

China Healthcare

The Rise Of Chinese Surgical Robots

Highlights

- Fuelled by surging demand and technological advancement, the global surgical robot market is growing rapidly at a nine-year CAGR of 16.6% from 2024-33 and could reach a value of US\$84.2b in 2033.
- Riding a strong revenue momentum of 85-100% yoy with advanced, cost-effective solutions, Edge Medical and MedBot aim to break even in 2026.
- Maintain MARKET WEIGHT on the healthcare sector and initiate coverage on Edge Medical and MedBot with a BUY rating.** We prefer Edge Medical for its swift R&D execution and operational efficiency which will position it as a stronger long-term contender.

Analysis

- The global surgical robotics market is expanding rapidly** and is projected to grow from US\$21.2b in 2024 to US\$84.2b by 2033 at a nine-year CAGR of 16.6%, supported by rapid technological advancement and increasing market demand. Intuitive Surgical, Inc remains dominant, while Medtronic and Stryker Corporation are aggressively enriching their portfolios with advanced systems. Chinese manufacturers, eg Shenzhen Edge Medical Co (Edge Medical) and Shanghai MicroPort MedBot (Group) Co (MedBot), are also gaining domestic ground and extending global reach with advanced, cost-effective solutions that position them as rising international contenders.
- Edge Medical – Fast-scaling disruptor with rising earnings growth.** Edge Medical has quickly built a robust laparoscopic surgical robot portfolio with world-first designs. Driven by rapid innovation and efficient operations, revenue grew at a two-year CAGR of 208% (2023-25) to Rmb455.7m, with overseas sales reaching 45.9% of total sales in 2025. Net profit is expected to break even from 2026 and grow at a 138% two-year CAGR in 2026-28. Dedicated to next-generation product R&D and market growth in China and overseas, Edge Medical is poised to become a global surgical robot major.
- MedBot – China's frontrunner in global expansion.** Established in 2015, MedBot offers the most comprehensive surgical robot portfolio spanning laparoscopic, orthopaedic, vascular, and urological applications with flagship systems like Toumai and SkyWalker. Revenue expanded at a two-year CAGR of 130% in 2023-25 to Rmb551m, with overseas sales up 287% yoy to Rmb400.2m (72.6% of total) in 2025. Present in over 60 countries, MedBot targets over 200 installations in 2026 (vs 80 in 2025). We expect revenue to grow at a three-year CAGR of 73.8% (2025-28) and earnings to turn positive from 2026 and expand at a two-year CAGR of 127% in 2026-28. Focusing on overseas markets, its broad portfolio and rapidly-expanding global footprint make it a credible challenger to Western incumbents.
- Initiate coverage on Edge Medical and MedBot with a BUY rating.** We prefer Edge Medical for its swift R&D execution, efficient operations, and more attractive valuation.

MARKET WEIGHT (Maintained)

Analyst(s)

Carol Dou

carol.dou@uobkh.com

+852 2236 6749

Sunny Chen

sunny.chen@uobkh.com

+852 2826 4857

Segmental Rating

Segment	Rating
Pharma and devices	MARKET WEIGHT (Maintained)
CRO/CDMO	MARKET WEIGHT (Maintained)
Internet healthcare	MARKET WEIGHT (Maintained)

Source: UOB Kay Hian

Sector Picks

Company	Ticker	Rec	Share Price (HK\$)	Target Price (HK\$)
Edge Medical	2675 HK	BUY	40.00	56.00

Source: Bloomberg, UOB Kay Hian

Figure 1: Peer Comparison

Company	Ticker	Rec	Price @ 27 Jul 26 (lcy)	Target Price (lcy)	Upside/ (Downside) to TP (%)	Market Cap (US\$m)	2026F P/E (x)	2027F P/E (x)	2026F P/B (x)	2027F P/B (x)	--EV/EBITDA-- 2026F (x)	2027F (x)	ROE 2026F (%)	Net Gearing 2026F (%)	-----EPS----- 2026F (lcy)	2027F (lcy)	2028F (lcy)	CAGR 2-yr (%)	PEG 2027F (x)
Edge Medical	2675 HK	BUY	40.00	56.00	40.0	1,989.6	140.5	47.0	5.3	4.9	n.a.	61.2	8.0	-54.8	0.2	0.7	1.4	138.3	0.3
MedBot	2252 HK	BUY	21.48	29.00	35.0	2,841.4	199.5	79.7	43.1	31.8	n.a.	146.1	30.3	-60.0	0.1	0.2	0.5	127.1	0.6
Mindray	300760 CH	BUY	148.56	195.00	31.3	26,610.4	24.0	20.8	4.4	4.1	17.5	15.1	20.5	-43.8	6.2	7.1	8.0	13.7	1.5
Shandong Weigao	1066 HK	Not Rated	3.29	n.a.	n.a.	1,871.0	7.8	7.1	0.5	0.5	3.6	3.4	7.0	-12.1	0.37	0.40	0.41	5.6	1.3
United Imaging	688271 CH	Not Rated	110.45	n.a.	n.a.	13,448.8	38.5	30.6	3.8	3.4	28.0	22.8	10.1	-40.4	2.9	3.6	4.6	26.1	1.2

Source: Bloomberg, UOB Kay Hian

Contents

Investment Highlights.....	3
Valuation And Recommendation.....	4
Risk Factors	5
Industry Outlook.....	6
Comparative Analysis	10
Stock Picks.....	15
Shenzhen Edge Medical Co (2675 HK).....	16
Shanghai MicroPort MedBot (Group) Co (2252 HK)	32

This report uses the closing prices of 27 July 26

Investment Highlights

The rising surgical robot industry. The global surgical robot market is experiencing robust growth, driven by technological advancements, increasing adoption of minimally invasive surgeries, and favourable government policies. It is projected to grow from US\$21.2b in 2024 to US\$84.2b by 2033 at a nine-year CAGR of 16.6%. Intuitive Surgical, Inc (Intuitive Surgical) dominates the global surgical robot market, while the expiration of its da Vinci core patents has triggered increasing market competition.

Chinese firms making breakthroughs and becoming significant rivals in the global market. The global surgical robotics market is defined by rapid innovation and increasingly intensifying competition. Major device companies such as Medtronic and Stryker Corporation (Stryker) are aggressively expanding their portfolios with their smaller and more advanced surgical robots. Chinese manufacturers including Edge Medical, MedBot, and WeGo-Robotics Co (WEGO), are not only gaining ground domestically, but also extending their global reach offering advanced and competitively priced solutions that position them as rising forces on the international stage.

Edge Medical – Fast-scaling disruptor with rising earnings growth. Founded in 2017, Edge Medical has rapidly built a robust laparoscopic robot portfolio featuring multi-port systems MP1000 and MP2000, the single-port SP1000, a bronchoscope robot, and the global-only “three-in-one” system MSP2000. The portfolio offers seamlessly integrated multi-port, single-port, and telesurgery solutions under a unified control architecture. Combining differentiated product offerings, high operating efficiency and rapid innovation, the company boosted revenue by a two-year CAGR of 208% (2023-25) to Rmb455.7m. We expect net earnings to turn positive in 2026. We also believe its higher operating efficiency supports stronger adjusted net earnings expansion at a two-year CAGR of 138% (2026-28) to Rmb501.9m in 2028. Dedicated to R&D for next-generation surgical robots with accelerated growth in both China and overseas, Edge Medical is well positioned to gain a competitive edge and become a significant competitor in the global surgical robot market in the next few years.

MedBot – China’s frontrunner in global expansion. Established in 2015, MedBot offers the most comprehensive surgical robot portfolio, spanning laparoscopic, orthopaedic, vascular, and urological applications with flagship systems like Toumai and SkyWalker. Revenue expanded at a two-year CAGR of 130% in 2023-25 to Rmb551m, with overseas sales up 287% yoy to Rmb400.2m (72.6% of total) in 2025. Present in over 60 countries, MedBot targets to complete over 200 installations in 2026 (vs 80 in 2025). We project its revenue growing at a three-year CAGR of 73.8% in 2025-28 and adjusted net earnings turning positive from 2026 and expanding at a two-year CAGR of 127% in 2026-28. Its extensive portfolio, rapidly expanding global footprint, and advanced 5G telesurgery capabilities make it a credible challenger to Western incumbents.

Surgical robotics is one of the fastest-growing medical device segments.

MedBot and Edge Medical are quickly expanding their global presence and targeting positive earnings from 2026.

Edge Medical:

- Robust laparoscopic portfolio
- Market focus: China and overseas
- Highly efficient operations support robust long-term revenue and earnings expansion

MedBot:

- Most comprehensive product offerings
- Market focus: Overseas expansion
- Strong revenue growth visibility in 2026 supported by robust global orders and extensive sales network of parent company

Valuation And Recommendation

We initiate coverage on Edge Medical and MedBot with a BUY rating and derive our target prices from our DCF model, assuming WACC of 11.6% and terminal growth rate of 3%.

- Edge Medical (2675 HK/BUY/Target: HK\$56.00)
- MedBot (2252 HK/BUY/Target: HK\$29.00)

The global leader, Intuitive Surgical, is trading at a significant premium vs other medical device providers, at 9.0x 2027 P/S and 2.4x 2027 PEG. With relatively limited exposure to the surgical robot business and slower growth rates, Medtronic and Stryker are valued at 2.6x and 4.3x 2027 P/S, and 1.7x and 1.7x PEG, respectively.

We believe both Edge Medical and MedBot will quickly expand their market presence and become significant contenders in the global surgical robot market. They are expected to deliver a two-year CAGR of 127-138% (2026-28) in earnings growth and are trading at an attractive 0.3x and 0.6x 2027 PEG respectively. Edge Medical shines with its swift R&D execution, efficient operations, and more attractive valuation.

Figure 2: Peer Comparison

		Price	Market	-----PE-----		-----P/B-----		-----P/S-----		Net	-----EPS-----			CAGR	PEG	
Ticker		27 Jul 26	cap	2026F	2027F	2026F	2027F	2026F	2027F	ROE	gearing	2026F	2027F	2028F	2-ys	2027F
		(lcy)	(US\$m)	(x)	(x)	(x)	(x)	(x)	(x)	(%)	(%)	(lcy)	(lcy)	(lcy)	(%)	(x)
Hong Kong Listed Medical Device Companies																
Edge Medical	2675 HK	40.00	1,989.5	140.5	47.0	5.3	4.9	14.9	8.5	8.0	-54.8	0.25	0.73	1.39	138.3	0.3
MicroPort MedBot	2252 HK	21.48	2,841.2	199.5	79.7	43.1	31.8	15.1	8.9	30.3	-60.0	0.09	0.23	0.48	127.1	0.6
Shangdong Weigao	1066 HK	3.29	1,871.0	7.8	7.1	0.5	0.5	0.9	0.8	7.0	-12.1	0.37	0.40	0.41	5.6	1.3
MicroPort Scientific	853 HK	6.72	1,643.0	17.9	19.0	1.5	1.4	1.4	1.2	7.9	53.8	0.0	0.0	0.1	27.5	0.7
Chunli Medical	1858 HK	9.04	699.9	8.8	7.2	0.9	0.8	3.7	3.1	10.5	-74.0	0.9	1.1	1.3	21.7	0.3
AK Medical	1789 HK	5.35	745.2	12.8	10.9	1.6	1.4	3.0	2.7	13.1	-36.3	0.4	0.4	0.5	15.8	0.7
MicroPort Neuro	2172 HK	9.10	659.7	18.7	16.4	2.3	2.1	5.1	4.4	12.7	-33.2	0.4	0.5	n.a.	n.a.	n.a.
Lifetech Scientific	1302 HK	1.51	891.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-20.5	n.a.	n.a.	n.a.	n.a.	n.a.
Shanghai Conant Optical	2276 HK	29.08	1,847.7	17.8	13.8	3.5	2.9	4.9	4.0	20.9	-13.4	1.41	1.82	2.25	26.3	0.5
Modern Dental	3600 HK	7.75	923.9	11.7	10.5	2.0	1.8	1.8	1.6	18.4	-3.4	0.7	0.7	n.a.	n.a.	n.a.
ZYLOXTB	2190 HK	19.39	818.9	17.1	12.9	1.6	1.5	3.7	2.9	9.7	-51.7	1.0	1.3	1.7	31.5	0.4
Average				14.1	16.1	6.2	4.9	5.5	3.8	13.9	-27.8				21.4	0.8
China A-Shares Medical Device Companies																
Lepu Medical	300003 CH	12.71	3,461.6	21.6	18.4	1.4	1.4	3.3	3.0	6.7	10.6	0.59	0.69	0.80	12.0	1.1
Shenzhen Mindray	300760 CH	148.56	26,611.6	24.0	20.8	4.4	4.1	5.2	4.8	20.5	-43.8	6.19	7.14	8.01	13.7	1.7
United Imaging	688271 CH	110.45	13,448.8	38.5	30.6	3.8	3.4	5.5	4.5	10.1	-40.4	2.9	3.6	4.6	26.1	1.2
Yuyue Medical	002223 CH	27.00	3,998.9	16.8	14.6	1.9	1.8	3.1	2.8	11.4	0.2	1.6	1.9	2.1	15.4	0.9
Average				25.2	21.1	2.9	2.7	4.3	3.8	12.2	-18.3				16.8	1.2
Global Surgical Robot and Medical Device Companies																
Intuitive Surgical	ISRG US	337.50	119,231.3	31.3	28.3	5.8	4.9	10.1	9.0	18.9	-32.1	10.8	11.9	13.5	11.9	2.4
Medtronic	MDT US	83.21	106,512.6	14.0	13.0	2.1	2.1	2.7	2.6	15.2	39.8	6.0	6.4	6.9	7.8	1.7
Stryker	SYK US	330.25	126,604.9	22.0	19.8	4.9	4.4	4.6	4.3	22.4	54.7	15.0	16.7	18.6	11.5	1.7
Zimmer Biomet	ZBH US	91.35	17,672.8	10.8	10.1	1.4	1.3	2.1	2.0	10.8	56.4	8.5	9.0	9.6	6.7	1.5
Johnson & Johnson	JNJ US	263.40	634,767.3	22.6	20.5	7.2	6.3	6.3	5.9	33.4	35.8	11.7	12.8	14.3	10.5	1.9
Abbott Laboratories	ABT US	103.06	179,511.2	18.7	17.0	3.6	3.4	3.6	3.3	18.5	9.2	5.5	6.1	6.7	10.3	1.6
Boston Scientific	BSX US	44.25	65,771.2	13.2	11.9	2.6	2.3	3.0	2.8	18.1	40.9	3.4	3.7	4.1	10.7	1.1
Thermo Fisher	TMO US	568.26	211,177.6	22.7	20.7	3.7	3.4	4.4	4.2	16.7	57.4	25.1	27.5	30.3	9.9	2.1
Becton, Dickinson and Co.	BDX US	156.36	43,083.5	12.4	11.6	2.0	2.0	2.2	2.2	13.9	76.6	12.6	13.4	14.4	6.7	1.7
Globus Medical	GMED US	76.49	10,377.1	16.1	14.9	n.a.	n.a.	3.2	3.0	13.2	-8.9	4.7	5.1	5.7	9.5	1.6
Hologic, Inc.	HOLX US	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	16.0	8.4	4.5	4.9	5.3	9.1	n.a.
Edwards Lifesciences	EW US	82.63	47,578.4	27.6	24.4	4.4	4.1	7.0	6.4	15.6	-34.1	3.0	3.4	3.8	12.6	1.9
Siemens Healthineers AG	OPMJ UK	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	12.5	70.6	2.2	2.5	2.8	12.5	n.a.
Dexcom, Inc.	DXCM US	71.54	27,605.4	27.6	23.2	8.9	7.1	5.3	4.7	31.8	-21.9	2.6	3.1	3.5	16.1	1.4
Shockwave Medical	SWAV US	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	23.8	-32.9	5.2	6.2	7.3	19.0	n.a.
Align Technology	ALGN US	167.02	11,961.3	14.7	13.7	2.6	2.3	2.9	2.7	18.5	-24.2	11.4	12.2	13.6	9.3	1.5
Average				19.5	17.6	4.1	3.6	4.4	4.1	18.7	18.5				10.9	1.7

Source: Bloomberg, UOB Kay Hian

Risk Factors

- a) **Geopolitical risks.** The US-China trade tension could intensify, and there could be further escalation and prolongation of the US-Israel war on Iran. Growing geopolitical risks may increase production costs and disrupt supply chains, hence negatively impacting the global expansion of surgical robot companies.
- b) **Possible further slowdown of economic growth in China and increasing policy risks.** China's GDP is projected to grow at a slower pace of 4.5-5.0% in 2026, given domestic challenges and deflationary pressure. Additionally, social medical insurance funds are under budget deficit pressure. Policy risks may increase, including anti-corruption campaigns, tightened diagnosis-related groups (DRG) and diagnosis-intervention packet (DIP) regulations, potential delays in or cancellations of hospital procurement programmes, and volume-based procurement (VBP) price pressures on minimally invasive surgical products.
- c) **Regulatory approval and compliance risks.** The highly regulated nature of medical devices, coupled with the rapid evolution of robotic and AI technologies, presents considerable uncertainties for market approval and regulatory risks. Companies must navigate the different global standards across major markets, including the US Food and Drug Administration (FDA), the European Medicines Agency (EMA), and China's National Medical Products Administration (NMPA), etc, to eliminate compliance risks.
- d) **IP and legal risks.** The innovative and high-value nature of surgical robotics makes the field a fertile ground for IP disputes and complex liability issues. The industry is characterised by fierce competition and frequent patent litigation. Patent infringement lawsuits can be protracted and costly, and can divert significant resources away from R&D and commercialisation efforts.
- e) **Risks in R&D and new product launches.** There are considerable risks in new product development, clinical trials and evaluations. Delays or unexpected events during new product development could lead to delays in regulatory approval and even market launch failures.
- f) **Risks in commercialisation and market expansion.** Most domestic surgical robot producers are in the early stages of commercialisation. Hospital budget constraints and reimbursement challenges create financial pressure on hospitals and patients, limiting customer base expansion and slowing adoption. As growing saturation in high-end hospitals is fuelling competition, expansion into budget-sensitive lower-tier hospitals with more cost-effective solutions has become a necessary next step. Successful integration of robotic programmes is complex, requiring extensive surgeon training, specialised staff, operational adjustments, and robust support, all of which increase costs and raised complexity.
- g) **Intensifying competition and technological risks.** The dynamic nature of the surgical robot industry, characterised by rapid innovation and new market entrants, poses significant competitive and technological risks, eg obsolete systems, AI-related failure, machine learning, and stiff competition from new entrants. Continued price competition could also lead to margin pressure.
- h) **Risks in M&A and collaborations.** Failure of M&As and collaborations could bring substantial harm to business.
- i) **Financial risks.** The surgical robot industry demands considerable financial commitment. Bringing a surgical robot from concept to market requires immense upfront investment in R&D, clinical trials, and regulatory approvals. Companies often have to endure prolonged periods of losses.

