

Peijia Medical 2023 Annual Results

June 17, 2024



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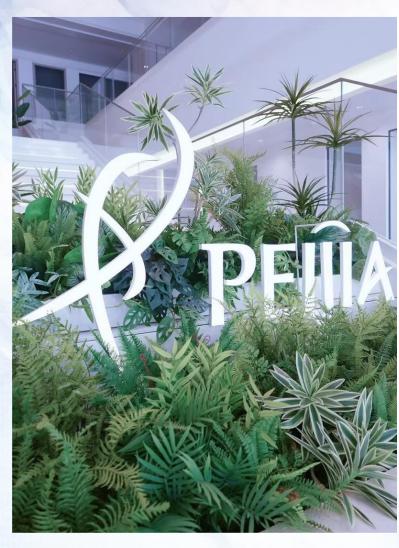
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2023 Annual Business Highlights





1/

Revenue scaled up rapidly with impressive growth rate

- 2,484 TAVR products were implanted in 2023, which is more than double the implantation volume in 2022, driving more than 20% Chinese transfemoral TAVR market share⁽¹⁾:
- Better-than-expected revenue growth of nearly 80% was seen in NI Business driven by domestic replacement and new products/techniques.

02/

Gross margin steadily improved, building foundation for long-term competition

- Gross margin of TVT Business increased 6.0% YoY to 85.7% driven by supply chain optimization and yield rate improvement;
- Gross margin of NI Business maintained stable around 70% as a result of effective cost control
 measures.

03/

Operational efficiency improved and NI segment loss narrowed to RMB744k

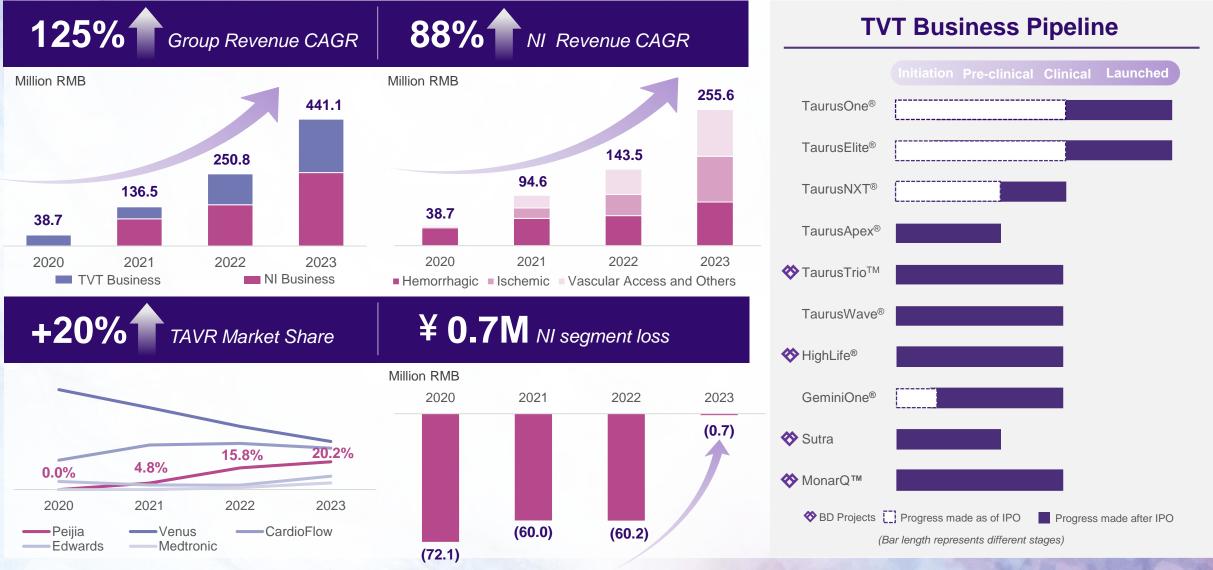
- TVT Business S&D, Administrative and R&D expense ratios dropped 32.5%, 25.9% and 169.5% YoY, respectively, as the emergence of economic scales;
- NI Business S&D, Administrative and R&D expense ratios further went down by 14.2%, 9.9% and 15.7% YoY, respectively, driving segment losses to only RMB744K.

04/

Registration clinical trials were accelerated

- We expedited the registration clinical trials during the year and have completed the patient enrollment of the registration clinical trial for TaurusNXT® and TaurusTrio[™] and GeminiOne®.
- Specially, we enrolled a total of 116 AR patients within 6 months in TaurusTrio[™] trial ahead of schedule, breaking our clinical record.

An Excellent 4 Years of Development



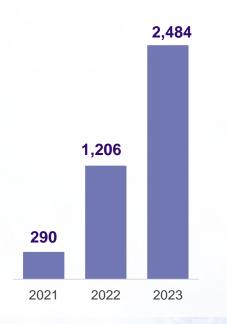
Three Years into TAVR Commercialization

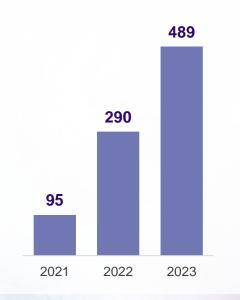
¥ 185.6M
2023 Revenue
CAGR 110.5%
(2021 – 2023)

Implantation Volume		Hospital Coverage		Sales and Marketing Team		Distribution Network	
2023	2,484	As of 2023	489	As of 2023	200	As of 2023	260
YoY Growth	106%	2023 New	+199	2023 New	+15	2023 New	+82







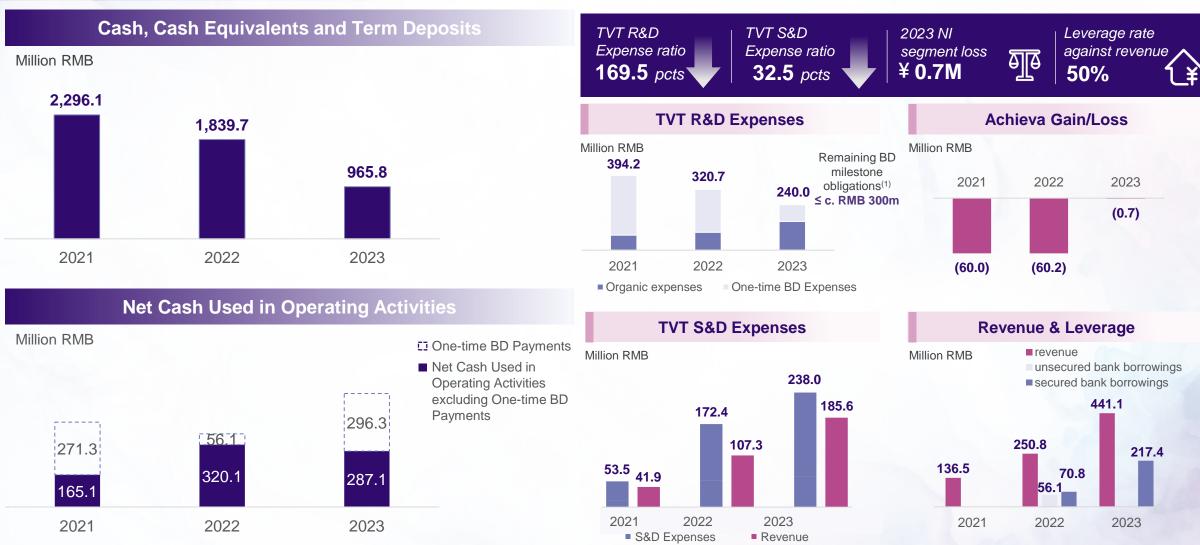






Controlled Rate of Cash Consumption and Positive Cash Flow Trends





2024 Business Updates

Business

Updates



Volume of the Company's TAVR products is increasing.

