AMCO
United Holding Limited
雋泰控股有限公司*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code : 630)**

# SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE 2024 ANNUAL REPORT

Reference is made to the annual report for the year ended 31 December 2024 (the "**2024 Annual Report**") of AMCO United Holding Limited (the "**Company**"). Unless the context otherwise requires, capitalised terms in this announcement shall have the same meanings as defined in the 2024 Annual Report.

In addition to the disclosures under the section headed "Medical Products" in the "Business Review" under the Management Discussion and Analysis as set out in the 2024 Annual Report, the Company would like to provide the following additional information in relation to the Medical Products Business.

## Medical Products Business

### *Reasons for the change in revenue*

The table below sets forth the breakdown of the revenue by product category during the years ended 31 December 2022, 2023 and 2024:

| | **FY2024** *HK$'000* | **FY2023** *HK$'000* | **FY2022** *HK$'000* |
|---|---|---|---|
| Lancet piping parts and devices | 11,024 | 14,133 | 30,430 |
| Customized parts used in medical devices | 14,542 | 7,805 | 7,648 |
| Epidemic prevention related products and solutions | – | – | 16,344 |
| Total | 25,566 | 21,938 | 54,422 |

* *For identification purposes only*

The significant decline in revenue for the epidemic prevention related products and solutions in 2023, down 100% to HK$ Nil million from HK$16.3 million the previous year, was primarily driven by the post-pandemic normalization of demand for COVID-19-related products. During the pandemic, these products saw explosive demand due to urgent procurement by governments and healthcare providers, particularly in Hong Kong and mainland China, where strict Zero-COVID policies were in place. However, as restrictions eased in late 2022, demand plummeted due to reduced public health emergencies and excess inventory in the market.

The significant decline in sales of lancet piping parts and devices from HK$30.4 million in FY2022 to HK$14.1 million in FY2023 (a 53.6% drop) can be attributed to several key factors. First, the post-pandemic market normalization led to reduced demand after years of inflated sales during COVID-19, when stockpiling and increased home testing drove temporary spikes in orders. Second, intense price competition from low-cost Chinese manufacturers eroded market share. Third, the global shift toward continuous glucose monitoring (CGM) systems has reduced reliance on traditional lancets, shrinking the overall market. Additionally, potential supply chain disruptions, rising material costs, and inventory adjustments after pandemic-era overstocking also further impacted sales. To recover, the company may need to innovate its lancet offerings, explore new markets, or diversify into complementary diabetes care products to adapt to changing industry trends.

The Group's revenue for Medical Products Business in FY2024 increased 16.5% despite the business plans proposed in 2023 primarily due to the inherent time lag between strategy implementation and tangible financial results. While the Group correctly identified the need to shift focus from existing products to quality-driven medical device development and portfolio expansion, these initiatives require substantial lead time. Developing new medical products prototypes involves prolonged development cycles, stringent quality certifications, and production setup before commercialization can begin. Similarly, in order to provide better quality, building a stronger service team and reaching subcontractor with better manufacturing capacity, though necessary for long-term competitiveness, represent upfront actions that do not immediately translate into revenue growth. Market penetration for new products is also gradual, as healthcare providers and distributors typically conduct lengthy evaluations before adopting new products and suppliers.

The 86% increase in sales of customised parts in FY2024 is attributed to our new strategic direction. This growth is a direct result of the market shift we previously identified: as customers move towards more integrated systems like CGM, they require new, customised components and housings specific to these next-generation devices. Our ability to provide these tailored solutions positioned us to capture this new demand, offsetting the decline in the legacy lancet business. This surge demonstrates strong market acceptance of our engineering capabilities and proves the commercial viability of our business model.

The customised parts referenced, which saw significant growth in FY2024, are primarily high-precision, non-invasive components and sub-assemblies. These include custom-moulded polymer housings for diagnostic devices, precision-machined metal parts for surgical hand tools, and specialised brackets and mounts for imaging and patient monitoring equipment. Building on this successful niche, the Company intends to strategically expand its portfolio into the final assembly of more complex devices within these same categories, specifically targeting low-to-mid complexity surgical instruments, orthopaedic supports and braces, and mobile imaging accessories.

**Business Objective and Strategy**

Our primary goal is to become a leading manufacturer and supplier of high-precision medical device components, and customized solutions for the healthcare industry. In addition to lancet piping parts, we aim to expand our product portfolio to include a wider range of medical devices, such as surgical instruments (both active and passive), orthopedic tools, imaging equipment, diagnostic devices, and sterilization products. By ensuring superior quality, regulatory compliance (e.g., CE, FDA), and cost-effectiveness, we will cater to OEMs, medical device companies, and healthcare providers.