Major overseas market risks: geopolitical tension, competition, IP and legal issues, etc.

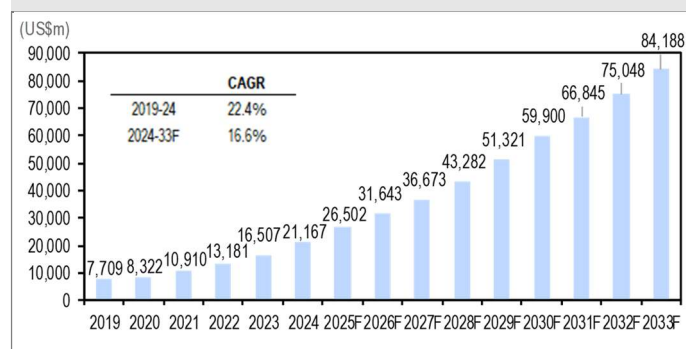
Major domestic market risks: Price pressure from VBP programmes, DRG/DIP policies, and intensifying market competition, etc.

Industry Outlook

The rising surgical robot industry offers minimally invasive procedures with smaller incisions, less pain, faster recovery, and greater surgical precision. Hospitals benefit from improved care quality and efficiency. Despite the high costs and training challenges involved, advances in AI, broader reimbursement, and supportive policies are driving wider adoption across healthcare. According to Frost & Sullivan, the global surgical robot market is projected to grow at a nine-year CAGR of 16.6% in 2024-33, expanding from US\$21.2b in 2024 to US\$84.2b by 2033.

The promising surgical robot industry is growing at a nine-year CAGR of 16.6% in 2024-33.

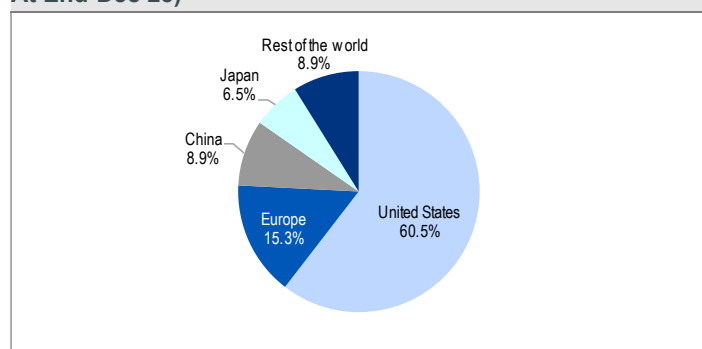
Figure 3: Global Market Size Of Surgical Robots



Note: The size of surgical robots includes equipment sales revenue, consumables sales revenue, maintenance and service revenue.

Source: Frost & Sullivan, UOB Kay Hian

Figure 4: Surgical Robot System Installations By Region (As At End-Dec 25)



Source: Frost & Sullivan, UOB Kay Hian

Intuitive Surgical remains the pioneer and market leader in robotic-assisted minimally invasive surgery. Its da Vinci Surgical System (Xi, X, SP, 5) and Ion endoluminal platform have enabled over 20m procedures worldwide. By end-25, the global installed base of laparoscopic surgical robots reached about 12,500-13,500 units, with da Vinci systems accounting for over 12,000 of them.

Intuitive Surgical dominated the global market with a more than 90% market share in 2025.

Expiration of core da Vinci patents triggers market competition. The expiration of core da Vinci patents since 2019 has intensified competition in the field of surgical robotics. While Intuitive Surgical retains protection of newer components, rivals are introducing cheaper, smaller, and more advanced systems. Emerging names such as Stryker, Medtronic, CMR Surgical Limited (Versius), Medcaroid Corporation (Hinotori), and Chinese firms like MedBot, Edge Medical, Baihui Weikang Technology Co., and Beijing Surgerii Robotics Co. (Surgerii) are driving innovation. A growing range of surgical robots for diverse applications and with different primary surgical specialties has entered the market (Figure 5).

The huge market offers new entrants plenty of growth opportunities.

Figure 5: Surgical Robots By Clinical Application

Category	Description	Examples of Procedures	Key Robot Examples
Laparoscopic (Soft Tissue)	Used for minimally invasive procedures in the abdomen, pelvis, and chest. Enhance dexterity and visualisation for complex soft tissue surgeries.	Prostatectomy, Hysterectomy, Colectomy, Cholecystectomy, Thoracotomy	da Vinci (Intuitive Surgical), Toumai (MedBot), MP1000 (Edge Medical)
Orthopaedic (Hard Tissue)	Specialising in bone-related surgeries, improving precision in bone cutting, reaming, and implant placement.	Total Knee Arthroplasty (TKA), Total Hip Arthroplasty (THA), Spinal Fusion	Mako (Stryker), TiRobot (TINAVI Medical), ROSA Knee (Zimmer Biomet), SkyWalker (MedBot)
Neurosurgical (CNS)	Designed for high-precision interventions on the brain and spinal cord, often involving stereotactic guidance.	Deep Brain Stimulation (DBS), Biopsy, Tumour Resection, Spinal Stabilisation	StealthAutoguide (Medtronic), Neuromate (Renishaw), ROSA One (Zimmer Biomet), Sinobot (Sinovation), Remebot (Baihui Weikang)
Natural Orifice	Employed to access internal organs through natural body openings, avoiding external incisions.	Bronchoscopy, Endoscopy, Transoral Surgery	Ion (Intuitive Surgical), Monarch (Auris Health), SP1000 (Edge Medical)
Vascular/ Interventional	Used for endovascular procedures, assisting in catheter navigation and stent placement within blood vessels.	Coronary Angioplasty, Peripheral Artery Disease Treatment	CorPath GRX (Corindus Vascular Robotics, Siemens Healthineers), R-ONE (Robocath)
Dental	Specialising in dental implantology, orthodontics, and other oral surgical procedures.	Dental Implant Placement, Orthognathic Surgery	Yomi (Neocis), Yakebot (Yakebot)

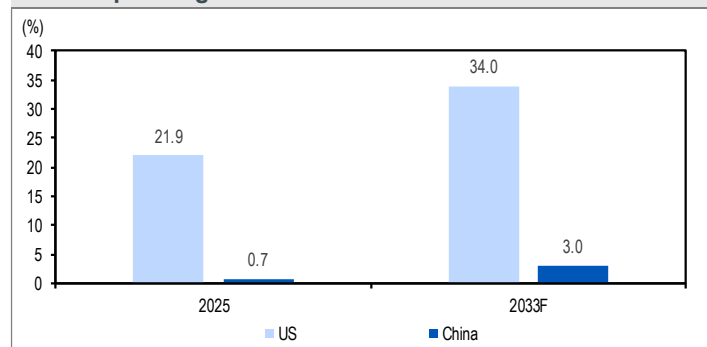
Source: Industry data, UOB Kay Hian

Global market expanding rapidly. The US is the largest surgical robot market, with over 7,500 systems installed by end-Dec 25, including over 6,000 da Vinci units and over 1,000 Stryker Mako systems, representing about 60.5% of the global total. Europe follows with approximately 1,900 da Vinci system installations. According to Frost & Sullivan, the US performed 1.8m robot-assisted endoscopic surgeries in 2024, representing a penetration rate of 21.9%. With a population larger than that of the US and a penetration rate of only 6%, Europe has experienced rapid growth in the recent years, driven by growing placement of multi-specialty systems (eg Mako, Hugo, ROSA, Versius) and also systems developed by Chinese companies. Japan has over 650 da Vinci units with growing adoption of its domestic Hinotori robots.

In overseas markets, Medtronic, Stryker, Zimmer, CMR Surgical and Hinotori are growing their market presence.

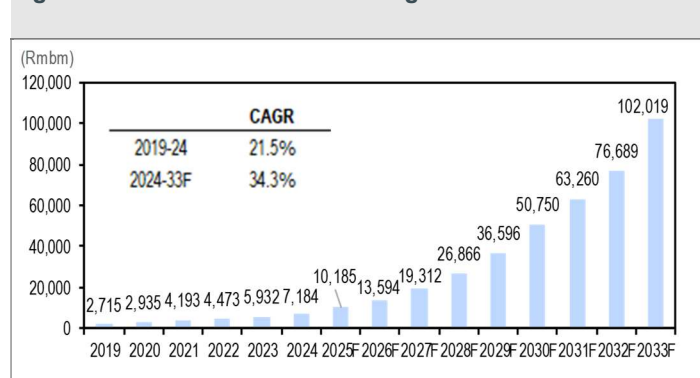
China has over 500 da Vinci systems and conducted 143,243 such procedures in 2025, achieving a penetration rate of just 0.7%. Looking ahead, China's penetration rate is projected to reach 3.0% by 2033, while that of the US is expected to climb to 34.0%. These figures underscore the substantial growth potential for robot-assisted endoscopic surgeries in both markets.

Figure 6: Penetration Rates Of Robot-Assisted Endoscopic Surgeries – US vs China



Source: Industry data, UOB Kay Hian

Figure 7: China Market Size Of Surgical Robots



Note: The size of surgical robots includes equipment sales revenue, consumables sales revenue, maintenance and service revenue.

Source: Frost & Sullivan, UOB Kay Hian

Surgical robot companies emerging in China. The surgical robot industry in China remains in its infancy, yet it is buoyed by growing investment and robust policy support, marking a transition from dependence on imports to homegrown innovation. The market is projected to reach Rmb102b by 2033, growing at a 34.3% nine-year CAGR from 2024-33. While da Vinci remains the dominant product for Intuitive-Fosun (the JV of Fosun Pharma and Intuitive Surgical, responsible for the sale and distribution of da Vinci robots in China), domestic products like Toumai (MedBot), MP1000 (Edge Medical), and KangDuo (Harbin Sagebot Intelligent Medical Equipment Co) now rival it in new placements.

In China, the main barrier to wider adoption is the high upfront cost of robotic systems, plus ongoing maintenance and consumables. Patients typically pay roughly an additional Rmb20,000 per robotic surgery. However, these costs are partly offset by clinical benefits: greater precision, fewer complications, faster recovery, a 40% shorter hospital stay, a 60% lower risk of infection, and an estimated 15% reduction in overall medical expenses, improving both payer economics and hospital throughput.

China's policy tailwinds accelerating growth. China's surgical robot regulatory framework has shifted from tight central control to strategic expansion. The 14th Five-Year Plan doubled equipment quotas, decentralised approval to provincial authorities, and raised the price floor for large-scale equipment to Rmb30m, enabling broader adoption of domestic systems beyond elite hospitals.

Figure 8: China's Strong Policy Support For Surgical Robot Industry

Feature	Pre-14th Five-Year Plan (Before 2021)	Current And Future Trends (2021-25 And Beyond)
Quota Volume	Very low (Total ~268 units)	Significant increase in adoption (+559 new units)
Approval Level	Centralised (National Health Commission)	Decentralised (provincial authorities)
Quota Price Threshold	Rmb10m-30m (Category B)	Raised to a minimum of Rmb30m (Lower-cost robots exempt)
Market Focus	Imported systems (da Vinci)	Domestic preference and import substitution
Target Hospitals	Elite Tier 1 city class III hospitals	Class II, III hospitals in Tier 2/3 cities
Regulation Goal	Strict quantity control	Clinical application and cost-efficiency
Social Medical Insurance Coverage	None	Increasing number of cities to include robotic-assisted surgery in social medical insurance: Shanghai, Beijing, Guangzhou, Shenzhen, Zhongshan, Dongguan, Jiangmen, and Zhuhai, etc.

Source: MedChina.tech, UOB Kay Hian

The Chinese government has also prioritised surgical robots under key initiatives such as “Made in China 2025” and the “15th Five-Year Plan”. Policies are designed to accelerate the development of the surgical robot industry by focusing on advancing R&D, scaling applications, and developing embodied-intelligence training.

Most critically, the National Healthcare Security Administration’s (NHA) Jan 26 pricing guidelines – Guidelines for Establishing Price Items for Surgical and Therapeutic Auxiliary Procedures (Trial Version) – now allow robotic procedures to be covered by social medical insurance. In China, standard minimally invasive (laparoscopic) surgeries cost Rmb15,000-30,000, while robot-assisted surgeries run higher at Rmb30,000-65,000, reflecting additional costs for equipment maintenance and specialised consumables. A growing number of cities, such as Beijing and Shanghai, have included robotic surgeries in their social medical insurance schemes, reimbursing up to 80% of costs, significantly easing the financial load on both patients and hospitals. This policy shift is poised to unleash a substantial surge in demand for surgical robots and robotic procedures across the country.

China has unlocked insurance reimbursement and is accelerating surgical robot adoption beyond top-tier hospitals.

Market dynamics and competitive landscape. China's surgical robot space is becoming increasingly competitive with strong adoption momentum of domestic brands, supported by government procurement policies and nationalistic sentiment. Local producers, such as MedBot and Edge Medical, are rapidly expanding their installation base in China, challenging the long-standing dominance of international giants, ie Intuitive Surgical. Focusing on globalisation and cost-efficiency, domestic surgical robot companies have achieved significant breakthroughs in both China and overseas markets.

Edge Medical and MedBot stand out as the domestic leaders.

Figure 9: China Laparoscopic Surgical Robots Tender Wins

Tender Wining Manufacturer	1H25 Tender Wins (Units)	2025 Tender Wins (Units)	2025 Average Price Per System (Rmbm)	1H26 Tender Wins (Units)	1H26 Average Price Per System (Rmbm)
Intuitive-Fosun	16	43	18.17	10	15.97
Edge Medical	6	16	14.53	7	11.64
MedBot	2	11	12.77	6	11.51
Shurui	1	6	15.84	1	13.60
Tuodao	-	1	-	1	10.80
WISEKING	-	1	-	1	8.21
Sagebot	-	10	12.33	1	-
Others	-	2	-	-	-
Domestic brands (total)	9	47	13.75	17	11.43

Source: MedRobot, UOB Kay Hian

Domestic companies gaining ground in China. China's surgical robot market, once dominated by da Vinci due to early hospital penetration and training advantages, began shifting in 2025. That year, tenders for 90 laparoscopic robots were awarded to nine manufacturers, with da Vinci still leading in terms of units and contract value. Domestic firms collectively secured 47 tenders, achieving a majority share of 52.2% of total tender wins. Edge

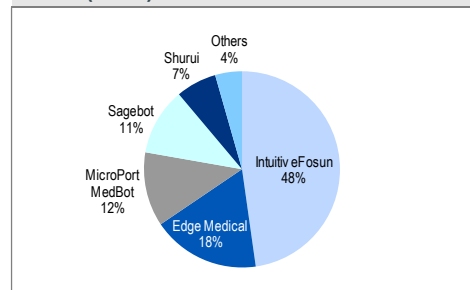
In 1H26, the domestic ASPs of da Vinci systems and domestic brands fell 12.1% and 16.9% respectively vs 2025.

Medical led with 16 wins (~18% of procurement), signalling scalable commercialisation. In 1H26, da Vinci's tender wins fell to 10 units, while domestic wins rose to 17 units that account for 63% of total tender wins. Edge Medical and MedBot led domestic brands with seven and six units respectively. Chinese companies also accounted for a major share in other surgical robot tenders in 2025, with Tinavi and Tuodao capturing 54% of orthopaedic surgical robot tenders, while Remebot and Sinovation secured 95% of neurosurgical surgical robot tenders.

Market competition triggering price drops. The rise of domestic brands has led to intensifying market competition. The overall domestic average selling price (ASP) fell from Rmb16.0m per system in 2025 to Rmb12.8m in 1H26, reflecting a structural shift toward more procurement-compatible price points. Notably, both Intuitive Surgical's da Vinci systems and domestic competitors' products are converging in this new price range, suggesting a broad-based adjustment rather than isolated discounting. da Vinci's average price contracted from Rmb18.17m in 2025 to Rmb15.97m in 1H26, while domestic brands saw a decline from Rmb13.75m to Rmb11.43m. This pricing trend indicates that Intuitive Surgical is adapting its pricing strategies to protect its market share, while emerging domestic entrants are deploying sharper price cuts to gain traction. We anticipate that VBP and group purchasing organisation (GPO) programmes will continue to exert downward pressure on surgical robot pricing in China. However, we expect this to be offset by a jump in sales volume, ultimately expanding market penetration.

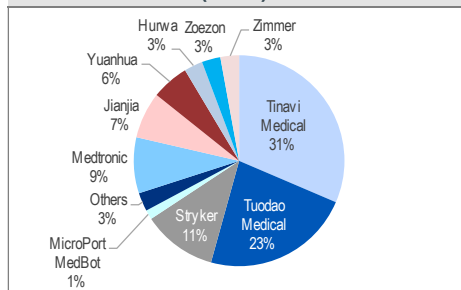
VBP/GPO programmes drive continued price erosion for surgical robots but will also unlock market demand in China.