- Average implantation volume 300+ per month
- Over 550 hospitals

Iterations are coming out.

- Gradual commercialization of smaller sized flaps, 1.5 generation and 2.5 generation
- Improve product performance and establish a product price ladder

Enrollment in clinical trials is accelerating.

Patient enrollment of registration clinical trials for TaurusTrioTM, TaurusNXT® and GeminiOne® has completed, leading

NI Business is growing.

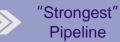
- Revenue is still growing at a high rate even after the implementation of VBPs.
- Firming the segment's goal of achieving profitability.

The market is split into three, and the momentum of the company is very strong.

- TAVR market share is steadily increasing.
- Hospital coverage is on par with peers.

Pipelines are abundant.

- Iteration
- A whole new field



Contributions of NI **business**

- Cash Flow
- Top companies benefit from VBPs
- Advantages of Platform-based **Enterprises Emerge**



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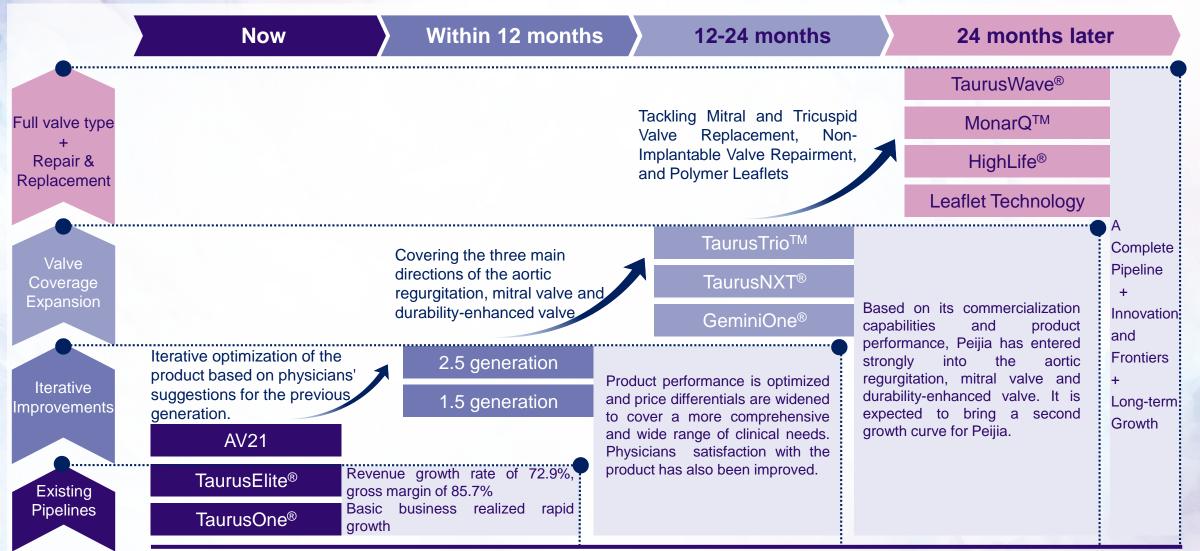
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Growth Curve of TVT Business



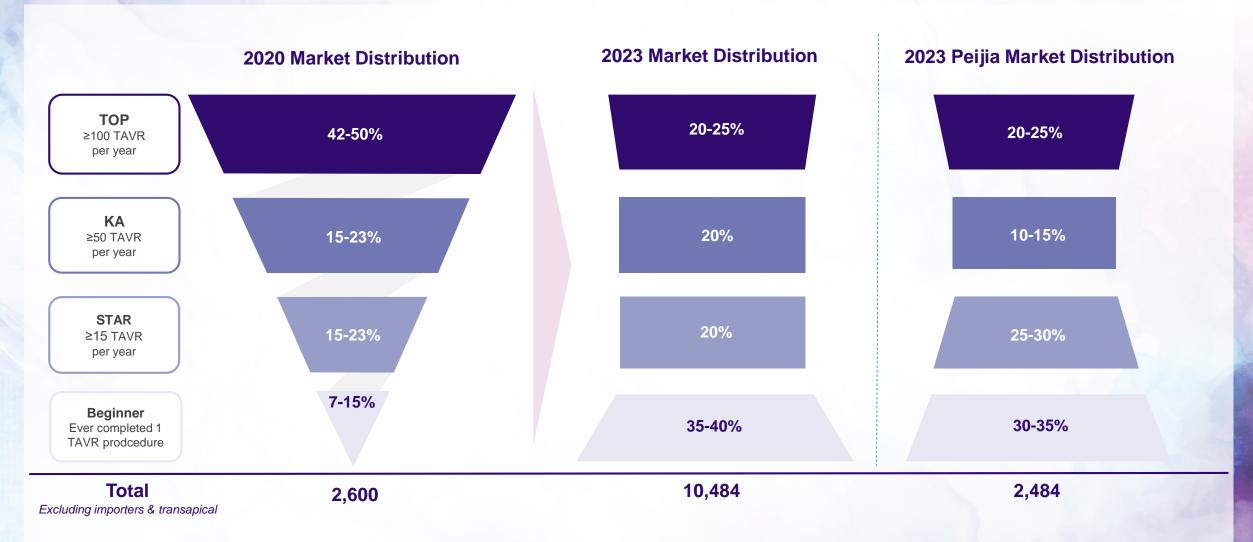


Implantation Volume and Market Share



Implantation Volume Distribution

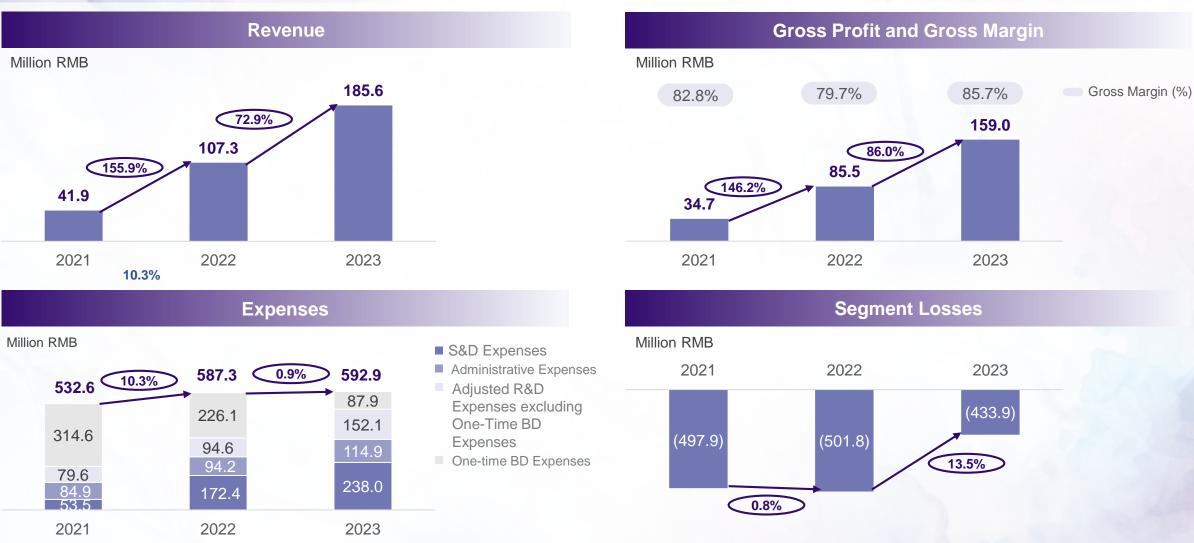
Peijia implantation distribution across all hospital tiers has converged on market distribution.