To achieve this, we will focus on: (i) Product Diversification – Gradually introduce new product lines (e.g., surgical, orthopedic, and imaging equipment) while strengthening our expertise in lancet and custom medical components; (ii) Technology & Precision – Invest in advanced manufacturing (3D printing) and stringent quality control to meet medical-grade standards; (iii) Regulatory Compliance – Cooperate with certain manufacturers which have necessary certifications (CE, FDA) for new product categories to ensure market accessibility; and (iv) Strategic Partnerships – Collaborate with medical device firms, distributors, and hospitals to co-develop and supply tailored solutions.

Building upon the established plan and recent strategic developments, we have initiated a targeted action plan to accelerate revenue growth. The core of our strategy and a significant milestone was achieved in August 2025 with the obtaining of the 山東醫療器械註冊証 and distribution filing (the "**Manufacturing Permit**") for our product, providing immediate market access in a key province.

Our timeline is as follows:

***Q3-Q4 2025***

Immediately leverage the Manufacturing Permit to commence sales and distribution of the registered product. We are actively finalizing agreements with subcontractors possessing existing ISO, CE Marking, and FDA certifications to outsource manufacturing. This strategy avoids the capital expenditure and lead time required for building our own lines, allowing for rapid market entry.

***Q1-Q2 2026***

Depending on market conditions and our ongoing research, we will consider filing for additional provincial registrations based on the Manufacturing Permit to expand our geographic reach within China. We are targeting certification for these new regions by Q4 2026.

***2026 Onwards***

We plan to launch 2-3 new co-developed products, such as surgical instrument sets and imaging equipment accessories, through our subcontracting partnerships. The full-year 2026 target is to have a portfolio of 5-8 certified products, manufactured by qualified partners, ensuring a continuous pipeline for commercialization.

**Manufacturing Permit**

The newly awarded manufacturing permit is a strategic expansion of our existing Medical Business Segment, not an entry into a new line of business. This initiative is a horizontal extension of our current capabilities, designed to significantly broaden our product portfolio. While we have existing manufacturing operations and have utilized subcontracting models, this permit officially authorizes us to produce and bring to market a new range of devices and component parts including (i) infusion and transfusion devices, including but not limited to disposable sterile syringes (with or without needles), disposable infusion sets, infusion pumps; (ii) nursing and care devices, including but not limited to drainage bags and bottles, enema devices, oxygen nasal cannulas and oxygen masks (non-invasive); and (iii) protective equipment, including but not limited to medical examination gloves, medical protective apparel, patient restraint devices. This directly enhances our core business by allowing us to offer a more comprehensive suite of products, cater to a wider range of customer needs, and capture additional revenue streams. Ultimately, it strengthens our established medical segment by leveraging our deep industry knowledge and existing commercial channels to sell a greater variety of approved products.