Figure 10: Total 90 New Unit Placements Of Laparoscopic Surgical Robots In China (2025)



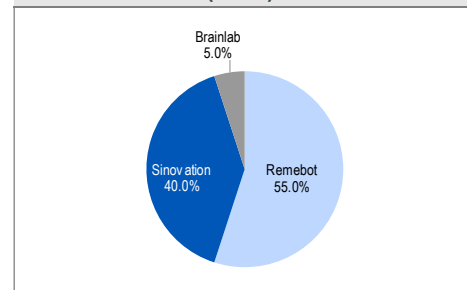
Source: Industry data, UOB Kay Hian

Figure 11: About 70 New Unit Placements Of Orthopaedic Surgical Robots In China (2025)



Source: Industry data, UOB Kay Hian

Figure 12: About 20 New Unit Placements Of Neurological Surgical Robots In China (2025)

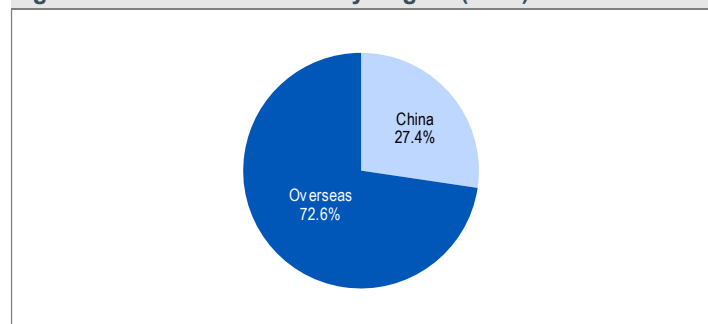


Source: Frost & Sullivan, UOB Kay Hian

Making breakthroughs in overseas markets. By securing regulatory approvals in Europe and multiple emerging markets, Chinese firms are positioning themselves as credible challengers to Intuitive Surgical. Driven by persistent global expansion, MedBot reported a 114% yoy revenue increase in 2025 to Rmb551m, with overseas sales surging 286.6% to Rmb400.2m (accounting for 72.6% of total revenue). Edge Medical likewise achieved remarkable international growth, delivering 50 units overseas which generated 45.9% of total revenue in 2025, compared with none in 2024.

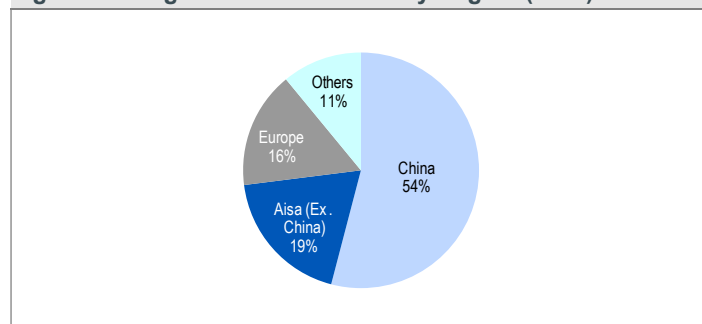
Edge Medical and MedBot are making significant inroads into global markets.

Figure 13: MedBot Revenue By Region (2025)



Source: MedBot, UOB Kay Hian

Figure 14: Edge Medical Revenue By Region (2025)



Source: Edge Medical, UOB Kay Hian

Harbin Sagebot Intelligent Medical Equipment Co has also focused on building international distributor networks and providing clinical training and maintenance support for overseas partners. Its KangDuo® surgical robots have obtained the CE Marking for Europe and signed strategic agreements in Saudi Arabia.

Racing for global leadership. The surgical robot industry is accelerating rapidly, driven by innovation, broader applications, and intensifying competition. Chinese companies are seizing this moment, showing clear ambitions to become global leaders. Edge Medical and MedBot are quickly expanding their global footprints with cost-effective yet advanced products. Meanwhile, Shenzhen Mindray Bio-Medical Electronics Co. (Mindray), Lepu Medical Technology (Beijing) Co. (Lepu Medical), and Shanghai United Imaging Healthcare Co. (United Imaging) are deploying substantial capital to catch up on next-generation technologies.

- **Greater automation and precision:** Integration of AI and machine learning enhances accuracy, reduces errors, and improves outcomes. Systems are becoming more intuitive, enabling surgeons to perform complex procedures with ease.
- **Broader clinical applications:** Robotic systems are expanding beyond urology and gynaecology into orthopaedics, cardiothoracic, and general surgery, widening the market scope.
- **Miniaturisation and portability:** Single-port systems such as da Vinci SP and Edge Medical SP1000 enable minimally invasive procedures through small incisions. Portable platforms like Stryker's Hugo RAS simplify setup and adaptability across surgical environments.
- **Streamlined regulation and accessibility:** China and many other countries are accelerating adoption of surgical robots through expedited approvals and supportive policies. Meanwhile, expanded insurance coverage and enhanced surgeon training are improving market access and fuelling industry growth.
- **Telesurgery and embodied AI:** Post-pandemic advances in telemedicine have spurred interest in remote-assisted surgery. While robots remain under full human control, embodied AI is enhancing tissue recognition and surgical guidance, fostering a globally connected, continuously learning surgical ecosystem and developing embodied autonomous surgical systems.

Comparative analysis. Key patents of the da Vinci surgical robot began expiring around 2019, following their 20-year monopoly. While Intuitive Surgical has extended patent protection on newer components, the expiration of core patents has opened the market to new competitors that promise cheaper, smaller, and more advanced surgical robots.

This dynamic landscape signals a future of greater accessibility and technological diversification. Trends such as miniaturisation, AI integration, and remote surgery are shaping product development and market penetration, ultimately delivering less invasive, more precise interventions that benefit patients worldwide.

Intuitive Surgical remains the clear leader, but major device companies such as Medtronic and Stryker are aggressively expanding their portfolios. At the same time, high-growth challengers like CMR Surgical and Medcaroid are gaining traction. Edge Medical and MedBot have emerged as the two most prominent domestic competitors to Intuitive Surgical. While both companies aim to provide high-quality, cost-effective robotic solutions, they possess distinct strengths and strategic focuses.

Chinese companies are staying ahead of the curve.

da Vinci's patent expiration has sparked intense competition.

Technological advancement reshapes the development of the surgical robot industry.

Figure 15: Leading Surgical Robot Products In Global Market

Company Name	Head-quarters	Key Product / System(s)	Indications	FDA Approval	CE Marking	NMPA Approval	Strengths	Weaknesses	Price range (US\$)
Global Companies									
Intuitive Surgical	US	da Vinci (Si, X, Xi, SP, 5), Ion	Urology, Gynaecology, General, Thoracic, Cardiac, Head & Neck (da Vinci); Bronchoscopy (Ion)	da Vinci: 2000; Ion: 2019; SP: 2018; 5: 2024	da Vinci: 1999; Ion: 2023; SP: 2023	da Vinci S: 2008; Si/Xi: 2011/2018; Ion: 2024	Market leader, extensive clinical data, broad indications, advanced instruments (EndoWrist)	High cost, large physical footprint, closed system	1.5m-2.5m
CMR Surgical	UK	Versius	General Surgery (Cholecystectomy), Gynaecology, Urology	De Novo: 2024; Plus: 2025	2019	Pending	Modular, portable, small footprint, ergonomic console	Newer to market, less clinical data than da Vinci	1.0m-1.5m (Modular)
Medtronic	Ireland	Hugo RAS, Mazor X Stealth, StealthAutoguide	Urology, Gynaecology (Hugo); Spine (Mazor); Neurosurgery (StealthAutoguide)	Mazor: 2018; StealthAutoguide: 2019; Hugo: Pending/IDE	Hugo: 2021; Mazor: 2018; StealthAutoguide: 2019	Hugo: 2022; Mazor: 2019; StealthAutoguide: 2020	Modular, integrated with Medtronic's ecosystem (Touch Surgery), open console	Hugo FDA clearance still pending for major indications	1.5m-2.0m (Hugo)
Medicaroid	Japan	hinotori	Urology, Gynaecology, Thoracic (Japan)	Pending	Pending	Pending (Japan, 2020)	Compact, 8-axis arms, designed for Japanese anatomy/ORs	Limited global regulatory clearance	1.5m-2.0m
Stryker	US	Mako SmartRobotics	Total Knee, Partial Knee, Total Hip Arthroplasty	2006 (THA), 2015 (TKA)	2017	2018	Market leader in orthopaedics, haptic feedback, CT-based planning	High cost, requires CT scans	1.0m-1.5m
Smith & Nephew	UK	CORI Surgical System	Total and Partial Knee Arthroplasty	2020	2020	2021	Handheld, image-free (no CT required), portable	Handheld nature may be less "robotic" than Mako	500k-800k
Zimmer Biomet	US	ROSA Knee, ROSA Brain	Neurosurgery (Brain), Total Knee Arthroplasty	Brain: 2009; Knee: 2019	Brain: 2009; Knee: 2019	Brain: 2014; Knee: 2022	Versatile (brain and ortho), integrated with X-ray/CT	Competition from specialised systems	700k-1.2m
Renishaw	UK	Neuromate	Neurosurgery (DBS, Biopsy, sEEG)	1999	1997	2014	Long history, high precision, stereotactic frame compatibility	Specialised niche, older technology platform	500k-800k
Brainlab	Germany	Loop-X, Cirq	Spine, Neurosurgery	2020/2021	2020/2021	2022	Integrated imaging (Loop-X) and navigation, modular robotic arm (Cirq)	High complexity, ecosystem lock-in	1m+ (System dependent)
Johnson & Johnson	US	Ottava (In Dev), Monarch	Bronchoscopy (Lung), Urology (Kidney stones)	Monarch: 2018	Monarch: 2023	Monarch: 2023	Flexible robotics, integrated vision (Monarch); unified table-integrated design (Ottava)	Ottava still in development; Monarch specialising in endoluminal	1.0m-1.5m (Monarch)
Domestic Companies									
Edge Medical	China	MP1000 (Multi-port), SP1000 (Single-port), MSP2000 (3-in-1)	Urology, Gynaecology, General, Thoracic	Pending	MP1000: 2025; SP1000: 2025; MSP2000: 2025	MP1000: Dec 22; SP1000: 2023; MSP2000: Mar 26	High-quality imaging, ergonomic design, strong domestic sales team, integrated platform significantly reduces cost and operating complexity	Primarily focused on soft tissue, limited global presence compared with MedBot	10m-15m (MP1000)
MicroPort MedBot	China	Toumai (Laparoscopic), Honghu (Orthopaedic), R-ONE (Vascular)	Urology, Gynaecology, General, Thoracic (Toumai); TKA/THA (Honghu); PCI (R-ONE)	Honghu: 2022; Toumai: 2025 IDA for US-Africa telesurgery	Honghu: 2022; Toumai: 2024/2025	Toumai: 2022 (expanded 2023/24); Honghu: 2022	Broadest portfolio and global footprint among domestic peers, strong R&D, 5G remote surgery leader	High R&D burn, intense competition from Intuitive Surgical and domestic peers	10m-14m (Toumai); 3m-6m (Honghu)
Sagebot	China	KangDuo Surgical System SR1000/1500/2000)	Urology, Gynaecology, General, Thoracic surgery	x	Dec 25	2022/2024/2024	High precision, modular design, strong academic backing	Brand awareness lower than that of MedBot and Edge Medical	5m-10m
Shurui	China	Shurui Single-Port Surgical Robot	Urology, Gynaecology, General, Thoracic	Pending	Pending	2023 (expanded 2025)	Leading single-port technology, snake-like flexible instruments	Niche market (single-port), high technical complexity	8m-15m
WEGO	China	MicroHand	Urology, Gynaecology, General, and Thoracic surgery	x	x	2021	Cost effectiveness, shared 3D imaging	Limited market exposure and brand awareness	~12m
Yuanhua Tech	China	KUNWU (鲲鹏) - Orthopaedic (5-in-1)	TKA, THA, UKA, Spine, Trauma	Pending	Pending	Knee: 2022; Hip: 2023; 5-in-1: 2025	"5-in-1" versatility, independently developed robotic arm, high precision	New entrant in a crowded orthopaedic market	3m-7m
Sinovation	China	Sinobot X1 (SR1-3D), X1000	Neurosurgery (DBS, Biopsy, sEEG), Neuro-spinal surgical	Jun-23 (X1)	x	2020 (Sinobot X1); Sep-24 (X1000)	FDA cleared, high precision, compact design (Sinobot X1)	Specialised niche (neurosurgery only)	2m-5m
Remebot	China	Remebot Neurosurgical Robot	Neurosurgery (Biopsy, DBS, sEEG)	x	Pending	2018 (expanded 2024)	Early mover in China, large clinical database, AI-assisted planning	Limited international regulatory clearances	2m-4m
Tinavi Medical	China	TiRobot (天玑)	Spine, Trauma, TKA	x	Aug 24	2016, 2021, 2023	Leader in China orthopaedics/spine market, first NMPA approved, CE MDR certified	Stock price volatility, stiff competition in joints	3m-8m
Tuodao Medical	China	Orthopaedic and Laparoscopic System	Spine, Trauma, General surgery	Pending	Pending	2025	Comprehensive solutions, rapid development	New entrant, limited market track record	3m-6m (Estimated)

Source: Industry data, UOB Kay Hian

Figure 16: Product Portfolio And Technical Integration

Feature	Edge Medical (2675 HK)	MedBot (2252 HK)
Core Laparoscopic System	MP1000 (Multi-port), SP1000 (Single-port), MSP2000 (3-in-1)	Toumai (Multi-port and single-port)
Product positioning	Industry leader in integration. Its MSP2000 system (three-in-one platform) integrates multi-port, single-port, and telesurgery capabilities under a single control platform.	Broadest multi-disciplinary portfolio. Covers laparoscopic, orthopaedic (Skywalker), pan-vascular, natural orifice, and percutaneous systems. A market leader in 5G remote surgeries.
Key selling point	"Three-in-one" solution. Seamless transition between multi-port, single-port, and telesurgery solutions under one unified control architecture, reducing hospital training and procurement costs.	Comprehensive ecosystem. Leverages MicroPort Scientific Corporation's broader ecosystem for cross-disciplinary clinical support and market access.
Strategic focuses	a) Highly effective business strategy b) Both China and overseas markets	a) Leverage on the strong overseas distribution network b) Focusing on overseas expansion

Source: UOB Kay Hian

Strategic strengths of Edge Medical. Edge Medical is a leading domestic surgical robot company in China with a rapidly expanding global market presence. It is often perceived as the "integrated specialist" focusing on perfecting the laparoscopic experience through seamless hardware and software integration.

- a) Platform-level integration.** Edge Medical is the only domestic surgical robot company in China possessing both multi-port and single-port endoscopic surgical robots with full clinical applications, eg urologic, gynaecologic general and thoracic surgery. Its MSP2000 (global-only three-in-one) system allows surgeons to use the same console and training logic for multi-port, single-port and remote procedures, which drastically lowers costs, learning curve and operational complexity for hospitals.
- b) Advanced single-port manufacturer.** Edge Medical was a first-mover in the domestic single-port market. Its SP1000 has recently obtained indication approval for thoracic surgery from the NMPA, becoming the first single-port product with full surgical applications in China.
- c) Highly effective business strategy.** Edge Medical delivered a 208% two-year CAGR in revenue over 2023-25 to Rmb455.7m, powered by rapid new launches and effective strategy, while leading domestic peers in profit margin. We expect the company to turn profitable from 2026 and achieve rapid earnings growth in the years ahead, supporting its continued success in the field of surgical robots both domestically and internationally.

Strategic strengths of MedBot. MedBot is the "diversified giant" providing a comprehensive, multi-specialty robotic ecosystem that spans beyond laparoscopy into orthopaedics and vascular surgery. Focusing on global growth, it is the leading Chinese surgical robot company in overseas markets.

- a) Breadth of clinical applications.** MedBot is the only company globally with a product portfolio covering five major surgical specialties, eg laparoscopic (Toumai), orthopaedic (SkyWalker), natural orifice (Trans-bronchial Surgical Robot), panvascular (R-ONE) and percutaneous surgery (iSR'obot Mona Lisa). This is attractive to large hospital groups looking for a single strategic partner for all robotic needs.
- b) Leader in 5G-enabled remote surgery.** The Toumai system introduced features like force sensing and 5G-enabled remote surgery earlier than many competitors, positioning it as a high-end technical pioneer.
- c) Extensive global sales network facilitates rapid overseas sales growth.** Leveraging the established global footprint of its parent company, MicroPort Scientific Corporation (which maintains a business network covering over 20,000 hospitals across more than 100 countries), MedBot benefits from a more mature international regulatory and distribution infrastructure compared with domestic peers. This enables faster market entry into diverse regions (eg Brazil, Southeast Asia).

Deploying differentiated product and market strategies, Edge Medical and MedBot are gaining traction in China and overseas.