Financial Overview | TVT Business

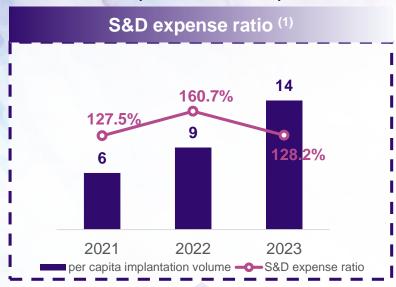


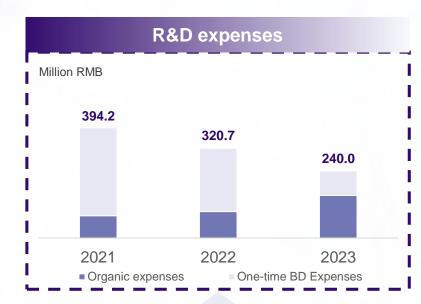
Revenue constantly grew at high-double digits and gross profit margin maintained the highest among peers.

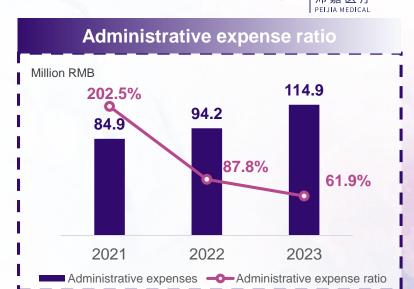


Financial Overview | TVT Business

Trends in expenses and expense ratios







- Personnel salary accounted for the main part, the company built commercialization team in advance, and now has sufficient scale. Expense growth will slow down as HC will maintain organic growth in the future.
- Other expenses stabilized and were manageable;
- Per capita implantation volume improved significantly, diluting base expenses;
- Further apportionment of base expenses will be made when the product is launched.

- The external BD payment is nearing completion with a remaining milestone payment due not exceed RMB300 million, of which approximately \$50 million will be charged to R&D expenses;
- The clinical registration of three core products has been completed in 2024. The subsequent clinical expenses will be gradually reduced and under control.

- Administrative expenses was stable and grew at a flat rate:
- The administrative expense ratio has decreased year by year.

Pipeline Update

Accelerated registration clinical trials, establishing product portfolio for long-term competition.

Aortic Valve

Aortic Regurgitation

TaurusTrio™ (€★

Launched in HK Completed Patient Enrollment of Registration Clinical Trial JenaValve

TaurusOne® 🗡

NMPA Approval Internally Developed

TaurusElite® *

NMPA Approval Internally Developed

Implant

TaurusMax® **Completed Patient** Enrollment of Registration Clinical Trial

TaurusNXT®

Aortic Stenosis

Completed Patient Enrollment of Multi-center Registration Clinical Trial Internally Developed

TaurusApex®

Animal Studies Internally Developed

Non-implant

TaurusWave®

Research Clinical Trial Internally Developed

Mitral Valve

Replacement

HighLife® (Transseptal)

Registration Clinical Trial

HighLife SAS

Coaptation Augmentation

Sutra

Animal Studies



TEER

GeminiOne®

Completed Patient **Enrollment of Multi-center** Registration Clinical Trial Internally Developed



6 Registered Products 10 Products under R&D

Tricuspid Valve

Replacement

MonarQ[™]

Compassionate Use

inQB8

TEER

Clinical Trial Preparation Internally Developed

GeminiOne®

Platform Technology

Lithotripsy **Valvuloplasty**

TaurusWave®

Research Clinical Trial Internally Developed

Non-glutaraldehyde Crosslinked Dry-tissue

Taurus NXT®

Completed Patient Enrollment of Multi-center Registration Clinical Trial Internally Developed

Polymeric Trileaflet

TaurusApex®

Animal Studies Internally Developed

Note: (1) Data as of June 16, 2024. (2) The above pipeline lists the Company's core products only and does not include procedural accessories and some iterations.



Overseas R&D Partner

TaurusTrio[™] (In-licensed Trilogy[™] THV System) for Aortic Regurgitation

Clinical data of US pivotal trial were published at Lancet

The ALIGN AR Trial

- Multicenter
- Non-blinded
- Single Arm Evaluation
 of Patients with Symptomatic
 ≥3+ Aortic Regurgitation at High Risk for SAVR
- Enrolled 180 patients in total

Outcome

95.0% technical success

96.7% device success

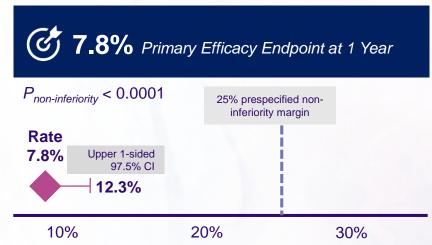
92.8% procedure success



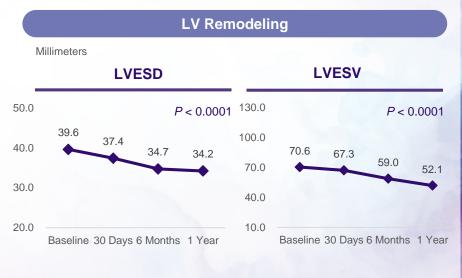


Non-inferiority criteria met for primary safety endpoint

Variable	% (n)
All Cause Mortality	2.2% (4)
Cardiovascular Mortality	2.2% (4)
Any Stroke Disabling Stroke Nondisabling Stroke	2.2% (4) 1.1% (2) 1.1% (2)
Major/Life Threatening Bleeding	4.4% (8)
Major Vascular Complication	3.9% (7)
Acute Kidney Injury Stage 2 or 3 or Dialysis (7 Days)	1.1% (2)
Surgery / interventional Related to the Device	2.8% (5)
New Pacemaker Implantation Pre-existing PPM	24.0% (36) 16.7% (30)
≥ Moderate Paravalvular Regurgitation	0.6% (1)
Total	26.7% (48)



Non-inferiority criteria met for primary efficacy endpoint



TaurusTrio[™] (In-licensed Trilogy[™] THV System) for Aortic Regurgitation

Product design indicated for AR







CE Mark





FDA Breakthrough Device Designation



Self-Expanding Nitinol Frame

■ Porcine Pericardial Tissue

JenaValve Patented Locator Technology

■ Sealing Ring

JenaValve Proprietary Locator Technology

- Ensures accurate and secure anatomical placement and alignment of the valve
- Mitigates risk of valve embolization and a need for a second valve to be implanted
- · Improves valve durability

Designed to Facilitate Coronary Access

- Supra-annular design maximizes hemodynamics and provides ability to treat patients with low coronaries
- Large cell openings facilitate future access and provide clearance for low coronaries.
- 24 diamond-shaped cells provide annular conformability and sealing

Designed for Transfemoral Delivery System

- Deflector allows for accurate and precise placement of locators over cusps
- Controller mechanism to fine-tune position
- Custom 85cm introducer sheath protects aortic arch and is 18F equivalent

Designed to Maximize Hemodynamic Flow

- Supra-annular design maximizes hemodynamics compared with Sapien 3 and CoreValve
- JenaValve All Sizes¹
 Effective orifice area is 2.64cm²
 Gradient across valve is 4.72mmHg