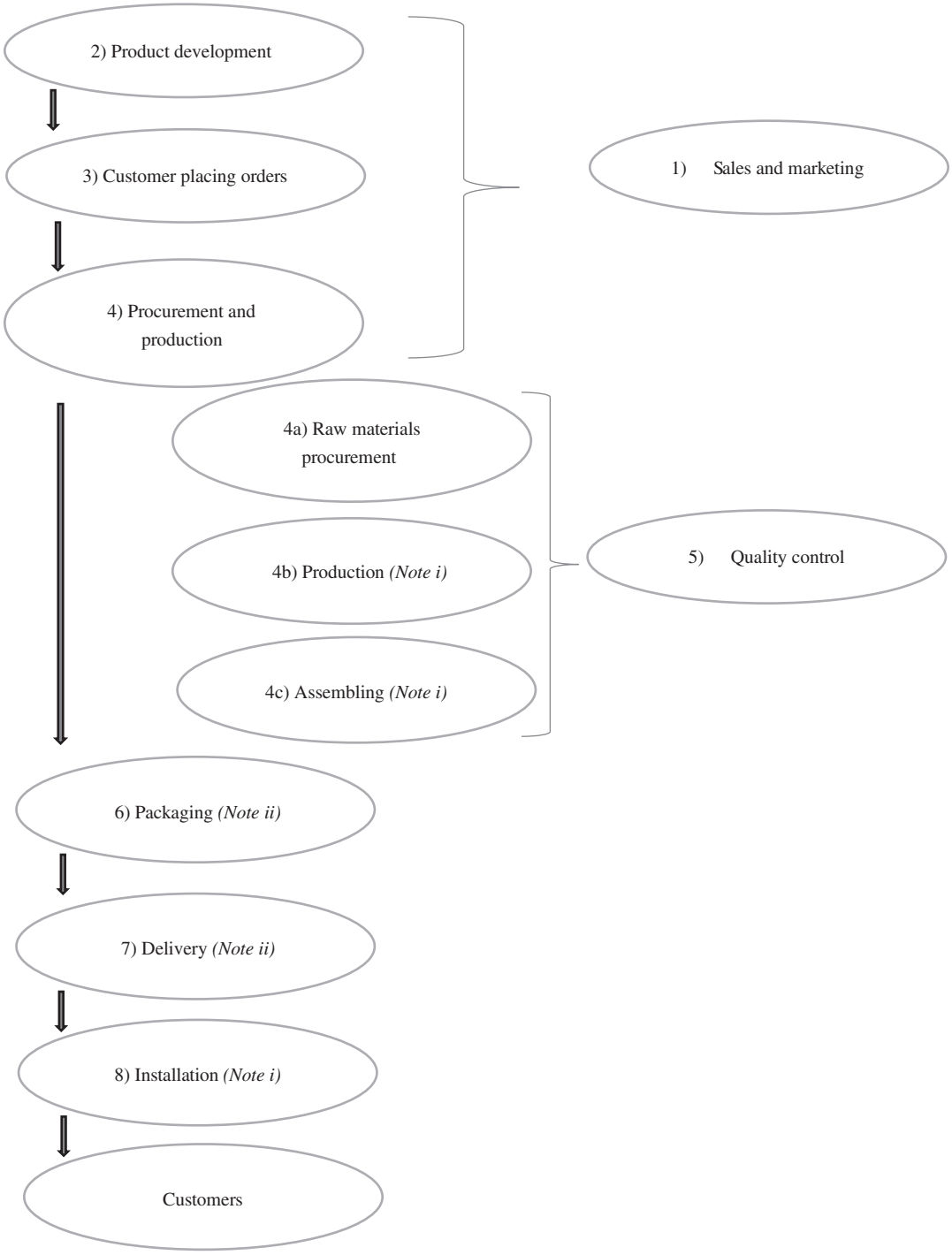
The Manufacturing Permit allow our Company to market and sell a diverse range of medical devices within the People's Republic of China, spanning multiple critical categories. The Manufacturing Permit significantly expands our commercial portfolio under the existing Medical Products Business segment to include registered products across classifications such as active and passive surgical instruments, orthopedic surgery instruments, medical imaging equipment, medical examination and monitoring devices, physical therapy systems, infusion and nursing care apparatus, as well as ophthalmological and dental instruments. The Manufacturing Permit not only authorizes the sale of the final registered medical devices but also encompasses the authorization to manufacture and supply the critical customized components and precision parts that are integral to these products.

This new registered product falls squarely within our established Medical Products Business segment, operating under the same core framework used for our legacy lancet products and customized precision components. This approach ensures we can rapidly scale our portfolio, enhance our product offerings, and drive growth without deviating from the capital-light, agile operational strategy that has already proven successful for our existing medical business.

**Business model in relation to the Manufacturing Permit**

As mentioned, after obtaining the Manufacturing Permit, the Group can manufacture and sales of registered products and the critical customized components and precision parts across classifications such as active and passive surgical instruments, orthopedic surgery instruments, medical imaging equipment, medical examination and monitoring devices, physical therapy systems, infusion and nursing care apparatus, as well as ophthalmological and dental instruments, in the PRC.

Under the Manufacturing Permit, the business model remains unchanged. The following diagram shows the major stages and processes of the business under the Manufacturing Permit:




*Notes:*

(i) Certain processes and functions may outsource to third party depends on the utilisation of resources of the Group.

(ii) The processes and functions conducted by third parties.

### *1. Sales and Marketing*

The sales and marketing department is responsible for liaising with and handling enquiries from the customers in relation to the registered products and components under the Manufacturing Permit, following up sales orders, arranging for delivery and exploring potential customers. Sales staff works closely with the product development department to enable the team to gain a full understanding of the requirements of the customers and to effectively cater the customer's specifications of the manufacturing of the products. As soon as sales orders are secured from the customers, the responsible sales staff will take steps to ensure that the sales orders are timely handled. They closely liaises with the product design, production and quality control personnel to ensure that the finished products will be ready for delivery as planned.