Figure 17: Key Financials And Operating Data – Edge Medical, MedBot, And Intuitive Surgical

Key Financials	Edge Medical (2675 HK)			MedBot (2252 HK)			Intuitive Surgical (ISRG US)		
	2024 (Rmbm)	2025 (Rmbm)	yoy chg (%)	2024 (Rmbm)	2025 (Rmbm)	yoy chg (%)	2024 (US\$m)	2025 (US\$m)	yoy chg (%)
Revenue	160.0	455.7	184.8%	257.2	551.1	114.2%	8,352.1	10,064.7	20.5%
% of revenue - Domestic	100.0%	54.1%		59.8%	27.4%		66.9%*	67.7%*	
% of revenue - Overseas	-	45.9%		40.2%	72.6%		33.1%	32.3%	
Revenue by segment									
% of consumables and accessories	8.4%	11.9%		98.1%	97.9%	(consumable: c. 12% of total)	60.8%	59.8%	
% of systems	91.5%	87.9%					23.5%	24.6%	
% of services	0.1%	0.2%		1.9%	2.1%		15.7%	15.6%	
Gross profit	98.1	300.7	206.5%	86.2	266.6	209.2%	5,634.2	6,642.3	17.9%
R&D expense	(226.2)	(185.2)	-18.1%	(308.7)	(216.0)	-30.0%	(1,145.3)	(1,311.8)	14.5%
Selling expense	(101.2)	(134.8)	33.2%	(207.9)	(203.6)	-2.1%	(2,140.0)	(2,385.0)	11.4%
G&A expense	(52.6)	(90.5)	72.0%	(55.3)	(45.6)	-17.4%			
EBIT	(244.1)	(93.4)	-61.7%	(490.9)	(242.1)	-50.7%	2,348.9	2,945.5	25.4%
Net profit	(218.5)	(88.6)	-59.4%	(642.4)	(249.7)	-61.1%	2,322.6	2,856.0	23.0%
Gross Margin	61.3%	66.0%		33.5%	48.4%		67.5%	66.0%	
R&D/Revenue	-141.4%	-40.6%		-120.0%	-39.2%		-13.7%	-13.0%	
Selling expense/Revenue	-63.3%	-29.6%		-80.8%	-36.9%		-25.6%^	-23.7%^	SG&A expense/revenue
G&A expense/Revenue	-32.9%	-19.9%		-21.5%	-8.3%				
EBIT margin	-152.6%	-20.5%		-190.8%	-43.9%		28.1%	29.3%	
Net margin	-136.6%	-19.4%		-249.7%	-45.3%		27.8%	28.4%	
Guidance									
2026 Revenue/Units of delivery	Rmb850m	(120-130 units, +85% yoy)		Aiming 200 units	(Revenue: +100% yoy)		+13-15% yoy		
2026 Net Profit	Positive			Positive			US\$3.161b	(+10.68% yoy	Bloomberg est.)
	2025			2025			2025		
Total Number of employees (ppl)	602			464			17,021		
- R&D	265			230-250			2,288		
- Manufacturing	171			90-140			7,625		
- Commercial and service operations	122	Expand to 170 in 2-3 years		70-90			4,837		
Training centres (#)	9	Expand to 30 in 2-3 years		40 for Toumai and 20 for SkyWalker			80+		
Market coverage (# Countries/Regions)	55			60			worldwide		
Current production capacity (units)	>100	300 with extended operating hours		300	Suzhou and Shanghai		Global sites: US, Canada, EU, Brazil, Japan etc.		
New capacity under construction (units)	350	Ready in 2027, Longgang Shenzhen			n.a.		Capacity expansion continues.		
Core Products Instalment (Units)	2023-24	2025	Total as at end-Dec 25 ^z	2023-24	2025	Total as at end-Mar 26 ^z	2024	2025	Total as at end-Dec 25 ^z
Number of installations	28	72	100	41	80	140	1,526	1,721	11,106
- China/Domestic market	24	22	46	30	15	46	800*	987*	6,364*
- Overseas	4	50	54	11	60+	94	726	734	4,742
New orders of core products		91			+100	+220		n.a.	
Total number of surgeries conducted							2024	2025	
- by core products as at end-25		+14,000			+20,000 ^e		+2,683,000#	+3,153,000#	
- Number of telesurgeries		+500			+800				

^ SG&A exp/Revenue ^z total number of instalment base * US market

^e estimated base on +230 procedures per unit in stable phase # surgeries completed during the year.

Source: Edge Medical, MedBot, Intuitive Surgical, UOB Kay Hian

Figure 17 highlights the key financial and operating data of Edge Medical, MicroPort MedBot, and Intuitive Surgical.

The leader's moat. Intuitive Surgical dominates the global market with its da Vinci robotic systems. Its leadership is built on decades of technological accumulation, a massive installed base, and a mature “systems + consumables + services” business model. The real profit driver comes from recurring sales of high-margin consumables – used frequently in every procedure – alongside ongoing service contracts. This recurring revenue stream is the core of its sustained high profitability.

The technology gap. Despite domestic firms' rapid progress, a technological gap still persists between them and Intuitive Surgical. The da Vinci 5 system achieves real-time perception and transmission of three-dimensional push-pull forces by equipping sensors at the instrument tips. In contrast, domestic platforms currently mostly achieve force display – that is, they indirectly derive the magnitude of forces acting on internal organs by calculating the contact force between surgical instruments and the cannula – which still falls short in terms of accuracy and real-time performance.

The commercial gap. This technology gap and commercial immaturity are mirrored in the financial performance. Despite their notable achievements, MedBot and Edge Medical have yet to expand their global market presence and establish a fully integrated consumables-and-services commercial closed loop like Intuitive Surgical. In 2025, consumables sales accounted for only about 12% of total revenue for both domestic leaders, far below Intuitive Surgical's nearly 60% consumables revenue share. This means MedBot and Edge Medical's current revenue relies primarily on equipment sales, resulting in less stable cash flows and leaving considerable room for profitability improvement. The core of the consumable and service revenue strategy will be monetising their expanding installation base.

The challengers' global traction. Compared with Intuitive Surgical, both Edge Medical and MedBot are relatively small in scale. Nonetheless, they are mounting a serious challenge through cost efficiency, speed, and localised innovation – particularly in the Chinese and European markets. MedBot and Edge Medical have achieved significant international breakthroughs, being present in 55-60 countries now, with overseas unit sales surpassing those in China. In 2025, overseas revenue accounted for 72.6% of MedBot's total revenue and 45.9% of Edge Medical's, underscoring globalisation as a primary growth driver for both companies going forward. With its growing global footprint, MedBot has become the second-largest laparoscopic surgical robot player in the global market. The competitive dynamics among these three will significantly shape the future landscape of the global surgical robot industry.

Comparative trajectories. MedBot targets over 100% revenue growth yoy, with about 200 unit deliveries of Toumai Laparoscopic Surgical Robots in 2026, compared with Edge Medical's 85% yoy sales growth and 120-130 unit placements of core products. However, Edge Medical has consistently delivered higher margins than MedBot over the past few years, reflecting stronger R&D and operational efficiency. Looking ahead, both companies have guided positive earnings in 2026, supported by robust revenue growth and margin expansion.

The challenges and opportunities ahead. Looking ahead, domestic surgical robot firms must pursue a multi-pronged strategy to close the gap with the global leader, such as: a) accelerating R&D in core technologies; b) transitioning from equipment-centric sales to a fully integrated “systems + consumables + services” model, which will stabilise recurring revenue and improve profitability; and c) further deepening global footprint expansion. Supported by their enhanced market expansion efforts, favourable national pricing policies, lower production costs, and growing procedure volumes driving consumables uptake, the two domestic leaders are poised to achieve positive earnings in 2026 and significant margin improvement in the next few years.

Gaps remain, yet both Edge Medical and MedBot have made major inroads globally.

MedBot targets more core product installations in 2026 but Edge Medical's stronger margin signals higher earnings visibility.

Both have become global challengers through continued sales growth and margin gains.

Stock Picks

Shenzhen Edge Medical Co (2675 HK)

The Fast-Scaling Global Surgical Robot Disruptor

Highlights

- Established in 2017, Edge Medical is now China's largest domestic surgical robot player, with significant breakthroughs in overseas markets. Revenue grew at a two-year CAGR of 208% in 2023-25 to Rmb455.7m in 2025.
- With its ambitious growth plans and strong execution capabilities, Edge Medical is set to become a major player in the global surgical robot market.
- Initiate coverage with BUY and target price of HK\$56.00.

Analysis

- A fast-scaling domestic leader and global disruptor in the surgical robot industry.** Established in 2017, Edge Medical has been a domestic leader in laparoscopic surgical robots since 2024. Its total revenue grew at a two-year CAGR of 208% in 2023-25 to reach Rmb455.7m in 2025. It led domestic players with 22 installations of laparoscopic robots in China and 50 units globally in 2025. Overseas revenue surged from zero in 2024 to Rmb209.3m in 2025, reflecting a strong global sales momentum.
- Ambitious growth strategy in China and overseas.** With the HK\$1.12b raised in its recent Hong Kong IPO, Edge Medical is well-capitalised to pursue its growth strategy. The company plans to scale up its sales force from 122 to 170 by 2027, add 21 global training centres, and boost production capacity from about 100 units to 415. Moreover, it has quickly ramped up its global market presence by introducing key products in over 50 countries. Its newly-launched MSP2000, the world's only "3-in-1" system, will become a key growth driver, enabling the company to maintain its leading market position in China and quickly expand its presence in overseas markets.
- A rosier earnings growth outlook.** Aside from robust revenue growth, Edge Medical rapidly improved its margins and became the first domestic surgical robot player to achieve half-yearly breakeven in 2H25. Targeting core product sales of 120-130 units in 2026, it could see a three-year revenue CAGR of 73.1% in 2025-28. Effective cost control should drive profitability from 2026 onwards, with net earnings growing at a two-year CAGR of 138% in 2026-28 to Rmb501.9m by 2028. Focusing on next-generation R&D and global expansion, Edge Medical is poised to become a major global surgical robot player.
- Initiate coverage with BUY and a target price of HK\$56.00** based on our DCF model, assuming WACC of 11.6% and terminal growth rate of 3%.

Key Financials

Year to 31 Dec (Rmbm)	2024	2025	2026F	2027F	2028F
Net turnover	160.0	455.7	843.4	1,476.0	2,361.9
EBITDA	(270.1)	(118.0)	(10.5)	199.4	466.3
Operating profit	(244.1)	(93.4)	13.5	224.0	491.5
Net profit (rep./act.)	(218.5)	(78.0)	18.4	194.5	421.9
Net profit (adj.)	(218.5)	(9.9)	88.4	264.5	501.9
EPS (Fen)	(60.7)	(2.7)	24.6	73.5	139.4
PE (x)	n.a.	n.a.	140.5	47.0	24.8
P/B (x)	9.9	10.4	5.3	4.9	4.2
EV/EBITDA (x)	n.a.	n.a.	n.a.	61.2	26.2
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Net margin (%)	(136.6)	(17.1)	2.2	13.2	17.9
Net debt/(cash) to equity (%)	(9.5)	(9.5)	(7.2)	(54.2)	(54.8)
Interest cover (x)	n.a.	n.a.	n.a.	n.a.	n.a.
ROE (%)	(16.2)	(6.3)	1.0	8.0	15.4
Consensus net profit	-	-	69	184	326
UOBKH/Consensus (x)	-	-	1.28	1.44	1.54

Source: Edge Medical, Bloomberg, UOB Kay Hian

BUY

Share Price	HK\$40.00
Target Price	HK\$56.00
Upside	+40.0%

Analyst(s)

Carol Dou

carol.dou@uobkh.com
+852 2236 6749

Sunny Chen

sunny.chen@uobkh.com
+852 2826 4857

Stock Data

GICS Sector	Health Care
Bloomberg ticker	2675 HK
Shares issued (m)	325.9
Market cap (HK\$m)	15,602.2
Market cap (US\$m)	1,989.6
3-mth avg daily t'over (US\$m)	3.0

Price Performance (%)

52-week high/low				HK\$73.70/HK\$33.62	
1mth	3mth	6mth	1yr	YTD	
7.6	(24.4)	(43.0)	n.a.	(29.3)	

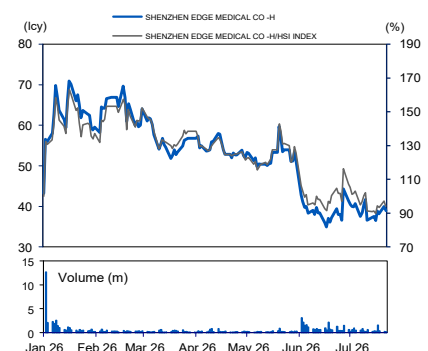
Major Shareholders (%)

Dr. Wang	26.97
Dr. Gao	13.33

Balance Sheet Metrics

FY26 NAV/Share (Rmb)	6.48
FY26 Net Cash/ Share (Rmb)	3.26

Price Chart



Source: Bloomberg

Company Description

Shenzhen Edge Medical Co is a leading surgical robot producer in China.

Investment Highlights

A fast-scaling domestic leader and global disruptor in the surgical robot industry... Established in 2017, Edge Medical has been a domestic leader in laparoscopic surgical robots since 2024, thanks to effective R&D and commercialisation. Its total revenue rose at a two-year CAGR of 208% in 2023-25 to reach Rmb455.7m in 2025. It led domestic players with 22 installations of laparoscopic robots in China and 50 units globally in 2025. Its overseas revenue surged from zero in 2024 to Rmb209.3m in 2025, reflecting a strong global sales momentum. Backed by its robust R&D capabilities, innovative product portfolio, and healthy financial outlook, the company is all set for continued success at home and abroad.

Edge Medical has been the domestic leader in surgical robots for two consecutive years.

...with strong R&D capability supporting its robust portfolio. Leveraging its strong R&D capabilities, Edge Medical developed MP1000 and SP1000 in just four years and expanded MP1000's clinical applications from urologic surgery to a full range of specialties – including gynaecologic, general, and thoracic surgery – in only eight months. Its robust product portfolio features multi-port systems MP1000 and MP2000, the single-port SP1000, and a bronchoscope robot. It is the only local company to have obtained approval for both multi-port and single-port laparoscopic systems across all major specialties. Recently, the company has also received market approval for its MSP2000, the world's only three-in-one system that seamlessly integrates multi-port, single-port, and telesurgery solutions under a unified control architecture. With its cost-effectiveness and strong support for scientific research amid high technological barriers, Edge Medical is well positioned to gain a competitive edge in the global surgical robot market.

Undertaking R&D with a focus on laparoscopic systems, ...

Ambitious growth plans in China and overseas. Backed by the HK\$1.12b raised in its recent Hong Kong IPO, Edge Medical is well-capitalised to pursue its growth strategy. The company plans to expand its sales force from 122 to 170 by 2027, add 21 global training centres, and boost production capacity from about 100 units to 415. Moreover, it has quickly ramped up its global market presence with key products entering more than 50 countries/regions. The newly-launched MSP2000 has also received market approval in over 30 countries. The move will allow the company to maintain its leading market position in China and quickly expand its presence in overseas markets.

...the domestic market leader is strengthening its presence overseas.

Stronger earnings growth potential with significant margin improvement. Aside from the successful commercialisation of its products, Edge Medical has also quickly widened its profit margins and was the first domestic surgical robot player to achieve half-yearly earnings breakeven in 2H25. Moreover, with its differentiated and effective R&D and commercialisation strategy, the company has become a significant disruptor in the rapidly-evolving global surgical robot market. It targets to distribute over 20 units in China and approximately 100 units overseas in 2026. We forecast a rapid three-year revenue CAGR of about 73% in 2025-28. With its effective cost control, the company will likely turn profitable from 2026 and see net earnings expand substantially at a two-year CAGR of 138% from 2026-28 to Rmb501.9m in 2028, reflecting an adjusted net margin of 21.3%.

Strong margins will drive its long-term earnings visibility.

Valuation

Initiate coverage with **BUY** and a target price of **HK\$56.00** based on our DCF model, assuming WACC of 11.6% and terminal growth rate of 3.0%.

With efficient R&D-to-commercialisation cycles, Edge Medical is well positioned to defend and expand its market share in China. Its rapid overseas expansion validates strong global potential. We believe the company is poised for continued success at home and abroad, backed by its innovative product portfolio and exceptional operating efficiency.

Figure 1: Discounted Cash Flow Model

Cash Flow (Rmbm)	2025	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	2036F	2037F	2038F	2039F	2040F
Total revenue	456	843	1,476	2,362	3,072	3,841	4,688	5,628	6,641	7,637	8,401	8,823	9,096	9,369	9,650	9,939
Sales yoy (%)	185%	85%	75%	60%	30%	25%	22%	20%	18%	15%	10%	5%	3%	3%	3%	3%
Operating profit	(93)	14	224	491	801	1,078	1,456	1,832	2,327	2,866	3,279	3,576	3,002	3,092	3,184	3,280
Operating margin	-20%	2%	15%	21%	26%	28%	31%	33%	35%	38%	35%	35%	33%	33%	33%	33%
NOPAT	(79)	11	190	418	681	916	1,238	1,557	1,978	2,437	2,787	3,039	2,551	2,628	2,707	2,788
CAPEX	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
Depreciation	25	24	25	25	26	26	27	27	28	28	29	30	31	33	34	36
Changes in working capital	(144)	23	(96)	(111)	(128)	(132)	(145)	(161)	(174)	(171)	(131)	(72)	(79)	(83)	(88)	(92)
Free cash flow (Rmbm)	(201)	55	117	329	576	808	1,117	1,421	1,829	2,292	2,683	2,994	2,500	2,574	2,651	2,729
FCF yoy (%)	-127%	111%	182%	75%	40%	38%	27%	29%	25%	17%	12%	-16%	3%	3%	3%	3%
Discount Factor		1.00	0.90	0.80	0.72	0.65	0.58	0.52	0.46	0.42	0.37	0.33	0.30	0.27	0.24	0.22
PV of CF			105	264	415	522	646	737	851	955	1,002	1,003	751	693	639	590
NPV - Enterprise Value (Rmbm)	16,273															
Net cash (debt) current	1,256															
Fully Diluted Shares (m)	360															
Value/Share (HK\$)	56.00															

Source: UOB Kay Hian

Assumptions:

Terminal growth rate	3.0%
WACC	11.6%

Business & Earnings Outlook

Catering to strong market demand with continuous new product/indication launches. Backed by its strong R&D capabilities, Edge Medical has developed a pipeline of three products and product candidates across different development stages positioning itself to capture significant opportunities in the surgical robot space. They are Edge Multi-Port Endoscopic Surgical Robot, Edge Single-Port Endoscopic Surgical Robot and Edge Bronchoscope Robot for non-invasive surgery.