Source: (1) 30-day Jena Valve AS Clinical Trial data

TaurusTrio[™] (In-licensed Trilogy[™] THV System) for Aortic Regurgitation

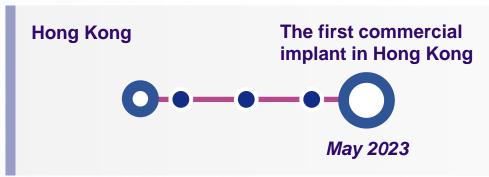


Project timeline





January 2022





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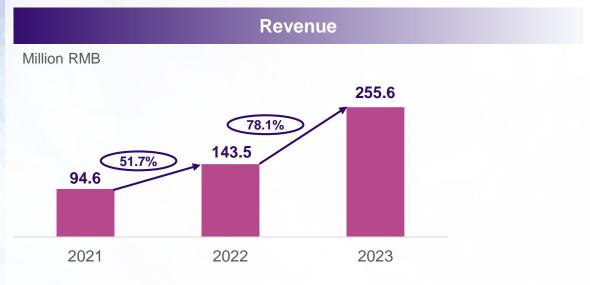
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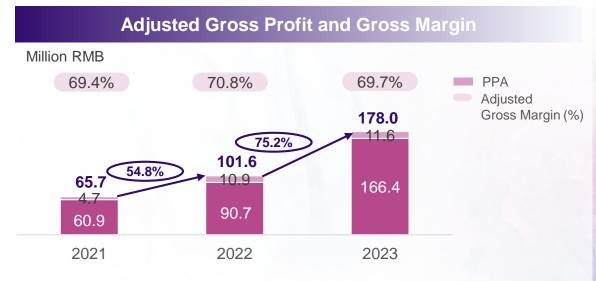
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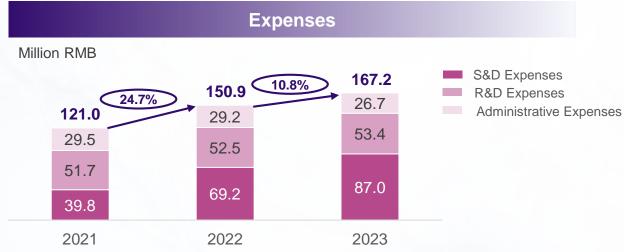
Financial Overview | NI Business

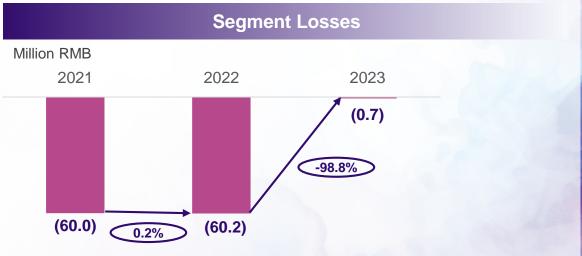


Revenue growth exceeded expectation and segment loss narrowed by 98.8%.

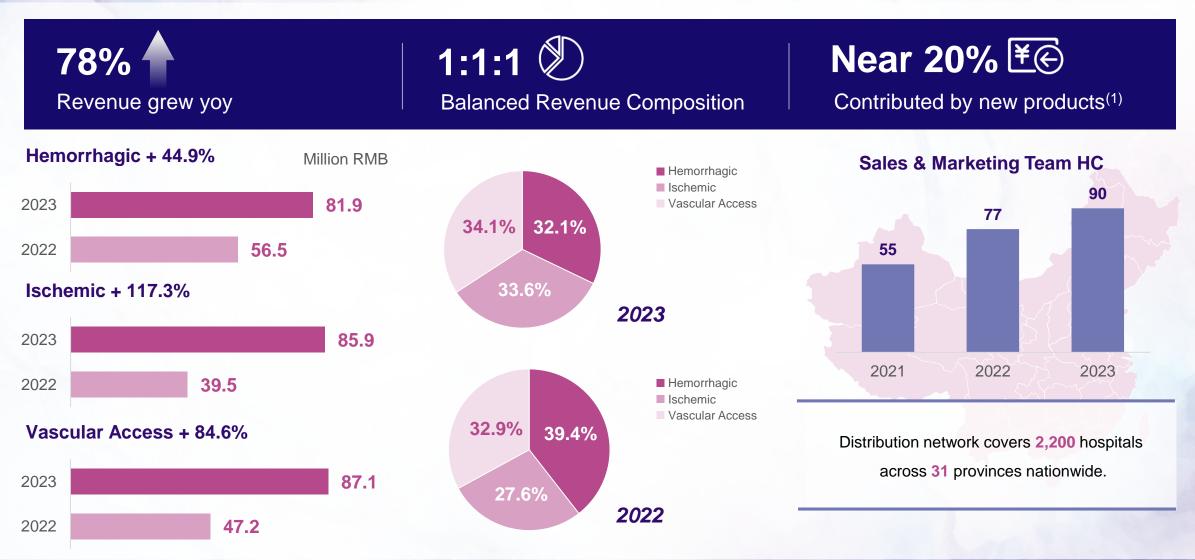








Comprehensive and Balanced Portfolio



Market Opportunities in the NI Business





Enhanced bottom line strength

The performance of domestic products is not inferior to imported products.

Systematic upstream market understanding, product development capability.

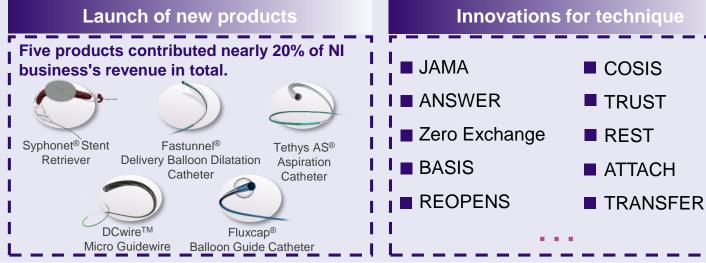
Operational capability

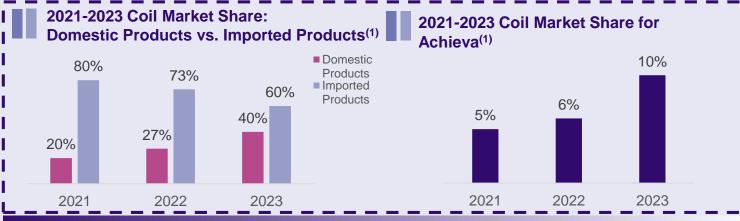
Cost control capability

Internal factors

Opportunities for Domestic Neurointerventional Companies

External factors





VBPs accelerates domestic substitution, leading to an increase in the market share of domestic head companies.

VBP Policies Update

Relying on a rich product portfolio to embrace VBPs and capture market share



VBP for coils

- √ won bids of VBPs in Jiangsu, July 2022
- √ won bids of VBPs in Fujian, August 2022
- √ won bids of VBPs in Anhui, December 2022
- √ won bids in 21-province alliance VBP led by Jilin
- ♦ (Coils of Achieva ranked No.1 in total demand in domestic companies, and Jasper Detachable Coil were selected as one of the top three in Group A.)
- √ won bids in Beijing DRG payment and VBP, September 2023
- ✓ won bids of VBPs in Guangdong, December 2023
- ◆ (Achieva coils win all bids: demand in the domestic weight ranked first, in the whole market ranked third, only after Medtronic, Stryker)
- The number of hospital admissions has increased dramatically through VBPs.
- Sales volume of Achieva coil products increased by 94% in 2023.
- ✓ Delivery Balloon Dilatation Catheter won bids exclusively
- ◆ Single-listed in the VBP Policies and won bids exclusively, market coverage of nearly 100%, revenue increased significantly.
- ✓ Intermediate Catheter、Distal Access Guide Catheter (DA) 、Guide Catheter won bids
- ♦ Market share of intermediate guide catheter sales reached 25%+, ranked NO.1.