### *2. Product Development*

Under the Manufacturing Permit, the product development department is responsible for developing new designs for components adhering to customers' specification as well as to improve the production efficiency and quality of the existing products. Generally, product variations are initiated by the customers. Sales team approaches and communicates with the customers of their requirement, including the product dimensions, shapes, lengths, colours, the use of raw materials, safety requirements and production budget on the products. Upon the prototyping/sampling request, the product development team would put forward the suggestions on the modification of product specifications according to the practicality of the production of the tooling and products.

During the product development stage, different departments will work together and work out an estimated production costs if such product is to be launched and ensure that the product samples adhere to the customers' requirement, satisfy the required safety standards and quality controls. After producing the product prototypes for the customers, sales team will then collect feedbacks from the customers as well as the suggestions from the production department on different aspects such as production difficulties and cost estimations. Depends on the estimated cost of production, certain parts may outsource to other manufacturers.

### *3. Customers Placing Order*

Once the customers are satisfied with the samples produced, the Group will provide quotations to the customers. The customers will either agree on the price we quoted or request us to provide a revised quotation. When both customers and the Group have agreed on the quotations, the customers will normally proceed to place orders with the Group by issuing a purchase order.

### *4. Procurement and Production Procurement*

The procurement department are responsible to monitor the raw materials consumption and procurement taking into account factors such as inventory on hand, sales orders received and sales forecasts on a regular basis. After the plans are reviewed and approved by the management, such plans would be implemented by the procurement personnel.

**Management expertise**

The Group's Medical Products Business is directed by an experienced team of Executive Directors, Mr. Zhang Hengxin and Mr. Jia Minghui, and senior management, whose deep industry knowledge and execution capabilities are key drivers of our success. Some members of the senior management have more than 10 years of experience in the manufacturing industry and medical product industry. The Group believe that the executive Directors and senior management are important to the Group's success. The in-depth industry, financial and commercial knowledge which the executive Directors and senior management possess as well as their business networks have ensured the Group to sustain business growth by increasing the market share in future.

In relation to the Manufacturing Permit, a dedicated operational team of 8 members is established under the leadership of Mr. Dai Zhongliang ("Mr. Dai"). Mr. Dai have more than 10 years of experience in the medical product industry and other members have more than 5 years experience in the medical product industry. This new team work in close collaboration with the existing team to meticulously manage and monitor all manufacturing processes. While our long-term strategy prioritizes in-house production for quality control, we will initially leverage certified subcontractors to facilitate rapid market entry and scalability, especially for newly registered products under the Manufacturing Permit.

**Related standards or requirement**

Our Medical Products Business operates under stringent quality and regulatory standards to ensure the highest levels of safety and efficacy. Our products are designed to meet certain requirements, such as ISO 15197 and 魯械註准20252140016, depending on their classification and intended use, and must comply with legally mandatory registration for medical devices sold in China and international certifications such as CE marking and FDA standards. Our manufacturing facility is FDA-certified, reflecting our commitment to adhering to rigorous regulatory frameworks set by the Food and Drug Administration of the United States.

As a primarily OEM (Original Equipment Manufacturer)-focused business, we produce medical products on behalf of our clients, who hold their own brands and intellectual property. Consequently, we do not own patents or trademarks related to these products, as the proprietary rights, including branding and technological innovations, reside with our partners. Our role is to ensure that the products we manufacture meet the exact specifications, regulatory approvals, and quality benchmarks required by our clients and the markets they serve. This includes compliance with applicable ISO standards, FDA regulations, and other regional certifications to guarantee product reliability and performance.

**Suppliers**

Our supply chain primarily consists of five key suppliers based in China, specializing in lancet components and related products. Due to the niche nature of the industry, supplier options are limited, and larger-scale manufacturers often do not accommodate small orders. As a result, we work with mid-sized suppliers that offer flexibility for lower-volume purchases while maintaining quality standards. Sourcing from China allows us to balance cost efficiency and reliable production capacity. We continuously monitor supplier performance and explore opportunities to diversify our supply base if needed to mitigate risks.