As the first Chinese company and second globally to obtain regulatory approvals for multi-port, single-port and natural orifice surgical robotic systems, it received National Medical Products Administration (NMPA) market approval for MP1000 in Dec 22, obtained market approval for MP1000 Plus in Oct 23 and SP1000 in Nov 23, and won Bronchoscope robot approval in Jan 25. It also actively pursues global market opportunities for its core products and has obtained registration approvals for MP1000 in over 55 countries and regions, and SP1000 in more than 35 countries and regions.

Edge Medical ranks second in overseas revenue among Chinese peers.

Figure 2: Product Portfolio And Timeline For Potential Market Approvals

Product Name	Model/Version	Indication	Time of Approval (Est.)
Edge Multi-Port Endoscopic Surgical Robot	MP1000	Urologic surgery	NMPA: Dec 22
		Gynaecologic, general and thoracic surgery	NMPA: Aug 23
		Urologic, gynaecologic, general and thoracic surgery	CE Marking: Mar 25
		Urologic, gynaecologic, general and thoracic telesurgery	NMPA: 3Q26
	MP1000 Plus	Urologic, gynaecologic, general and thoracic surgery	NMPA: Oct 23
	MP2000 series	Urologic, gynaecologic, general and thoracic surgery	NMPA: Jul 24
	MSP2000 (3-in-1)	Urologic, gynaecologic, general and thoracic telesurgery	CE Marking: Oct 25, NMPA: Mar 26
	Upgraded model	Paediatric and cardiac surgery,	NMPA: 2028 (Est.)
		Urologic, gynaecologic, general and thoracic surgery	NMPA: 2028 (Est.)
		Urologic, gynaecologic, general and thoracic surgery	NMPA: 2028 (Est.)
Edge Single-Port Endoscopic Surgical Robot	SP1000	Gynaecologic surgery	NMPA: Nov 23
		Urologic, general surgery	NMPA: Oct 24
		Otorhinolaryngology (ENT), head and neck surgery	NMPA: 4Q26 (Est.)
		Thoracic surgery	NMPA: Mar 26
		Urologic, gynaecologic, general and thoracic surgery	CE Marking: Oct 25
	Upgraded model	Paediatric surgery	NMPA: 2028 (Est.)
		Urologic, gynaecologic and general surgery	NMPA: 4Q26 (Est.)
		Urologic, gynaecologic, general, thoracic and paediatric surgery	CE Marking: 2028 (Est.)
Edge Bronchoscope Robot	Bronchoscope Robot	Diagnosis and treatment of bronchus and pulmonary lesions	NMPA: Jan 25
	Upgraded model		NMPA: 2028 (Est.)

Source: Edge Medical, UOB Kay Hian

It has the most comprehensive and rapidly-expanding laparoscopic surgical robot profile.

Successful launch of MSP2000 to boost revenue growth. Seeing increasing demand for telesurgeries, Edge Medical has recently launched MSP2000, the world's first three-in-one system integrating three distinct surgical modalities (ie, multi-port, single-port and remote) into one control console. Besides featuring a high technological barrier, it also meets hospital needs for cost-effectiveness and scientific research. Having obtained regulatory approval in over 30 countries, this product is expected to become a new growth driver in the global market. Moreover, with an impending wave of market approvals for upgraded models in the next few years, the company is well positioned for global scalability.

MSP2000 will become its new growth driver in the global market.

Figure 3: MSP2000 – The Three-In- One” Platform



Source: Edge Medical, UOB Kay Hian

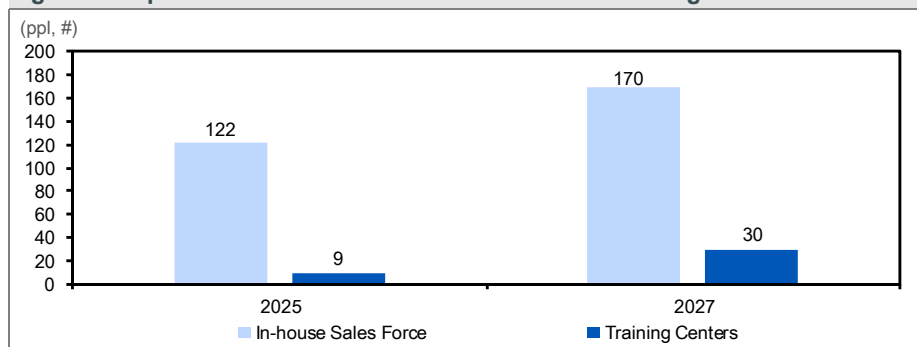
Continuously investing in next-generation surgical robot systems...

Through unceasing R&D advancement in key technologies such as telesurgery, intelligent operations, and minimally invasive surgical platforms, the company consistently enhances the intelligence and precision of its surgical robots, laying a solid foundation for the future evolution of telesurgery and intelligent surgical systems. At the same time, it is intensively developing its next-generation surgical robot systems, with a focus on platform-based integration, digital intelligence, and automation. Committed to sustainable growth, Edge Medical will continue to roll out new models/products to meet market demand.

...and expanding sales force and training centres. The company has a sales force of 122 employees. Projected to grow to 150-170 by 2027, the sales force collaborates closely with distributors to provide physicians with expert support and training. Furthermore, Edge Medical has established a network of nine training centres in partnership with hospitals across eight cities in China. To further expand market coverage among top-tier domestic hospitals, it plans to add 15 regional training centres. Additionally, a dedicated training centre will be set up at its Shenzhen facility to host comprehensive training programmes for surgeons. Internationally, the company plans to partner overseas hospitals to establish five additional training centres over the next 2-3 years.

Edge Medical's aggressive expansion strategies allow it to stay ahead of domestic rivals and extend its global reach.

Figure 4: Expansion Of Sales Force And Network Of Training Centres



Source: Edge Medical, UOB Kay Hian

Effective sales and marketing strategies. Edge Medical aims to sustain its market leadership in China by bidding for hospital tenders as a mid-range to high-end domestic provider, offering each unit at Rmb10m-15m. In 2026, it will continue with its academic promotion and involvement in exhibitions and national professional conferences covering different therapeutic areas, while further deepening its distributor networks and hospital partnerships to extend market reach and cultivate growth. This will enable it to solidify its position as the preferred domestic surgical robot supplier.

In overseas markets (excluding North America), Edge Medical has adopted tiered marketing strategy:

- large hospitals – it offers product portfolios;
- mid-sized hospitals with purchasing power – it provides more cost-effective solutions compared with competitors; and
- other hospitals – it offers equipment placement or financing lease options.

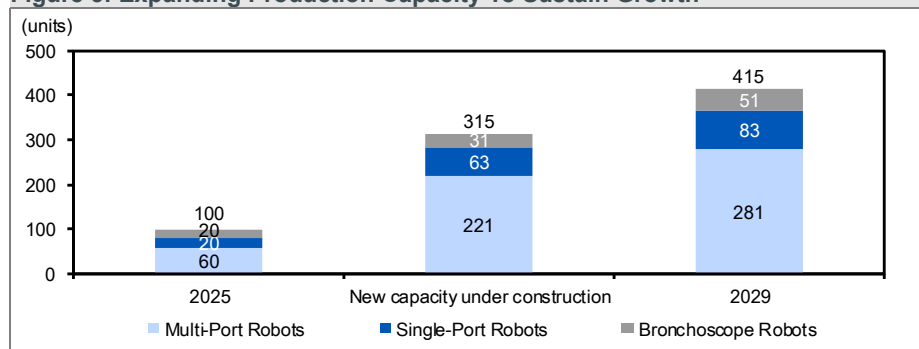
In addition, besides adding more training centres, the company plans to expand training programmes to accelerate sales network development and boost sales volume both domestically and overseas.

Significantly expanding production capacity to facilitate growth. Based in Shenzhen, the company's manufacturing facilities currently support an annual capacity of more than 100 units, with the flexibility to scale up to 300 through extended operating hours.

The company plans to use approximately HK\$111.7m, or 10% of the proceeds raised from the Hong Kong IPO, to establish a new manufacturing centre in Longgang, Shenzhen. The new facility is designed with an annual production capacity of about 350 surgical robots, including 245 multi-port endoscopic surgical robots, 70 single-port endoscopic surgical robots, and 35 bronchoscope robots. The company plans to commence the establishment of a new manufacturing centre in 2H26, and to put it into operation in 2027 and achieve a capacity utilisation rate of approximately 90% by 2029.

The planned production capacity expansion will allow the company to scale up rapidly across both the domestic and international markets.

Figure 5: Expanding Production Capacity To Sustain Growth



Source: Edge Medical, UOB Kay Hian

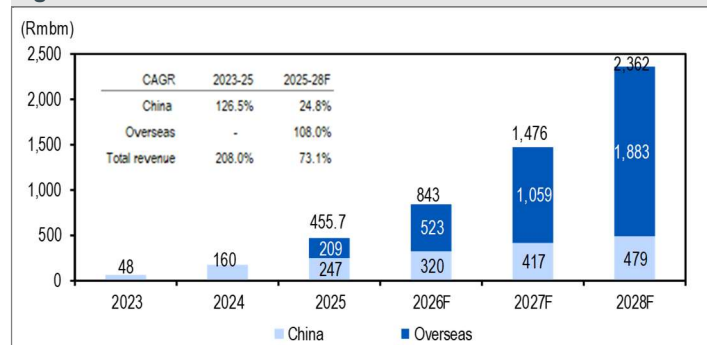
Expects robust revenue growth and positive earnings from 2026. Having received its first product approval in just two years, Edge Medical has expanded its product portfolio and achieved substantial revenue expansion (208.0% two-year CAGR in 2023-25) to Rmb455.7m in 2025. The company saw net loss narrow significantly by 59.4% to Rmb88.6m in 2025, with bottom line turning positive for the first time in 2H25 to Rmb0.5m. Capturing rapidly-growing market opportunities, Edge Medical expects to achieve a total revenue of approximately Rmb850m, surging more than 85% yoy in 2026.

The company is targeting a revenue growth of 85% yoy and earnings breakeven in 2026.

With enhanced sales and production capacity to facilitate growth, it targets to deliver approximately 120 surgical robots in 2026 (up from 72 in 2025) to its global customers. With seamless transition between multi-port, single-port, and telesurgery capabilities under one unified control architecture, the MSP2000 system reduces hospital training and procurement costs, and will likely become a new growth driver for Edge Medical in the years ahead. We forecast sales growing at a robust three-year CAGR of 73.1% in 2025-28, supported by strong market demand and the company's enhanced business expansion efforts.

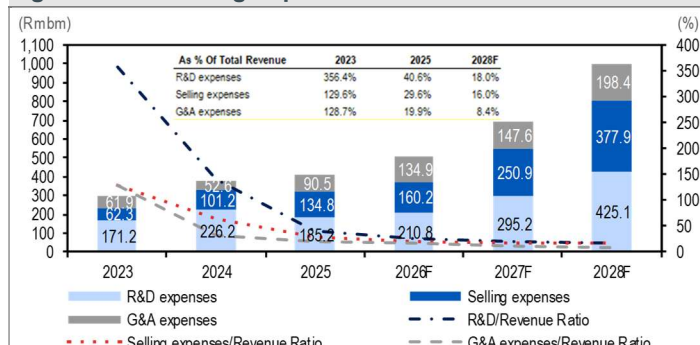
Driven by continued globalisation, 2025 marked a landmark year for the company's international expansion. MP1000 received regulatory clearance in 55 countries and SP1000 in 35 countries and regions at the end of the year. Overseas business has quickly become a substantial contributor, rising from near zero in 2024 to approximately 45.9% of 2025 revenue. We remain confident that international sales will maintain strong growth and become the dominant revenue stream for Edge Medical from 2026 onwards.

Figure 6: Revenue Growth



Source: Edge Medical, UOB Kay Hian

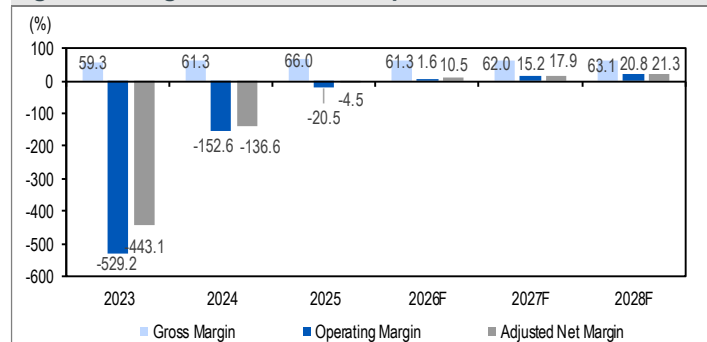
Figure 7: Decreasing Expense/Revenue Ratios



Source: Edge Medical, UOB Kay Hian

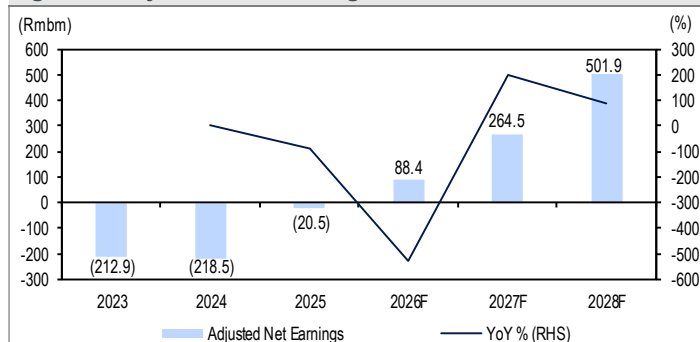
Dedicated to developing advanced surgical robots to meet the growing needs of the global market and to sustain growth, the company will continue to invest significantly in R&D and global marketing capabilities. We forecast the R&D and selling expenses expanding rapidly at a three-year CAGR of 26.6% and 35.3% respectively in 2025-28. We also expect the company's operating expenses to revenue ratios to fall further given a robust revenue growth.

Figure 8: Margins Continue To Improve



Source: Edge Medical, UOB Kay Hian

Figure 9: Adjusted Net Earnings

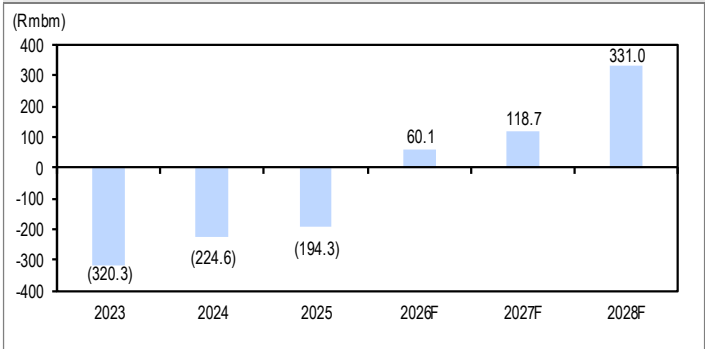


Source: Edge Medical, UOB Kay Hian

In the meantime, profit margin will improve steadily as operating efficiency increases. With relatively conservative assumptions of gross margin improving steadily from 61% in 2026 to 65% in 2028, we expect the company to achieve positive adjusted earnings from 2026 onwards, expanding at a two-year CAGR of 140% in 2026-28. Steady business expansion will likely enable the company to generate robust operating cash flow from 2026 onwards and increasingly attractive ROE and ROA in the years ahead.

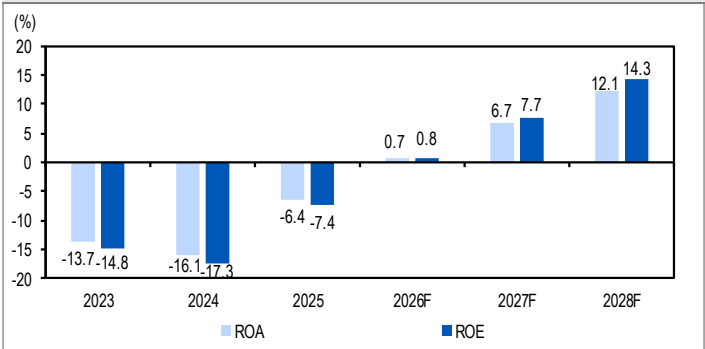
Strong execution capability and robust margins bode well for the company's sustainable long-term growth.