VBP Policy in Henan Provincial Public Medical Institutions

The 9th round of VBP in Jiangsu Province

- ✓ Delivery Balloon Dilatation Catheter won bids exclusively
- ◆ Single-listed in the VBP and won bids exclusively, market coverage of nearly 50% from 0
- ✓ Ballon Dilatation Catheter won bids in group B
- ◆ First offer ranked in the top 50% from low to high to qualify for residual volume allocation, with a significant increase in the number of hospitals coverage
- ✓ Intermediate Catheter won bids in group B
- ◆ First offer ranked in the top 50% from low to high to qualify for residual volume allocation, with a significant increase in the number of hospitals coverage
- ✓ Microcatheter won bids in group B
- ◆ Significant increase in the number of hospital coverage
- ✓ Catheter win bids

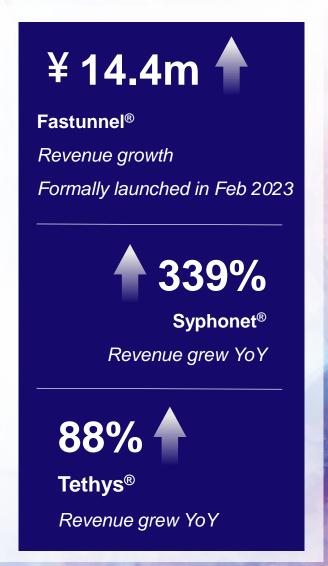
VBP Policies

VBP in Beijing-Tianjin-Hebei "3+N" Alliance

Innovative Techniques

We continued to strengthen our partnership with doctors in developing innovative procedure techniques.

Technique	Application	Product Mix		
JAMA	Distal intracranial aneurysm or arteriovenous malformation	Jasper® Detachable Coil Jasper® SS Detachable Coil	t of	
ANSWER	Aneurysm embolism combined with intracranial artery stenosis	Jasper® Detachable Coil Jasper® SS Detachable Coil Fastunnel® Delivery Balloon Dilatation Catheter Tethys® Intermediate Catheter	to on	
Zero Exchange	Intracranial atherosclerosis	Fastunnel® Delivery Balloon Dilatation Catheter NeuroStellar® Intracranial Stent ⁽¹⁾))	
BASIS	Intracranial atherosclerosis-related large vascular occlusion	SacSpeed® Balloon Dilatation Catheter		
REOPENS	Intracranial and extracranial long- segmental, non-acute occlusion	Syphonet® Stent Retriever		
COSIS	Chronic occlusion of internal carotid artery	Syphonet® Stent Retriever		
TRUST		Tethys® Intermediate Catheter		
REST	Trans radial sassa			
ATTACH	Trans-radial access			
TRANSFER		Heralder® DA Distal Access Guide Catheter	2	



Pipeline Update

Note: Above status is as March 31, 2024.

A well commercialized portfolio covering hemorrhagic, ischemic and vascular access markets.

Launched **Pre-clinical, Clinical and Registration Stage** Hemorrhagic Intracranial Jasper[®] NRcoil™ Jasper® SS Jasper® Presgo® Adjunctive Stent Detachable Coil II Detachable Coil Detachable Coil Detachable Coil Detachable Coil **Ischemic** SacSpeed® Fastunnel® Tethys AS® NeuroStellar® SacSpeed® Syphonet® Tethys AS® Fluxcap® Fastunnel® **Ballon Dilatation** Stent Retriever **Delivery Balloon Ballon Dilatation Delivery Balloon** Aspiration Intracranial Stent Aspiration Balloon Guide Dilatation Catheter II Catheter II Catheter Catheter **Dilatation Catheter** Catheter II Catheter Vascular Access **Delivery Catheter** Radial Artery Tethys[®] Tethys[®] Presgo[®] Presgo® Heralder® Heralder® DCwire[™] (Large Lumen) **Support Catheter**

Microcatheter

Micro Guidewire Guide Catheter

Intermediate Catheter II

Micro Guidewire

Intermediate DA Distal Access

Guide Catheter

Catheter

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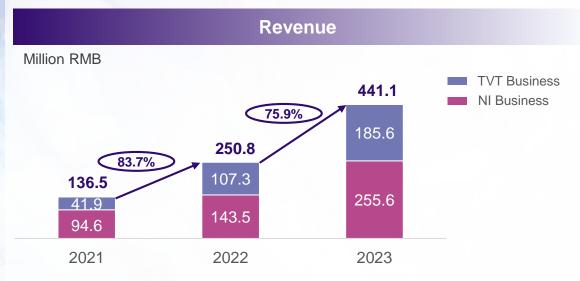
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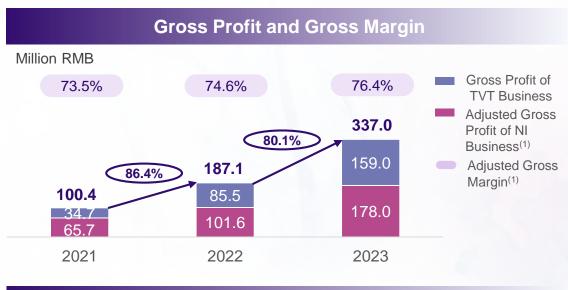
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Financial Summary





