Group still positively expanded its sales territory and the revenue achieved a notable increase in the second half of 2024 compared to the first half of 2024 by leveraging its well-established sales channel, better pre-sales support and after-sales services, excellent market promotion and product portfolio strategy, leading to revenue remaining stable for FY2024 compared to FY2023. However, the Group's overall gross profit margin decreased due to exchange rate fluctuations, the implementation of the policy for centralized procurement of intraocular lens and other factors, resulting in a reduction in gross profit.

2. In response to changes in market demand and competitive pressures, the Group plans to adjust its strategic direction for electrophysiological products and optometric products. As part of this adjustment, and following prudent consideration of the recent operational performance of the Company's subsidiaries such as Roland Consult Stasche & Finger GmbH and Gaush Medica Ltd.* (寧波高斯醫療科技有限公司), as well as management's expectations for the future market, the Group anticipates to provide an impairment provision for goodwill recorded in the relevant cash-generating units in FY2024, which is estimated at approximately RMB22.1 million to RMB24.5 million. The aforesaid short-term impact of impairment provision for goodwill will not have any material adverse impact on the Group's future operation and cash flow.

3. The Group's research and development ("**R&D**") expenses for FY2024 significantly increased by approximately RMB21.6 million to RMB29.4 million as compared to FY2023 due to the fact that the Group closely followed the national strategic deployment, continuously increased investment in R&D projects, strengthened independent innovation capabilities to ensure mid-to-long-term competitiveness, and the percentage of R&D expenses to the revenue from proprietary products continued to rise.

4. The Euro remained at a high level during FY2024, while the United States dollars strengthened. The fluctuations in the exchange rate of Renminbi against foreign currencies during FY2024 resulted in a foreign exchange loss of approximately RMB5.4 million to RMB6.0 million, compared to foreign exchange gains of approximately RMB15.6 million in FY2023.

Looking forward, the Company still maintains a high level of confidence in the industrial prospect, and it will continue to optimise product structure, accelerate the development of research, deepen sales channel expansion and continuously improve operation efficiency, to strive to the stable enhancement of results and improvement of profitability.

As of the date of this announcement, the Company is still in the process of finalizing the consolidated annual results of the Group for FY2024. The information contained in this announcement is based on a preliminary review of the unaudited consolidated management accounts of the Group and information currently available to the Board for FY2024, which has not been reviewed or audited by the auditors of the Company or reviewed by the audit committee of the Board. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for FY2024, which is expected to be published by the end of March 2025.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Gaush Meditech Ltd
Mr. Gao Tieta
Chairman and Executive Director

Hong Kong, March 7, 2025

As of the date of this announcement, the Board comprises Mr. Gao Tieta as Chairman and executive Director, Mr. Liu Xinwei, Mr. Zhao Xinli, Mr. Zhang Jianjun and Ms. Li Wenqi as executive Directors, Dr. David Guowei Wang as non-executive Director, and Mr. Feng Xin, Mr. Wang Li-Shin and Mr. Chan Fan Shing as independent non-executive Directors.

* *For identification purpose only*