Figure 10: Operating Cash Flow



Source: Edge Medical, UOB Kay Hian

Figure 11: ROE And ROA



Source: Edge Medical, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Net turnover	455.7	843.4	1,476.0	2,361.9
EBITDA	(118.0)	(10.5)	199.4	466.3
Deprec. & amort.	(24.6)	(24.1)	(24.6)	(25.2)
EBIT	(93.4)	13.5	224.0	491.5
Net interest income/(expense)	4.9	4.9	4.9	4.9
Pre-tax profit	(78.0)	18.4	228.9	496.4
Tax	0.0	0.0	(34.3)	(74.5)
Minorities	0.0	0.0	0.0	0.0
Net profit	(78.0)	18.4	194.5	421.9
Net profit (adj.)	(9.9)	88.4	264.5	501.9

Cash Flow

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Operating	(194.3)	60.1	118.7	331.0
Pre-tax profit	(78.0)	18.4	228.9	496.4
Tax	0.0	0.0	(34.3)	(74.5)
Deprec. & amort.	(24.6)	(24.1)	(24.6)	(25.2)
Working capital changes	(94.7)	20.5	0.8	16.5
Other operating cashflows	3.0	45.2	(52.0)	(82.2)
Investing	170.5	2.7	2.7	2.7
Capex (growth)	(3.4)	(2.7)	(2.7)	(2.7)
Investments	0.0	0.0	0.0	0.0
Proceeds from sale of assets	879.7	1,124.3	0.0	0.0
Others	(950.4)	5.4	5.4	5.4
Financing	(9.3)	1,116.1	(0.5)	(0.5)
Issue of shares	0.0	0.0	0.0	0.0
Proceeds from borrowings	(7.2)	0.0	0.0	0.0
Loan repayment	(0.9)	0.0	0.0	0.0
Others/interest paid	(1.2)	1,116.1	(0.5)	(0.5)
Net cash inflow (outflow)	(33.2)	1,178.9	120.9	333.1
Beginning cash & cash equivalent	119.8	86.0	1,264.9	1,385.8
Changes due to forex impact	(0.6)	0.0	0.0	0.0
Ending cash & cash equivalent	86.0	1,264.9	1,385.8	1,718.9

Balance Sheet

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Fixed assets	42.1	20.7	(1.1)	(23.6)
Other LT assets	9.3	9.3	9.3	9.3
Cash/ST investment	86.0	1,264.9	1,385.8	1,718.9
Other current assets	1,248.3	1,287.0	1,493.2	1,774.6
Total assets	1,385.7	2,582.0	2,887.1	3,479.3
ST debt	0.0	0.0	0.0	0.0
Other current liabilities	164.4	225.7	336.3	506.5
LT debt	0.0	0.0	0.0	0.0
Other LT liabilities	22.6	22.6	22.6	22.6
Shareholders' equity	1,198.7	2,333.7	2,528.3	2,950.2
Minority interest	0.0	0.0	0.0	0.0
Total liabilities & equity	1,385.7	2,582.0	2,887.1	3,479.3

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
Gross margin	66.0	61.3	62.0	63.1
Pre-tax margin	(17.1)	2.2	15.5	21.0
Net margin	(17.1)	2.2	13.2	17.9
ROA	(5.7)	0.9	7.1	13.3
ROE	(6.3)	1.0	8.0	15.4
Growth				
Turnover	184.8	85.1	75.0	60.0
EBITDA	n.a.	n.a.	n.a.	133.9
Pre-tax profit	n.a.	n.a.	1,142.4	116.9
Net profit	n.a.	n.a.	956.0	116.9
Net profit (adj.)	n.a.	n.a.	199.2	89.7
EPS	n.a.	n.a.	199.2	89.7
Leverage				
Debt to total capital	0.0	0.0	0.0	0.0
Debt to equity	0.0	0.0	0.0	0.0
Net debt/(cash) to equity	(7.2)	(54.2)	(54.8)	(58.3)
Interest cover (x)	n.a.	n.a.	n.a.	n.a.

Appendix

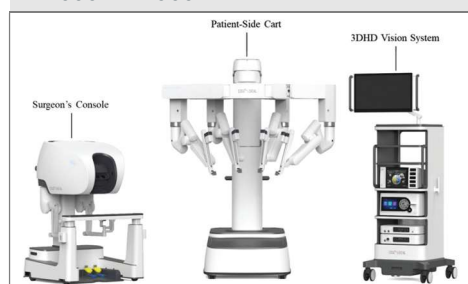
RISK FACTORS

- a) **Geopolitical risks.** The US-China trade tension could intensify, and there could be further escalation and prolongation of the US-Israel war on Iran. Growing geopolitical risks may increase production costs and disrupt supply chains, hence negatively impacting the stock performance of the company and the global expansion of its surgical robot business.
- b) **Possible further slowdown of economic growth in China and increasing policy risks.** China's GDP is projected to grow at a slower pace of 4.5-5.0% in 2026, given domestic challenges and deflationary pressure. Additionally, social medical insurance funds are under budget deficit pressure. Policy risks may increase, including anti-corruption campaigns, tightened diagnosis-related groups (DRG) and diagnosis-intervention packet (DIP) regulations, potential delays in or cancellations of hospital procurement programmes, and volume-based procurement (VBP) price pressures on minimally invasive surgical products.
- c) **Regulatory approval and compliance risks.** The highly-regulated nature of medical devices, coupled with the rapid evolution of robotic and AI technologies, presents considerable uncertainties for market approval and regulatory risks. Edge Medical must navigate the different global standards across the major markets, including the US Food and Drug Administration (FDA), the European Medicines Agency (EMA), and China's NMPA, etc, to eliminate compliance risks.
- d) **IP and legal risks.** The innovative and high-value nature of surgical robotics makes the field a fertile ground for IP disputes and complex liability issues. The industry is characterised by fierce competition and frequent patent litigation. Patent infringement lawsuits can be protracted and costly, and can divert significant resources from R&D and commercialisation efforts.
- e) **Risks in R&D and new product launches.** There are considerable risks in new product development, clinical trials and evaluations. Delays or unexpected events during new product development could lead to delays in regulatory approval and even market launch failures.
- f) **Risks in commercialisation and market expansion.** Hospital budget and reimbursement constraints may limit customer base expansion and slow adoption. Successful market growth demands extensive training for surgeons and robust sales and marketing support, which may lead to a significant increase in operating expenses and margin pressure.
- g) **Intensifying competition and technological risks.** The dynamic nature of the surgical robot industry, characterised by rapid innovation and new market entrants, poses significant competitive and technological risks, eg obsolete systems, AI-related failure, machine learning, and intense competition from new entrants.
- h) **Risks in M&A and collaborations.** Failure of M&As and collaborations could bring substantial harm to business.
- i) **Financial risks.** The surgical robot industry demands substantial financial commitment. Bringing a surgical robot from concept to market requires immense upfront investment in R&D, clinical trials, and regulatory approvals. Companies often have to endure a prolonged period of unprofitability.
- j) **Risks in lock-up expiration.** The company's cornerstone investors who participated in the Hong Kong IPO have a lock-up period of 6 and 12 months which will expire on 9 Jul 26 and 8 Jan 27 respectively. Free float of these shares could lead to significant share price fluctuations.

COMPANY OVERVIEW

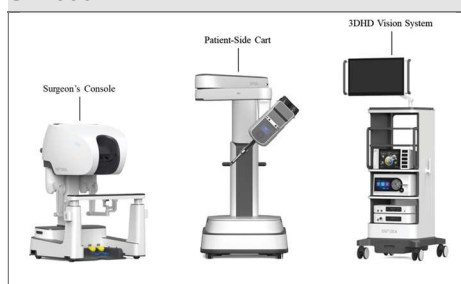
Founded in 2017, Edge Medical has built a comprehensive portfolio that includes Edge Multi-port Endoscopic Surgical Robots (MP1000 and MP2000), Edge Single-Port Endoscopic Surgical Robot (SP1000), and Edge Bronchoscope Robot. It has been leading Chinese endoscopic surgical robot manufacturers in terms of market share since 2024. With ambitions to become a major global player, it has secured registration approvals for its core products MP1000 in over 55 overseas jurisdictions and SP1000 in more than 35 countries or regions. Following its successful IPO on the Hong Kong Stock Exchange in Jan 26, Edge Medical is well capitalised to accelerate commercialisation of its advanced robotic platforms in China and overseas.

MP1000/MP2000



Source: Edge Medical, UOB Kay Hian

SP1000



Source: Edge Medical, UOB Kay Hian

Bronchoscope Robot



Source: Edge Medical, UOB Kay Hian

Exceptional R&D efficiency. Edge Medical's agile R&D engine brought the MP1000 and SP1000 from design to completion in just four years. In just eight months, MP1000's clinical applications expanded from urology to encompass gynaecologic, general, and thoracic surgeries. A key advantage of the company's ecosystem is platform compatibility: Edge Multi-Port and Single-Port systems share a universal surgeon's console and 3DHD vision system, facilitating easy switching for surgeons and streamlined adoption for hospitals. After receiving market approval for MSP2000 from the EMA in Oct 25 and from the NMPA in Mar 26, the company continues to push boundaries by enhancing system precision and control while advancing the development of telesurgery capabilities.

Product Pipeline

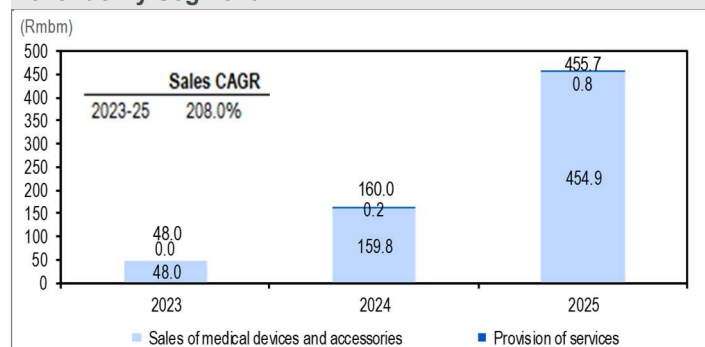
Product Name	Model/Version	Region	Surgical Application	Classification	Progress/Status	Upcoming Key Milestone (Est.)
Edge Multi-Port Endoscopic Surgical Robot	MP1000 (base)	China	Urologic surgery	Class III	Registration approved by NMPA in Dec 22	-
		China	Gynaecologic, general and thoracic surgery	Class II(b)	Registration modification approved by NMPA in Aug 23	-
		EU	Urologic, gynaecologic, general and thoracic surgery	Class III	Obtained CE Marking from EMA in Mar 25	-
		China	Urologic, gynaecologic, general and thoracic telesurgery	Class III	To apply to NMPA for registration modification	To be approved in 3Q26
	MP1000 Plus	China	Urologic, gynaecologic, general and thoracic surgery	Class III	Registration modification approved by NMPA in Oct 23	-
	MP2000 series	China	Urologic, gynaecologic, general and thoracic surgery	Class III	Registration modification approved by NMPA in Jul 24	-
		China	Urologic, gynaecologic, general and thoracic telesurgery	Class III	To apply to NMPA for registration modification	To be approved in 3Q26
	Upgraded model	China	Paediatric and cardiac surgery	Class III	Design and development	To initiate type testing in 3Q26
		China	Urologic, gynaecologic, general and thoracic surgery	Class III	Design and development	To initiate type testing in 3Q26
		EU	Urologic, gynaecologic, general and thoracic surgery	Class II(b)	Design and development	To initiate type testing in 3Q26
Edge Single-Port Endoscopic Surgical Robot	SP1000 (base)	China	Gynaecologic surgery	Class III	Approved by NMPA in Nov 23	-
		China	Urologic, general surgery	Class III	Approved by NMPA in Oct 24	-
		China	Otorhinolaryngology (ENT), head and neck surgery	Class III	Submitted NMPA application in Aug 25	To be approved in 4Q26
		China	Thoracic surgery	Class III	Approved by NMPA in Mar 26	-
		EU	Urologic, gynaecologic, general and thoracic surgery	Class II(b)	Obtained CE Marking from EMA in Oct 25	-
	Upgraded model	China	Paediatric surgery	Class III	To apply to NMPA for registration modification	To initiate type testing in 4Q26
		China	Urologic, gynaecologic and general surgery	Class III	Submitted NMPA application in 1Q26	To be approved in 4Q26
Edge Bronchoscope Robot	CP1000 (base)	China	Diagnosis and treatment of bronchus and pulmonary lesions	Class III	Approved by NMPA in Jan 25	-
		China	Diagnosis and treatment of bronchus and pulmonary lesions	Class III	To apply to NMPA for registration modification	To initiate type testing in 3Q26
	Upgraded mode	China	Diagnosis and treatment of bronchus and pulmonary lesions	Class III	To apply to NMPA for registration modification	To initiate type testing in 3Q26

Source: Edge Medical, UOB Kay Hian

Global reach of distribution channels. Edge Medical's global sales strategy is primarily implemented through a distribution network comprising dedicated third-party distributors for both domestic and overseas markets. As of end-Dec 25, the company had entered into sales agreements for 119 units of core products globally. The company had installed or delivered 100 surgical robots globally, including 46 units in China and 54 units in overseas markets. The majority of the sales were achieved through distributors.

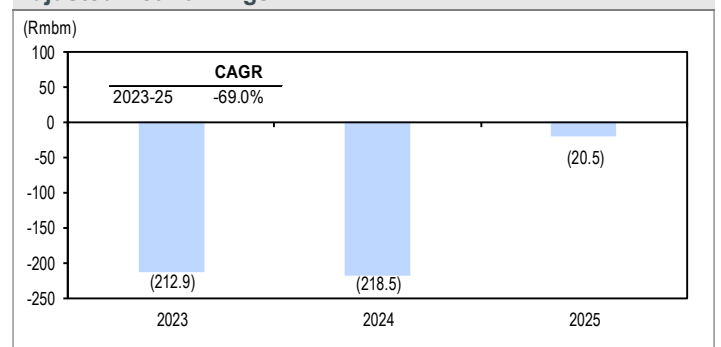
Robust 2025 results. The company witnessed a robust two-year revenue CAGR of 208.0% in 2023-25, reaching Rmb455.7m in 2025. Medical device and accessories contributed approximately 99.8% of total revenue in 2025, and instruments and accessories brought in the remaining 0.2%. Adjusted net loss declined by a 69.0% two-year CAGR in 2023-25, reaching Rmb20.5m in 2025.

Revenue By Segment



Source: Edge Medical, UOB Kay Hian

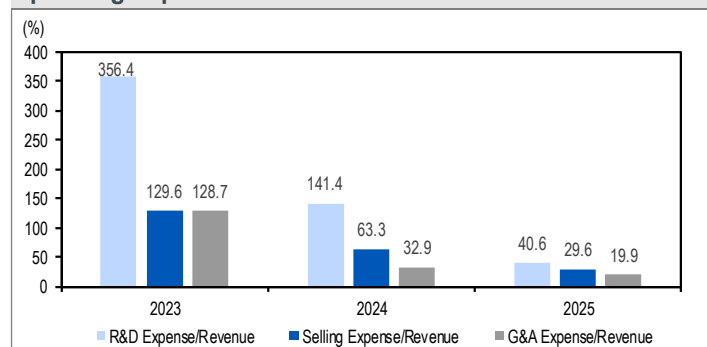
Adjusted Net Earnings



Source: Edge Medical, UOB Kay Hian

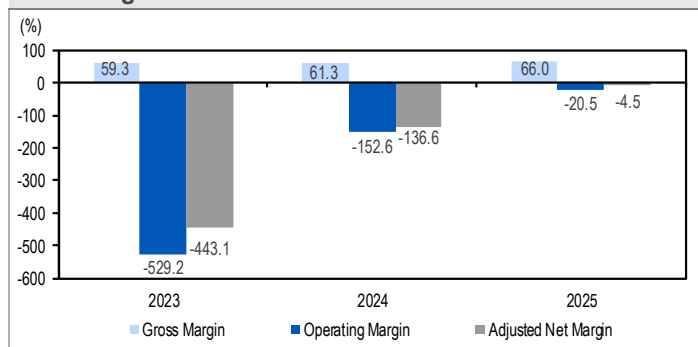
With a rising number of product launches and continued efforts to boost sales growth in the past few years, operating expenses have expanded significantly. Administrative expenses and selling expenses increased at a two-year CAGR of 21.0% and 47.1% respectively in 2023-25. However, revenue grew at a much faster pace, leading to a significant improvement in margins. Adjusted net margin improved substantially from -443.1% in 2023 to -4.5% in 2025. Edge Medical continues to focus on bolstering global sales and improving operating efficiency. We believe continued revenue expansion and margin improvement will boost earnings in 2026 and beyond.

Operating Expenses/Revenue Ratio



Source: Edge Medical, UOB Kay Hian

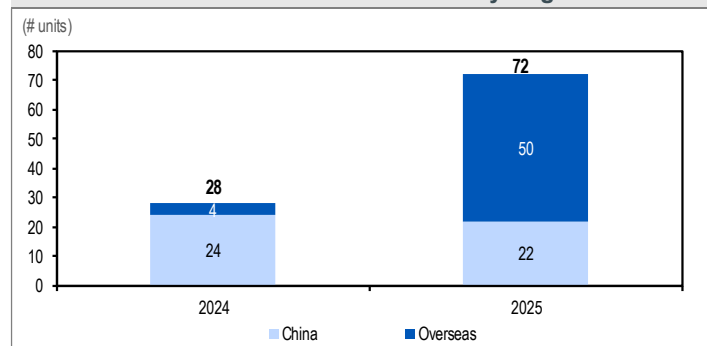
Profit Margins



Source: Edge Medical, UOB Kay Hian

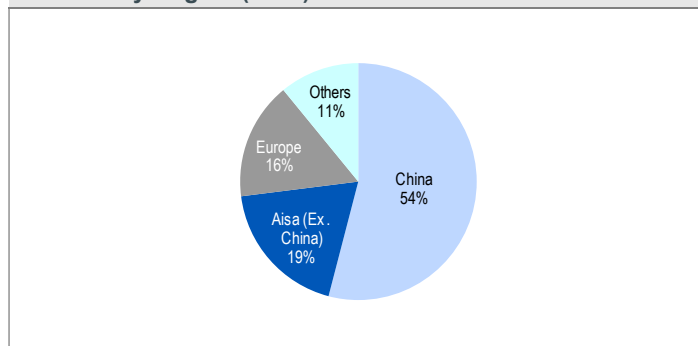
The company has built a dedicated in-house sales team of 122 professionals alongside a robust network of over 30 domestic and 10 overseas distributors. With persistent global expansion efforts, the company has achieved significant overseas market expansion, delivering 50 units (up 1150% yoy) in overseas markets in 2025. The overseas business has become a substantial revenue contributor, bringing in approximately 45.9% of total revenue in 2025, up from 0% in 2024. We expect it to continue driving Edge Medical's growth, accounting for the majority of total revenue from 2026 onwards.

Number Of Products Installed/Delivered By Region



Source: Edge Medical, UOB Kay Hian

Revenue By Region (2025)



Source: Edge Medical, UOB Kay Hian

Edge Medical raised HK\$1.1b from its Hong Kong IPO in Jan 26. It plans to spend approximately HK\$558m (or 50%) of the total proceeds on R&D, HK\$223.3m (or 20%) to enhance global commercialisation capacity, and HK\$111.7m (or 10%) to expand manufacturing capacity. Aside from making continued efforts to boost organic growth, the company will also consider potential strategic acquisitions, investments or collaborations in the surgical robot industry and related fields.