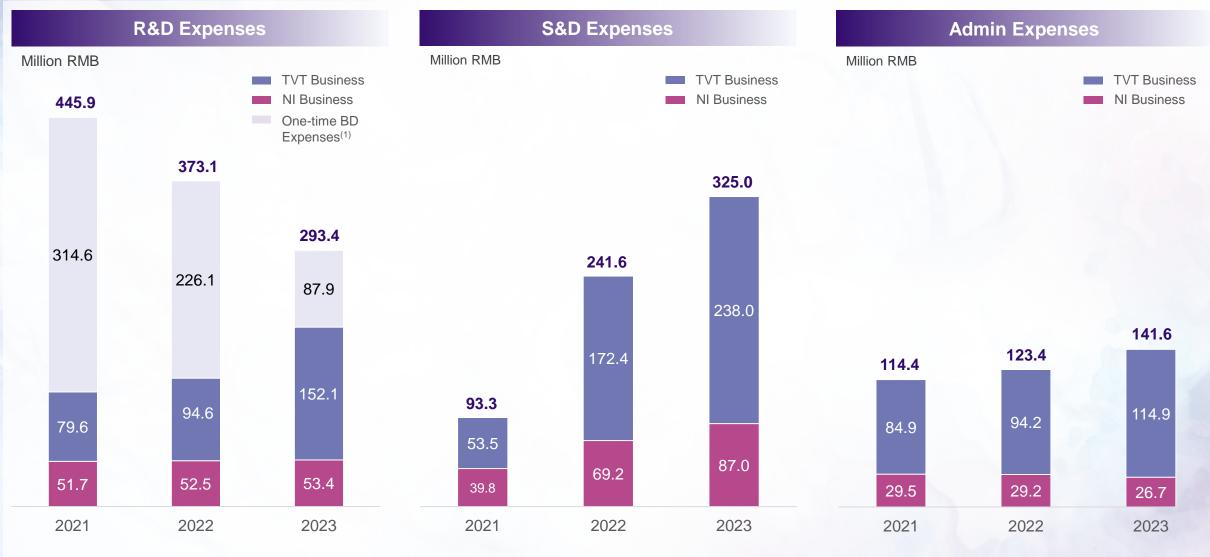






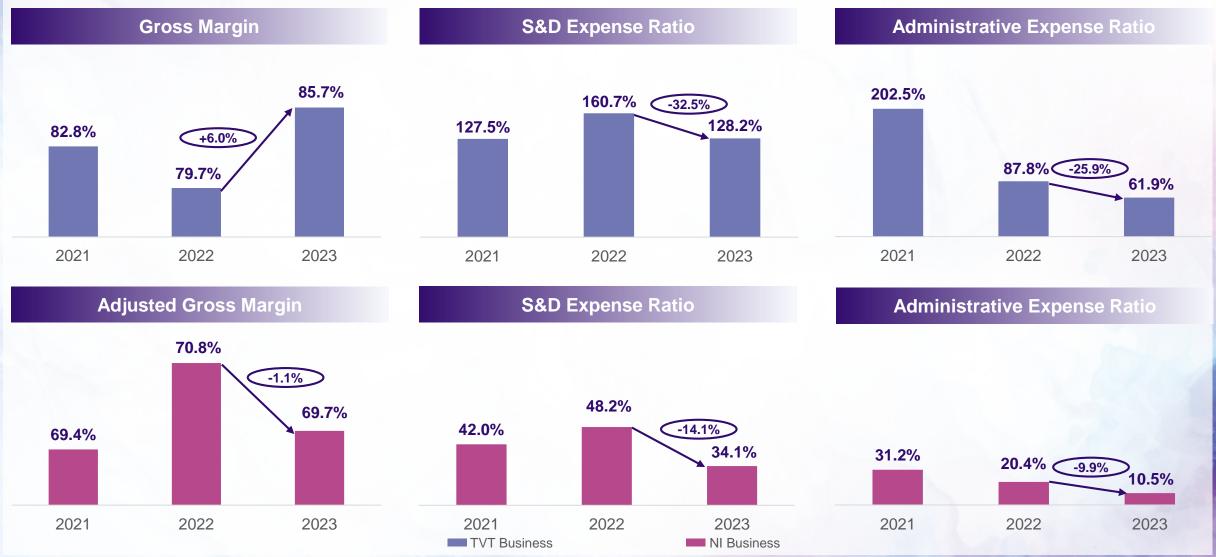
Expense Breakdown





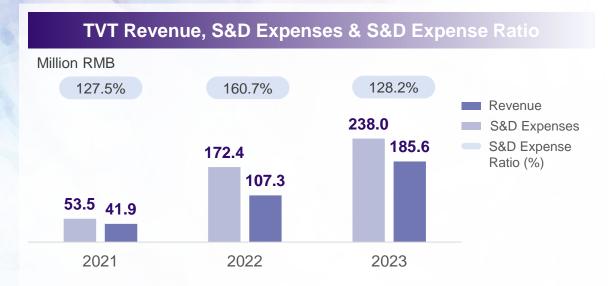
Operational Efficiency

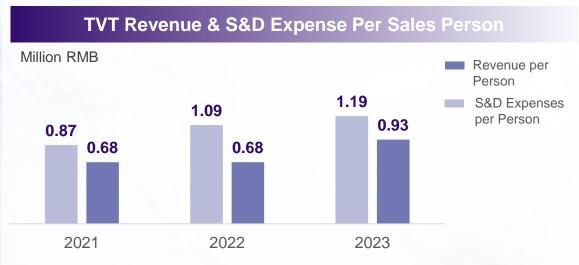


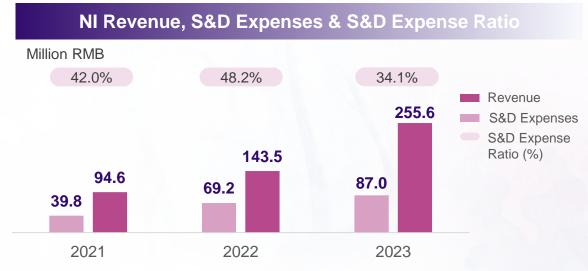


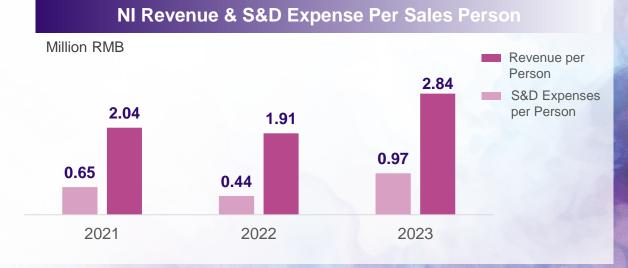
S&D Expenses and S&D Expense Ratio







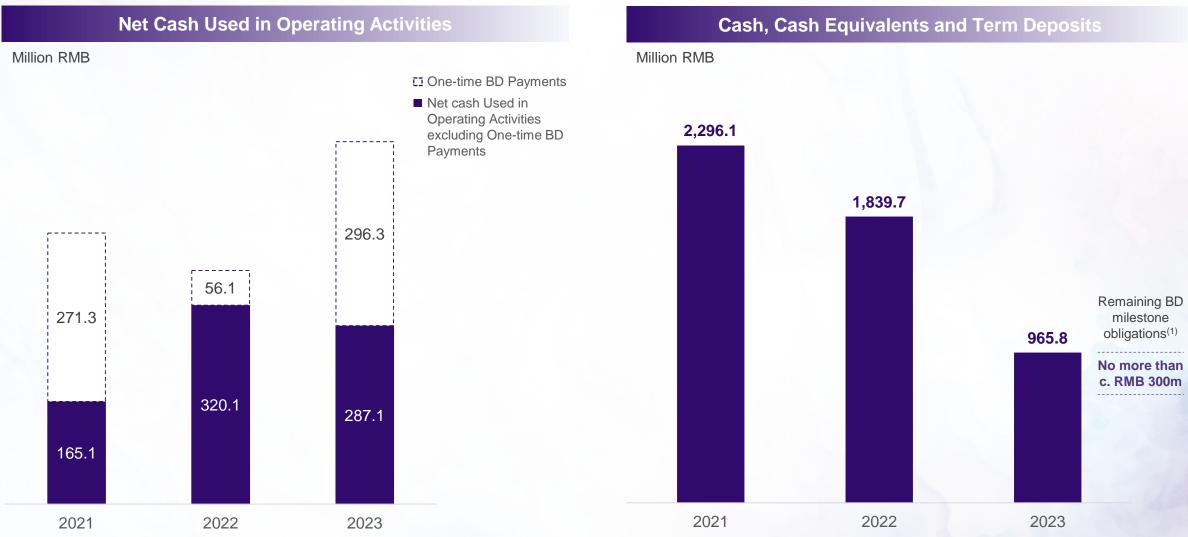




Sufficient Liquidity to Support Future Development



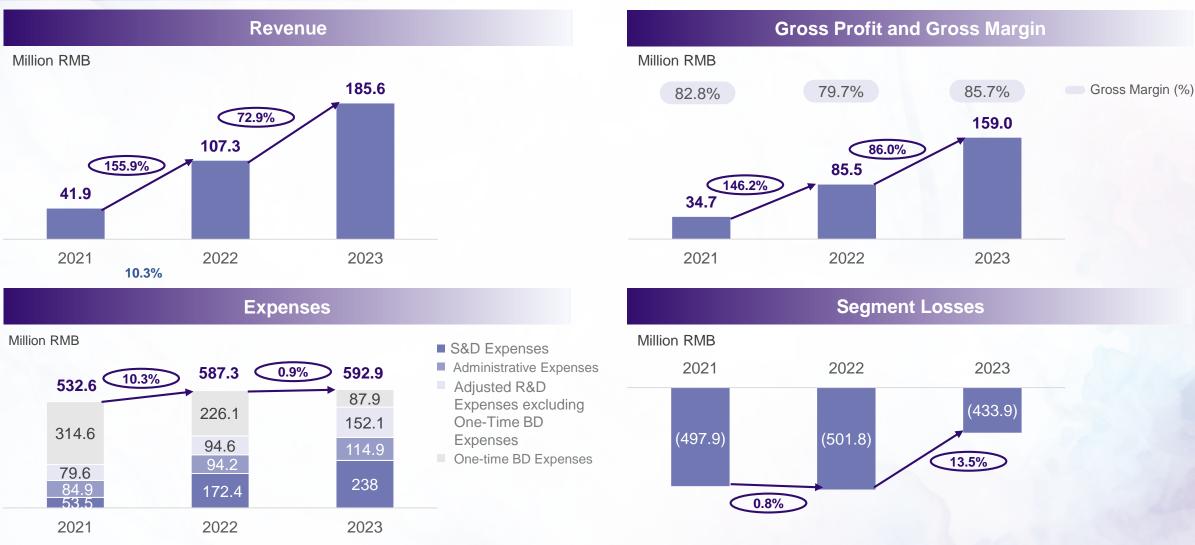
The maximum amount of remaining one-time BD payments is no more than RMB300M