**Infrastructure**

The Company's operational infrastructure is comparable to that of other medical product manufacturers in the industry. While we maintain an operational factory, we also leverage outsourced production partners to supplement capacity and enhance flexibility. This hybrid model, combining in-house capabilities with strategic outsourcing, is consistent with industry norms and standards. Our core strategy is to manufacture critical components internally. We will only consider subcontracting non-essential elements after our own production capacity has been fully optimized. We will only outsource manufacturing to pre-qualified suppliers. Furthermore, as we maintain principal responsibility for the product, including inventory risk and customer relationship management, we will recognize the full transaction revenue and record supplier payments as subcontracting costs. Many medical manufacturers adopt a similar approach to optimize efficiency, manage costs, and scale production as needed. The Company ensures all operations, whether in-house or outsourced, adhere to stringent quality controls and regulatory requirements. This approach aligns with modern industry norms and standards, where many companies focus on product development, quality control and distribution while outsourcing manufacturing to specialized partners. The asset-light model allows for greater flexibility and cost efficiency while maintaining compliance with all relevant regulatory requirements.

Given the recent award of the Manufacturing Permit, to accelerate the sales and manufacturing of the registered products, the Group will initially rely on its existing production facilities at the Ailingkan Village, Dalingshan Town, Dongguan, Guangdong Province, the PRC. This facility, maintained by 15 full-time employees and supported by part-time staff as needed, has a maximum annual capacity of approximately 5 million units. However, according to the accounting policy adopted by the Group, the plant and machinery are depreciated to write off their cost over their estimated useful lives, i.e., 5-10 years, on a straight-line basis. As the Group commence the operation since 2011, most of the plant and machinery is fully depreciated as they have been used for longer than their estimated useful lives according to the accounting policy. The Group will strategically subcontract a portion of the manufacturing to ensure timely order fulfillment. Concurrently, the Group will actively monitor production demands and will consider the acquisition of new machinery if necessary to enhance capacity and efficiency for the newly permitted products, ensuring the continued pivotal role of its production capabilities.

**Recent business update and prospect**

The Board of Directors is highly optimistic about its business prospects, given the strong market demand and strategic initiatives in place in which (i) the PRC healthcare sector continues to expand, with increasing government investment in medical infrastructure, according to China National Health Commission, China plans to add 5,000+ new tertiary hospitals by 2025, increasing demand for disposable medical supplies and rising demand for essential medical devices, including lancets and related products; and (ii) according to the research by McKinsey & Co. and Frost & Sullivan, the China medical device market size was valued at USD 115 billion in 2023 and is projected to grow at a CAGR of ~12-14% (2024–2030), reaching USD 250+ billion by 2030.

In July 2025, the Group established a new operating subsidiary, 濟南珈友和醫療科技有限公司 (Jinan Jiayouhe Medical Technology Co., Ltd.), in Jinan City, Shandong Province, to strengthen our presence in the PRC market. We are pleased to welcome Mr. Dai Zhongliang to our management team as the legal representative of this entity. With over 10 years of sales and management experience in China, Mr. Dai previously served as Sales Director at a sizable PRC medical products company, where he was responsible for dental consumables sales in North China's Tier-3 hospitals, covering 20+ target hospitals and private dental clinics. The Group is confident that Mr. Dai's expertise and industry connections will contribute significantly to our revenue growth and market expansion.

To secure long-term supply stability and foster strategic partnerships, the Group will execute a series of sales and purchase agreements with customers introduced by Mr. Dai, targeting an estimated sales volume of RMB20 million by December 2025.

Looking ahead to 2026, the Group plans to expand its customer base by targeting hospital clients, following Mr. Dai's recommendations. Given the essential nature of our medical product portfolio for clinical operations, hospitals represent a stable and high-potential segment, further diversifying our revenue streams and reinforcing our market position.

To optimize service delivery and strengthen our commitment to hospital clients, the Group will adopt a data-driven regional expansion strategy. Based on the concentration and demand of hospital clients, we will strategically establish regional offices and warehouses in key locations across the PRC. Further investments in regional infrastructure will be prioritized based on hospital client density, order volume, and growth potential, ensuring scalable and cost-effective expansion.

The above supplemental information does not affect other information contained in the 2024 Annual Report. Save as disclosed above, all other information in the 2024 Annual Report remains unchanged.

By order of the Board
**AMCO United Holding Limited**
**JIA Minghui**
*Chairman*

Hong Kong, 4 December 2025

*As at the date of this announcement, Mr. Zhang Hengxin and Mr. Jia Minghui are the Executive Directors; and Mr. Au Yeung Ming Yin Gordon, Ms. Li Sisi and Mr. Guo Zhenhui are the Independent Non-executive Directors.*