Use Of Proceeds From HK IPO

Use of Proceeds		Note
R&D of core products	HK\$469.0m (42.0%)	- HK\$256.8m (23.0%) for Edge Multi-Port Endoscopic Surgical Robot - HK\$212.2m (19.0%) for Edge Single-Port Endoscopic Surgical Robot
Commercialisation of core products	HK\$223.3m (20.0%)	- HK\$89.3m (8.0%) for funding academic promotion and other sales and marketing activities - HK\$44.7m (4.0%) for opening new training centres in China and overseas - HK\$44.7m (4.0%) for further scaling up sales force in China and overseas - HK\$44.7m (4.0%) for establishing a professional clinical support team
Expansion manufacturing capacity	HK\$111.7m (10.0%)	- HK\$78.2m (7.0%) for establishing a new manufacturing centre in Longgang, Shenzhen - HK\$33.5m (3.0%) for purchasing production and quality inspection equipment
Used for other products and pipelines	HK\$89.3m (8.0%)	- HK\$44.7m (4.0%) for R&D of non-core products and product candidates - HK\$44.7m (4.0%) for commercialisation of non-core products and product candidates
Strategic acquisitions	HK\$111.7m (10.0%)	For potential strategic acquisitions, investments or collaborations in the surgical robot industry and related fields
Working capital	HK\$111.7m (10.0%)	For working capital and general corporate purposes
Total Proceeds	HK\$1,116.6m	

Source: Edge Medical, UOB Kay Hian

Development Milestones

Year	Milestone
2017	Jingfeng Medical, the predecessor of the company, was established in Shenzhen, with manufacturing facilities covering an aggregate area of approximately 6,000sqm
2021	SP1000 became eligible for expedited review through the Green Path channel of the NMPA for innovative medical devices
	Completed registrational clinical trial in urologic surgery with MP1000
	Initiated clinical trial in gynaecologic surgery with both MP1000 and SP1000
	Cooperated with Class III Grade A hospitals and established a nationwide network of training centres
2022	MP1000 became eligible for expedited review through the Green Path channel of the NMPA for innovative medical devices
	Initiated clinical trial in general surgery and thoracic surgery with MP1000
	Completed registrational clinical trial of both MP1000 and SP1000 in gynaecologic surgery
	Obtained the Class III medical device registration certificate of MP1000, the first model of Edge Multi-Port Endoscopic Surgical Robot
	MP1000 was approved for urologic surgery by the NMPA
	Started to commercialise Edge Multi-Port Endoscopic Surgical Robot in China
2023	The NMPA approved MP1000's registration modification to expand the clinical applications to urologic, gynaecologic, general and thoracic surgeries for adults
	MP1000 became the first domestically-developed endoscopic surgical robot approved by the NMPA for applications in multiple surgical specialities, according to Frost & Sullivan
	The NMPA further approved registration modification to include: a) the fluorescence imaging function that enables visible light and near-infrared (NIR) fluorescence imaging at the surgical site, with NIR imaging requiring use in combination with NMPA-approved indocyanine green (ICG) at the same location; and b) dual console control
	Obtained the class III medical device registration certificate for MP1000, the first model of Edge Single-Port Endoscopic Surgical Robot; SP1000 was approved by the NMPA for application in gynaecologic surgery
	Started to commercialise Edge Single-Port Endoscopic Surgical Robot
2024	The NMPA approved registration modification to include the MP2000 series, comprising three models with enhanced ergonomics, improved computer power, advanced algorithms, full-phase fluorescence imaging and full-stack technological design
	The NMPA further approved registration modification to expand the clinical applications of SP1000 to urologic surgery and general surgery
	SP1000 became China's first (but not the only) single-port endoscopic surgical robot approved by the NMPA covering three or more surgical specialities
2025	Obtained CE Marking for MP1000 in the EU
	Obtained the Class III medical device registration certificate for CP1000, China's first two-arm bronchoscope robot; it was approved by the NMPA for application in preoperative planning of nature orifice bronchoscopy procedures and treatments
	Obtained CE Marking for SP1000 in the EU
2026	Successfully listed on the Main Board of the Stock Exchange of Hong Kong, entering the international capital market
	Obtained NMPA approval for the world's first and, to date, only integrated surgical robotic platform featuring multi-port, single-port and telesurgery capabilities, independently developed by Edge Medical
	The Edge® Single-Port Endoscopic Surgical Robot received approval covering four core surgical specialities

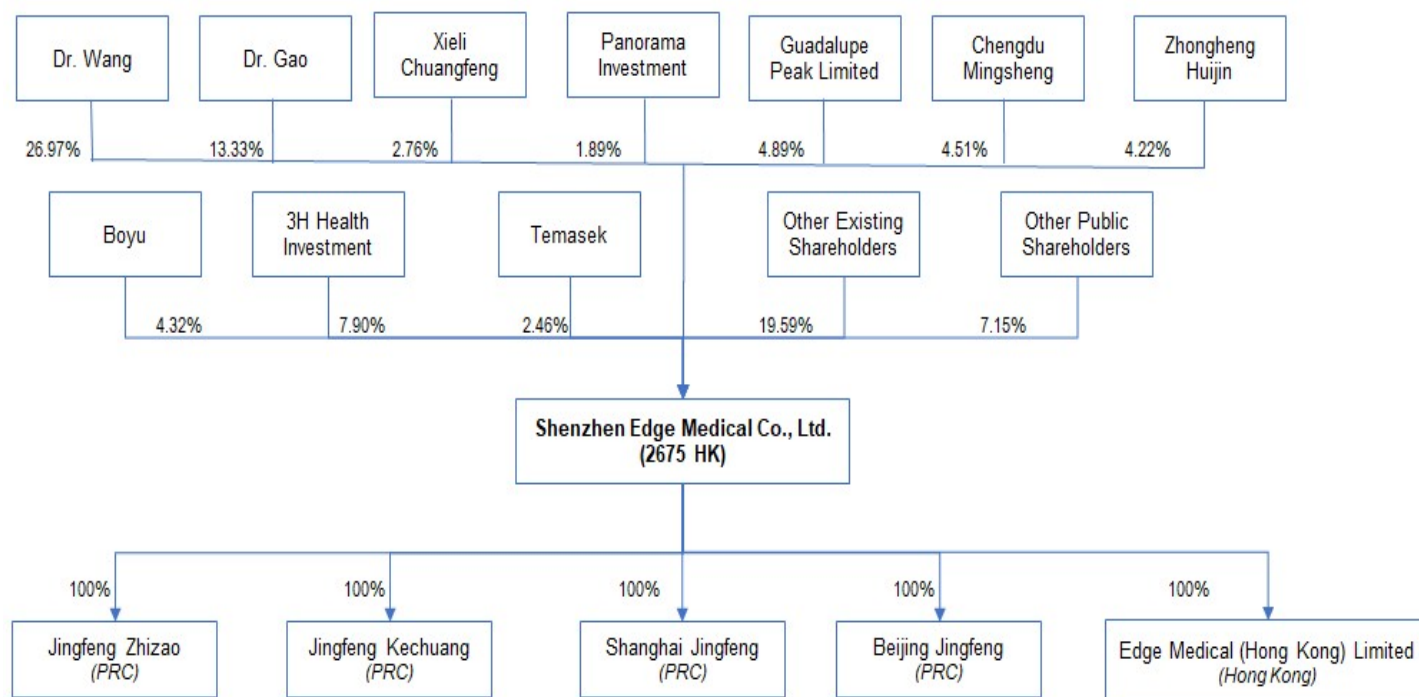
Source: Edge Medical, UOB Kay Hian

Management Team

Name	Position	Experience
Dr Wang Jianchen (王建成)	Chairman, Co-founder, CEO, Executive Director, and General Manager	Dr Wang oversees the company's strategic planning, business direction, and operations. He co-founded the company with Dr Gao in May 17, and was re-designated as an Executive Director in Jan 22. Dr Wang has also served as the Executive Director of Jingfeng Zhizao, Shanghai Jingfeng, Beijing Jingfeng, and Edge Medical (Hong Kong) since their inception. With over 12 years of experience in product research and team management in the surgical robotics industry, he is recognised as a Shenzhen High-level Talent. Dr Wang received the first prize for the Guangdong Province Science and Technology Progress Award in 2021 and the second prize for the National Science and Technology Progress Award in 2023. He holds a master's degree and a doctorate in mechanical engineering from Tianjin University, completing a joint PhD programme with Massachusetts Institute of Technology (MIT) in the US.
Dr Gao Yuanqian (高元倩)	Co-founder, Executive Director, Chief Operating Officer, Chief Technology Officer, Associate General Manager, and Finance Director	Dr Gao is primarily responsible for overall operational management and R&D management, as well as overseeing corporate finance, accounting matters and financial reporting. She co-founded the company with Dr Wang in May 17. Dr Gao was appointed as Director in Nov 18 and became Executive Director in Jan 22. She has been the Executive Director of Jingfeng Zhizao and Jingfeng Kechuang since their incorporation. With approximately 13 years of experience in the surgical robot industry, Dr Gao holds a master's degree in mechanical engineering from Tianjin University, obtained in Jan 13. She was a visiting researcher at King's College London in early-16 and completed a joint PhD programme with Tianjin University and Harvard Medical School, earning her doctorate in mechanical engineering in Jun 17. Dr Gao is the spouse of Dr Wang.
Ms Wu Mengyuan (吴梦媛)	Executive Director, Secretary to the Board, Joint Company Secretary	Ms Wu is responsible for overall reporting and disclosure, issues and compliance management. She was appointed as Director in Mar 20 and as Executive Director on 5 Jan 22, and has served as Executive Director of Jingfeng Zhizao, a wholly-owned subsidiary, since its incorporation. She joined the company as Assistant to the General Manager in Feb 19 and became Director of Jingfeng Zhizao in Jan 21. Prior to this, she worked at COMAC Shanghai Aircraft Design and Research Institute from Aug 16 to May 18 and at Shenzhen ROBO Medical Technology from Aug 18 to Jan 19. Ms Wu holds a double bachelor's degree in Archival Science and Economics and a master's degree in Library and Information Science from Wuhan University.
Mr Chen Zongxi (陈宗希)	Chief Commercial Officer	Mr Chen joined the company in Jan 22 as Chief Commercial Officer, responsible for product marketing, sales, and distribution management. Prior to this role, he was the Senior Sales Manager at Emerson Process Management Co in China from Jan 99 to Mar 07. He then worked at GE Medical Systems Trade and Development (Shanghai) Co from Apr 08 to Dec 21, where he held positions such as National Sales Director for GE Energy Optimization and Control, General Manager of the Government Project Department, Regional General Manager, and General Manager of Greater China for the CT business department. Mr Chen holds a bachelor's degree in Computer and Automation Engineering from Sichuan University, obtained in Jul 93, and studied for an Executive Master's in Business Administration at Peking University from 2007-09.
Mr Han Wenbin (韩文彬)	Vice President of Supply Chain	Mr Han joined the company as Manager of the Engineering Department in Mar 20 and became Director of Supply Chain in Oct 21. He has served as Vice President of Supply Chain since Sep 22, focusing on overall supply chain and production management. Before joining the company, Mr Han worked at Olympus (Shenzhen) Industrial as an R&D Manager, where he optimised production yield and improved quality control for outsourced components. He led new product introductions to achieve QCD targets and utilised his expertise in ISO 9000 and TS 16949 quality management systems. Previously, he was the R&D Director at South Reed Technology Co from Mar 18 to Mar 20. Mr Han holds a bachelor's degree in Optoelectronic Engineering from Huazhong University of Science and Technology, obtained in Jul 2000.

Source: Edge Medical, UOB Kay Hian

Shareholding Structure (As At End-Dec 25)



Source: Edge Medical, UOB Kay Hian

Shanghai MicroPort MedBot (Group) Co (2252 HK)

A Local Surgical Robot Leader Accelerating Global Growth

Highlights

- As China's most established surgical robot company with a global scale, MedBot demonstrated exceptional revenue growth of 114.2% yoy in 2025, driven by aggressive global commercialisation, a diversified product portfolio, and a strong technological edge in areas like 5G telesurgery.
- Strategically positioned as a cost-effective yet technologically advanced alternative to established global players, MedBot will continue to boost market penetration and value creation.
- Initiate coverage with BUY and a target price of HK\$29.00.

Analysis

- China's most established surgical robot company.** Shanghai MicroPort MedBot (Group) Co (MedBot) offers the most comprehensive surgical robot portfolio spanning laparoscopic, orthopaedic, vascular, and urological applications, with flagship systems such as Toumai and SkyWalker having received market approval in China, the EU and many other markets. Moreover, it is pioneering 5G-enabled remote surgery and integrating AI-powered features to enhance surgical precision and outcomes.
- Accelerating global growth.** Leveraging its parent MicroPort Scientific Corporation's extensive global reach, MedBot has gained market access in over 60 countries, posing a challenge to major international players. Driven by global expansion, revenue expanded at a 130% two-year CAGR in 2023-25 to Rmb551m, with overseas sales up 287% yoy to Rmb400.2m (72.6% of total) in 2025. Global orders for its Toumai laparoscopic robot soared from 100 units in Oct 25 to over 300 by Jun 26, reflecting strong market acceptance. The overseas business has become a key growth driver.
- A clear path to profitability.** Seeing robust demand, MedBot targets to deliver more than 200 units of its Toumai system in 2026, up from 80 in 2025. We expect 2026 revenue to increase 105% yoy, driven by the rapid global adoption of its Toumai laparoscopic robot. The company is optimising its cost structure, aiming to achieve profitability in 2026. We forecast its adjusted net earnings expanding rapidly at a 127% two-year CAGR from 2026-28.
- Initiate coverage with BUY and a target price of HK\$29.00** based on our DCF model, assuming WACC of 11.6% and terminal growth rate of 3%.

Key Financials

Year to 31 Dec (Rmbm)	2024	2025	2026F	2027F	2028F
Net turnover	257.2	551.1	1,127.8	1,922.4	2,893.8
EBITDA	(602.9)	(348.5)	(20.7)	129.8	432.2
Operating profit	(490.9)	(242.1)	34.1	188.5	482.2
Net profit (rep./act.)	(535.3)	(260.6)	24.0	155.2	404.9
Net profit (adj.)	(370.8)	(171.4)	94.0	235.2	484.9
EPS (Fen)	(38.4)	(16.9)	9.3	23.2	47.9
PE (x)	n.a.	n.a.	199.5	79.7	38.7
P/B (x)	64.4	45.7	43.1	31.8	18.9
EV/EBITDA (x)	n.a.	n.a.	n.a.	146.1	43.9
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Net margin (%)	(208.1)	(47.3)	2.1	8.1	14.0
Net debt/(cash) to equity (%)	8.0	8.0	(60.2)	(58.2)	(60.0)
Interest cover (x)	(31.0)	(26.9)	(4.3)	26.9	89.4
ROE (%)	(134.2)	(75.6)	5.7	30.3	51.1
Consensus net profit	-	-	62	261	502
UOBKH/Consensus (x)	-	-	1.52	0.90	0.97

Source: MedBot, Bloomberg, UOB Kay Hian

BUY

Share Price	HK\$21.48
Target Price	HK\$29.00
Upside	+35.0%

Analyst(s)

Carol Dou

carol.dou@uobkh.com
+852 2236 6749

Sunny Chen

sunny.chen@uobkh.com
+852 2826 4857

Stock Data

GICS Sector	Health Care
Bloomberg ticker	2252 HK
Shares issued (m)	1,030.7
Market cap (HK\$m)	22,281.6
Market cap (US\$m)	2,841.4
3-mth avg daily t'over (US\$m)	17.9

Price Performance (%)

52-week high/low			HK\$35.34/HK\$18.76	
1mth	3mth	6mth	1yr	YTD
(1.5)	(33.7)	(27.9)	6.3	(11.6)

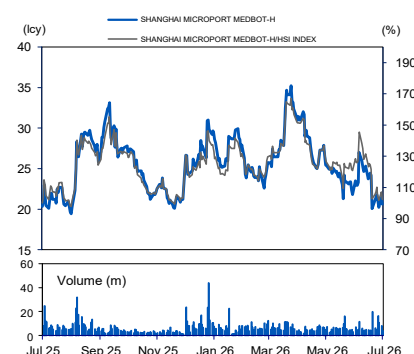
Major Shareholders (%)

MicroPort	45.63
-----------	-------

Balance Sheet Metrics

FY26 NAV/Share (Rmb)	0.43
FY26 Net Cash/ Share (Rmb)	0.25

Price Chart



Source: Bloomberg

Company Description

Shanghai MicroPort MedBot (Group) Co is one of the leading surgical robot producers in China.

Investment Highlights

- **China's most established surgical robot manufacturer...** In 2025, revenue surged 114% yoy to Rmb551m, driven by aggressive global commercialisation, a wide-ranging product portfolio, and a technological edge in 5G-enabled telesurgery. Its positioning as a cost-effective yet advanced alternative to Western incumbents underscores its ability to compete with global leaders. MedBot's strength lies in its extensive portfolio of product offerings, technological sophistication, and proven overseas traction, making it a frontrunner in China's push for global market leadership.
- **...boasting comprehensive product offerings.** MedBot offers a diverse portfolio of surgical robots spanning laparoscopic, orthopaedic, vascular, and urological applications, with flagship systems like Toumai and SkyWalker having obtained regulatory approvals in China, Europe, and other markets. Its pipeline also includes navigation software, endoscopes, and puncture robots, positioning the company as one of China's leading innovators in telesurgery. Additionally, it is pioneering 5G-enabled remote surgery and integrating AI-powered features to enhance surgical precision and outcomes.
- **Focusing on rapid expansion of global footprint.** Leveraging on its parent MicroPort Scientific Corporation's (MicroPort) global reach with over 20,000 hospitals in more than 100 countries, MedBot has gained market access in over 60 countries, posing a challenge to major global players. Revenue expanded at a two-year CAGR of 130% in 2023-25 to Rmb551m, with overseas sales up 287% yoy to Rmb400.2m (72.6% of total) in 2025. The company saw global orders for its Toumai laparoscopic robot soar from 100 units in Oct 25 to over 300 by Jun 26, reflecting strong market acceptance. The overseas business has become a key growth driver of the company.
- **A clear path to profitability.** Seeing robust demand, MedBot targets to deliver more than 200 units of its Toumai system in 2026, up from 80 in 2025. We expect 2026 revenue to increase 105% yoy, driven by the rapid global adoption of its Toumai laparoscopic robot. Meanwhile, the company is optimising its cost structure, aiming to achieve profitability in 2026. We forecast its adjusted net earnings expanding rapidly at a two-year CAGR of 127% from 2026-28.