TVT Business



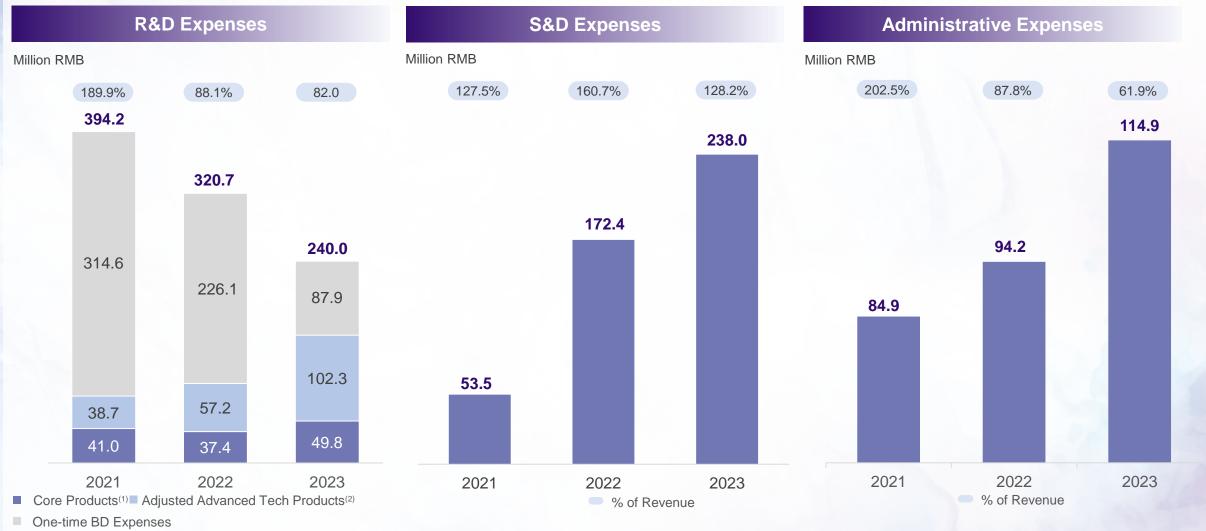
Revenue constantly grew at high-double digits and gross profit margin maintained the highest among peers.



TVT Business



Expense ratios improved significantly as the emergence of economic scales.



R&D Expenses (Excluding One-time BD Expenses) as a % of Revenue

NI Business

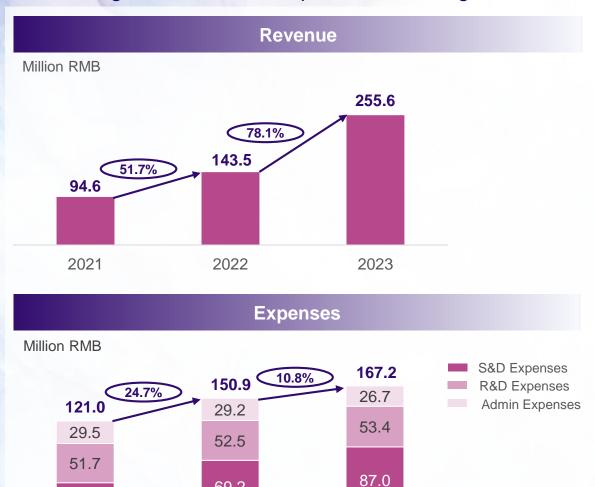
39.8

2021



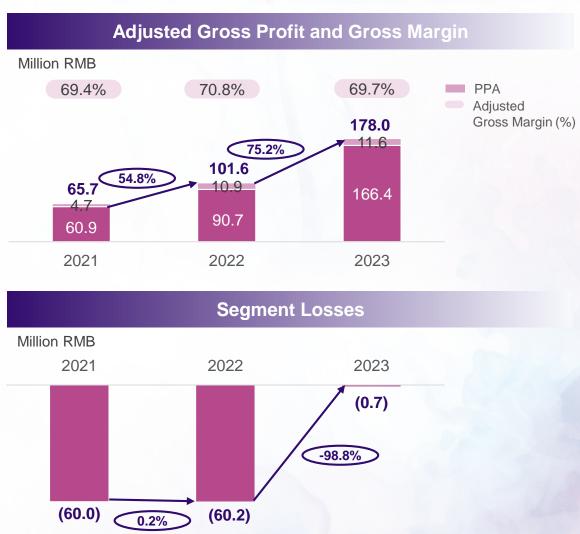
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2023



69.2

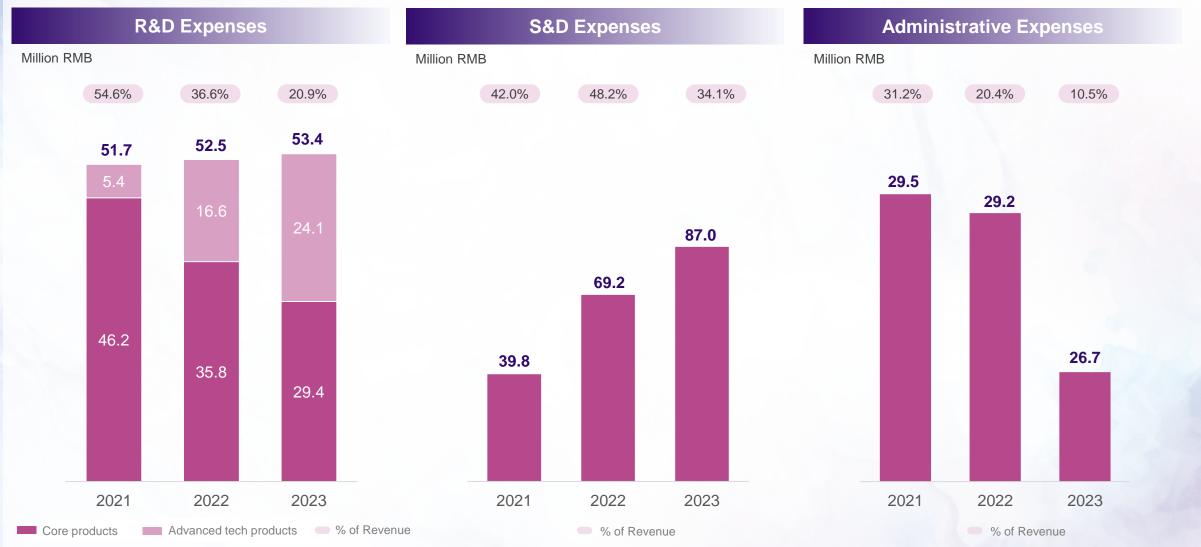
2022



NI Business



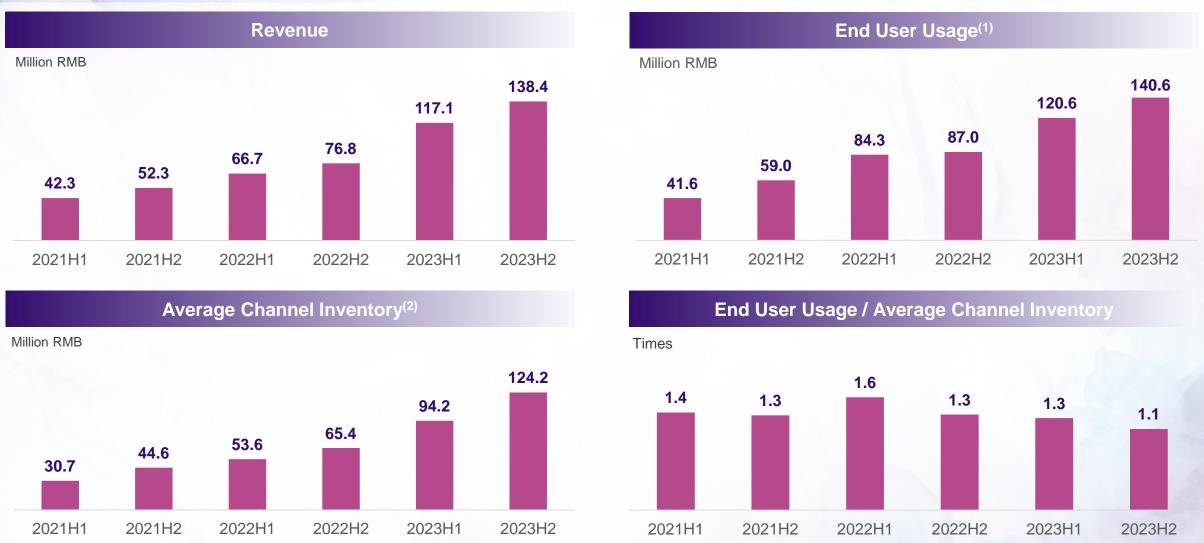
Expense ratios dropped significantly due to effective cost control measures and rapid revenue growth.



NI Business



Channel strategy remained prudent while platforms were utilized to respond to orders more efficiently.



Note: (1) End User Usage = Beginning Inventory - Ending Inventory + Current Delivery; (2) Average Inventory at the Beginning of the Period + Inventory at the end of the Period) / 2.

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Product Classification



Core Products			
TaurusOne® TAVR System	Jasper® Detachable Coil Presgo® Detachable Coil		
TaurusElite® Retrievable TAVR System			
TaurusNXT® Non-glutaraldehyde Crosslinked Dry-tissue	Jasper® SS Detachable Coil		
TAVR System	NRcoil™ Detachable Coil		
TaurusAtlas® Transfemoral Balloon Catheter	SacSpeed® Balloon Dilatation Catheter Tethys AS® Aspiration Catheter Syphonet® Stent Retriever		
TaurusNavi® Introducer Sheath			
TaurusExplora® Pre-shaped Guidewire	Fastunnel® Delivery Balloon Dilation Catheter		
	Fluxcap® Balloon Guide Catheter		
TVT Business	Presgo® Microcatheter		
	Presgo® Micro Guidewire		
NI Business	DCwire [™] Micro Guidewire		
	Heralder® Guide Catheter		
	Jasper® Power Supply		
	Tethys® Intermediate Catheter		
	Heralder® DA Distal Access Guide Catheter		

Advanced Tech Products

TaurusWave® Lithotripsy Valvuloplasty System
TaurusApex® Polymeric Trileaflet TAVR System
Trilogy [™] TAVR System (Licensed-in)
TaurusTrio [™] TAVR System (<i>Licensed-in Trilogy</i> [™] <i>TAVR System</i>)
HighLife® TSMVR System (Licensed-in)
Sutra TMV Coaptation Augmentation System
GeminiOne® TEER System
MonarQ TTVR System
NeuroStellar® Intracranial Stent
CereStellar™ Intracranial Adjunctive Stent
Jasper® Detachable Coil II
Fastunnel® Delivery Balloon Dilation Catheter II
SacSpeed® Balloon Dilatation Catheter II
Tethys® Intermediate Catheter II
Radial Artery Support Catheter
Delivery Catheter (Large Lumen)
Tethys AS® Aspiration Catheter II

Neurointerventional Procedure Techniques

Technique	Detail	Application	Product Mix	
JAMA	Using JAsper/JAsperSS coils with MArathon micro catheter to treat distal aneurysms and arteriovenous malformation	Distal intracranial aneurysm or arteriovenous malformation	Jasper® Detachable Coil Jasper® SS Detachable Coil	
ANSWER	ANeurySm With stenosis treatment using fastunnEl deliveRing balloon dilatation catheter	Aneurysm embolism combined with intracranial artery stenosis	Jasper® Detachable Coil Jasper® SS Detachable Coil Fastunnel® Delivery Balloon Dilatation Catheter Tethys® Intermediate Catheter	
Zero Exchange	N/A	Intracranial atherosclerosis	Fastunnel® Delivery Balloon Dilatation Catheter NeuroStellar® Intracranial Stent	
BASIS	Balloon AngioplaSty with the dIstal protection of Stent retriever	Intracranial atherosclerosis-related large vascular occlusion	SacSpeed® Balloon Dilatation Catheter	
REOPENS	REcanalization of intracranial and extracranial long-segmental, non-acute Occlusion with the distal ProtEctioN of Syphonet	Intracranial and extracranial long-segmental, non-acute occlusion	Syphonet® Stent Retriever	
COSIS	Chronic artery OccluSion recanalization with the Intracranial protection of Stent Retriever	Chronic occlusion of internal carotid artery	Syphonet® Stent Retriever	
TRUST	Trans-Radial coaxial catheter technique Using a short sheath, Simmons catheter and Tethys intermediate catheter			
REST	Trans-Radial Establish Simple access technique with Tethys intermediate catheter	Trans-radial access	Tethys® Intermediate Catheter	
ATTACH	A Trans-radial technique using looping Tethys intermediate catheter with two loACH guide wires	Trans-radial access		
TRANSFER	ReTRieving A protectioN device with diStal access catheter along the Feasible stEnt delivery system by trans-Radial approach		Heralder® DA Distal Access Guide Catheter	

Thank you!

Contact us

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