MedBot is a cost-effective yet advanced alternative to Western incumbents...

...and boasts an extensive product portfolio covering five specialties.

The company has market access in over 60 countries.

MedBot aims to complete over 200 global installations in its bid to boost revenue and turn around earnings in 2026.

Valuation

Initiate coverage with BUY and a target price of HK\$29.00 based on our DCF model, assuming WACC of 11.6% and terminal growth rate of 3.0%.

With its wide range of products, advanced technology, and proven global traction, MedBot is on the fast track to becoming a significant global surgical robot player.

Figure 1: Discounted Cash Flow Model

Cash Flow (Rmbm)	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	2036F	2037F	2038F	2039F	2040F
Total revenue	1,128	1,922	2,894	3,928	5,148	6,763	8,528	10,234	11,796	13,040	13,692	14,226	14,660	15,100	15,553
<i>Sales yoy (%)</i>	105%	70%	51%	36%	31%	31%	26%	20%	15%	10.5%	5.0%	3.9%	3.1%	3.0%	3.0%
Operating profit	34	188	482	725	1,261	2,064	2,737	3,333	4,136	4,641	4,873	5,063	5,217	5,374	5,535
Operating margin	3.0%	9.8%	16.7%	18.4%	24.5%	30.5%	32.1%	32.6%	35.1%	35.6%	35.6%	35.6%	35.6%	35.6%	35.6%
NOPAT	29	160	410	616	1,072	1,754	2,326	2,833	3,516	3,945	4,142	4,303	4,435	4,568	4,705
CAPEX	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)
Depreciation	55	59	50	53	56	59	62	65	68	71	53	56	59	62	65
Changes in working capital	(35)	(74)	(84)	(90)	(106)	(173)	(162)	(156)	(259)	(126)	(90)	(106)	(173)	(162)	(156)
Free cash flow (Rmbm)	11	106	338	541	984	1,602	2,189	2,704	3,287	3,852	4,067	4,216	4,282	4,430	4,576
<i>FCF yoy (%)</i>		898%	218%	60%	82%	63%	37%	24%	22%	17.2%	5.6%	3.7%	1.6%	3.4%	3.3%
<i>Discount Factor</i>	1.00	0.90	0.80	0.72	0.65	0.58	0.52	0.46	0.42	0.37	0.33	0.30	0.27	0.24	0.22
PV of CF		95	271	390	635	927	1,135	1,257	1,370	1,439	1,362	1,266	1,152	1,069	989
NPV - Enterprise Value (Rmbm)	25,262														
Net cash (debt) current	253														
Fully Diluted Shares (m)	1,012														
Value/Share (HK\$)	29.00														

Assumptions:

Terminal growth rate	3.0%
WACC	11.6%

Source: UOB Kay Hian

Business & Earnings Outlook

Comprehensive product offerings fuel revenue growth. Established in 2015, MedBot has successfully established an extensive surgical robot product portfolio that covers five major and fast-growing surgical specialties, including general, orthopaedic, respiratory, vascular and urology surgeries. With an effective globalisation strategy, its flagship products Toumai Laparoscopic Surgical Robot and SkyWalker Orthopedic Surgical Robot have gained market approval in more than 60 and over 20 countries/regions respectively.

Toumai Laparoscopic Surgical Robot has entered 60 countries and regions.

Figure 2: Comprehensive Product Offerings

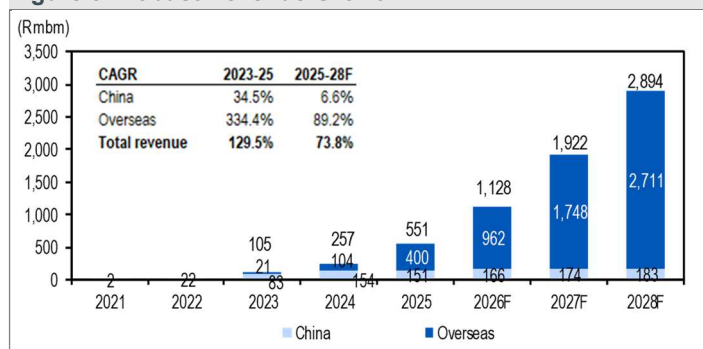
	Product Name	Indication	Status (Approved)
Self-developed	Laparoscopic Surgery		
	Toumai (图迈) Laparoscopic Surgical Robot	Urologic, gynaecologic, thoracic, and general surgeries	NMPA, EU CE Marking, and other certificates from over 60 countries and regions
	Toumai (图迈) Remote Laparoscopic Surgical Robot	Urologic, gynaecologic, thoracic and general surgeries	NMPA and other certificates from more than 10 countries/regions
	Toumai (图迈) Single-port Laparoscopic Surgical Robot	Urologic, gynaecologic and general surgeries	NMPA, Unite Arab Emirates' MOHAP certification
	DFVision (蜻蜓眼) 3D Electronic Laparoscope	Laparoscopy (fluorescence imaging function)	NMPA, EU CE Marking
	Orthopaedic Surgery		
	SkyWalker (鸿鹄) Orthopedic Surgical Robot	Total knee arthroplasty	NMPA, US FDA, EU CE Marking and other certificates from about 20 countries/regions
		Total knee arthroplasty and Total hip arthroplasty	NMPA, EU CE Marking
		Unicompartmental knee arthroplasty	Clinical trial
	Natural Orifice Surgery (Respiratory)		
International Collaboration	UniPath (独道) Electronic Bronchoscopic Surgical Robot	Trans-bronchial diagnosis and treatment	Registration application
	Panvascular Surgery		
	R-ONE Vascular Interventional Robot	Coronary angioplasty	NMPA
	Urology		
	iSR'obot Mona Lisa Robotic Transperineal Prostate Biopsy System	Transperineal prostate biopsy	NMPA

Source: MedBot, UOB Kay Hian

Seizing expansion opportunities overseas. Boosted by strong market demand, total revenue surged at a two-year CAGR of 130% from 2023-25 to reach Rmb551.1m in 2025. Domestic revenue reached Rmb153.7m (or 27.4% of total revenue) in 2025, relatively flat yoy. Given the tight quota policy on surgical robots in China, MedBot expects its domestic installations to remain relatively stable at about 20 units per year in 2026-28. The company has achieved significant breakthroughs in overseas markets with international revenue reaching Rmb400.2m in 2025 (up 287% yoy), representing 72.6% of total revenue. Leveraging the extensive distribution network of its parent company, MedBot continues to seize the tremendous opportunities for market expansion in the international market.

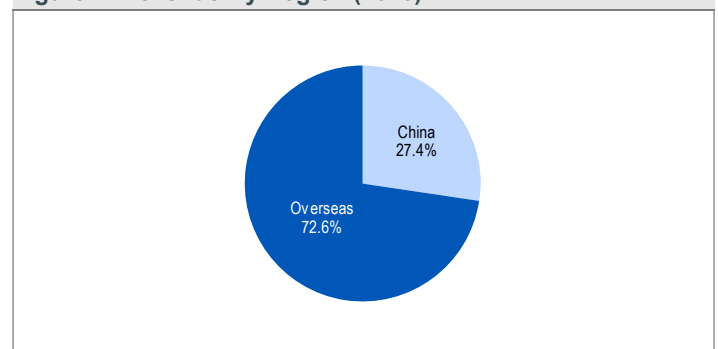
The overseas business sees rapid growth and has immense expansion opportunities.

Figure 3: Robust Revenue Growth



Source: MedBot, UOB Kay Hian

Figure 4: Revenue By Region (2025)



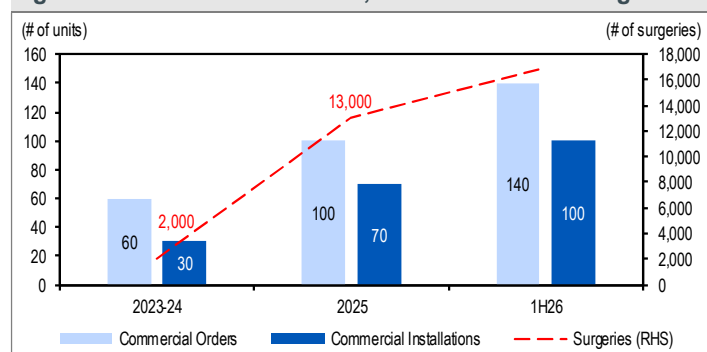
Source: MedBot, UOB Kay Hian

Toumai and overseas business are key growth drivers. The cumulative commercial order volume of its core products across laparoscopic, orthopaedic and vascular intervention specialties was almost 400 as of Jun 26. Among these, Toumai Laparoscopic Surgical Robot has received over 300 commercial orders worldwide, with new orders secured in 1H26 having already surpassed the full-year total for 2025, marking another milestone in commercial orders for Toumai. Toumai's commercialisation has shifted into high gear – the first 100 orders required nearly 1,000 days of refinement, while the third 100 were achieved in just over 120 days. With deployment in more than 60 countries, this trajectory validates Toumai's product competitiveness, brand strength, and overseas channel capabilities.

Toumai won the tenders for six units in China's hospital procurement programmes in 1H26. Foreseeing decreasing tender prices, we expect MedBot's domestic revenue to remain relatively modest at a three-year CAGR of 6.6% in 2025-28. As strong demand from overseas markets continues to boost new commercial orders, overseas business could witness strong sales expansion at a three-year CAGR of 89.2% in 2025-28.

The company's 2026 100% revenue growth target is highly achievable

Figure 5: Toumai's New Orders, Installations And Surgeries



Source: MedBot, UOB Kay Hian

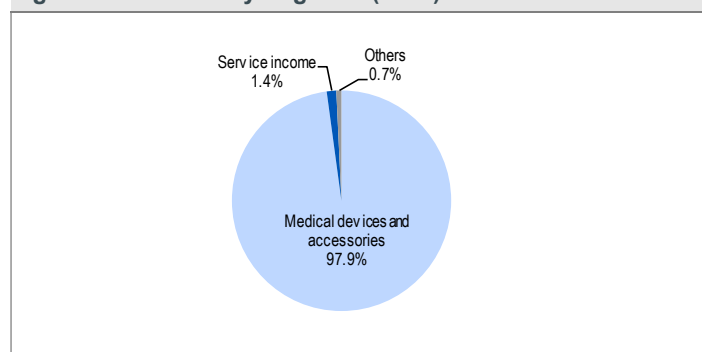
As MedBot is still in its early growth phase, revenue generation remains heavily dependent on surgical robot placements. In 2025, medical devices and accessories contributed approximately 97.9% of total revenue, with consumables accounting for only about 12% of that figure. However, instrument sales surged fivefold in 2025, implying a strong rise in surgery volume. Surgery volume will likely remain robust, driving consumables adoption and resulting in a significant revenue uplift for consumables and accessories, alongside improved profit margins in the coming years.

Expects revenue to double and earnings to turn positive in 2026. Focusing on global market expansion, the company guided total revenue growth of more than 100% yoy and earnings breakeven in 2026, supported by the installation target of over 200 units in 2026, up from 80 in 2025. Seeing rising demand, the company completed the installation of 200 units of Toumai as at end-Jun 26, with more than 140 units of new orders to be delivered. In view of the strong market demand and MedBot's effective globalisation strategy, we expect total revenue to expand rapidly at a three-year CAGR of 73.8% in 2025-28 to reach Rmb2,893.8m in 2028.

Potential for tremendous margin improvement. MedBot's gross margin stood at 48.4% in 2025, expanding significantly from 33.5% a year ago. Compared with its major domestic peers, MedBot's gross margin was considerably lower – a gap that primarily reflects its early-stage scaling phase. Its production bases and facilities, designed for an annual capacity of 300 units of the Toumai system, are not yet operating at full utilisation, resulting in temporarily elevated fixed costs per unit. This creates a clear opportunity for margin expansion as production volumes ramp up.

Margin expansion will be the key driver of earnings growth.

Figure 6: Revenue By Segment (2025)

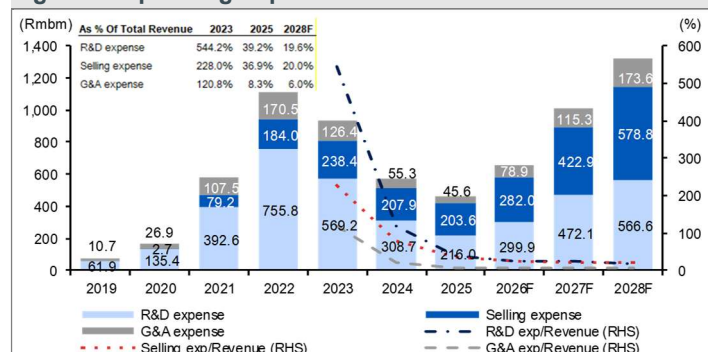


Source: MedBot, UOB Kay Hian

Robust surgery growth will boost consumables revenue and profit margin.

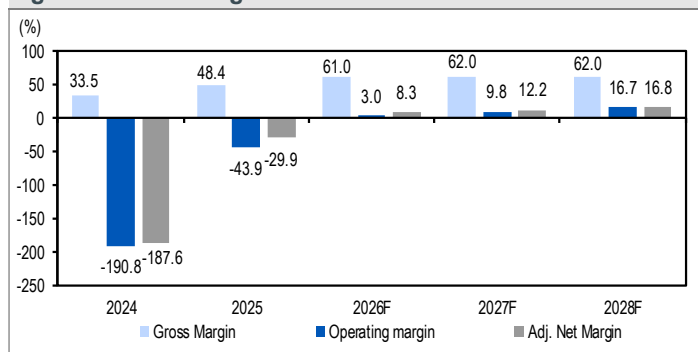
We expect the strong sales volume growth to boost utilisation of production facilities and to lead to a significant improvement in gross margin. Moreover, revenue expansion and effective cost control will drive efficiency. We estimate a significant gross margin growth from 48.4% in 2025 to over 60% this year, while a declining expense-to-revenue ratio will also support positive adjusted net earnings from 2026 onwards. MedBot's positive profit alert for 1H26 projects a net profit of Rmb28m-40m, underscoring the company's solid trajectory towards profitability in 2026.

Figure 7: Operating Expenses



Source: MedBot, UOB Kay Hian

Figure 8: Profit Margins

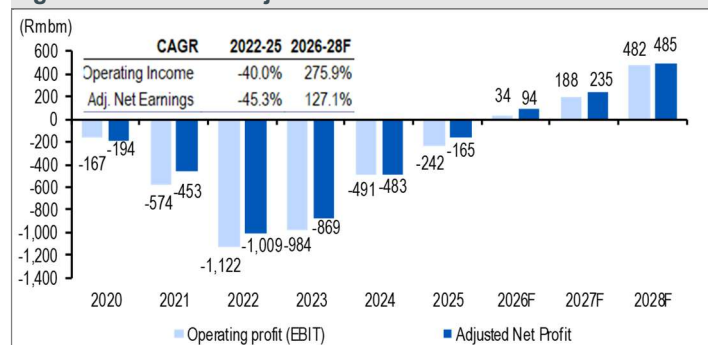


Source: MedBot, UOB Kay Hian

We expect adjusted net earnings to expand at a two-year CAGR of 122% in 2026-28, reaching Rmb427m in 2028. Fuelled by rapid revenue expansion and improving operating efficiency, operating cash flow should also achieve breakeven in 2026 and beyond.

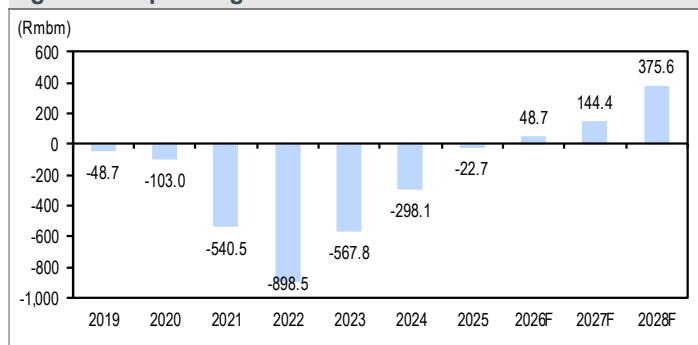
Operating cash flow should also turn positive and expand steadily.

Figure 9: EBIT And Adjusted Net Profit



Source: MedBot, UOB Kay Hian

Figure 10: Operating Cash Flow



Source: MedBot, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Net turnover	551.1	1,127.8	1,922.4	2,893.8
EBITDA	(348.5)	(20.7)	129.8	432.2
Deprec. & amort.	(106.4)	(54.8)	(58.7)	(50.0)
EBIT	(242.1)	34.1	188.5	482.2
Net interest income/(expense)	(13.0)	(4.8)	(4.8)	(4.8)
Pre-tax profit	(256.1)	28.3	182.6	476.3
Tax	0.0	(4.2)	(27.4)	(71.4)
Minorities	(4.5)	0.0	0.0	0.0
Net profit	(260.6)	24.0	155.2	404.9
Net profit (adj.)	(171.4)	94.0	235.2	484.9

Cash Flow

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Operating	(22.7)	48.7	144.4	375.6
Pre-tax profit	(256.1)	28.3	182.6	476.3
Tax	0.0	(4.2)	(27.4)	(71.4)
Deprec. & amort.	(106.4)	(54.8)	(58.7)	(50.0)
Working capital changes	1.8	(5.1)	(74.4)	(84.1)
Other operating cashflows	337.9	84.7	122.2	104.8
Investing	2.6	(31.4)	(31.4)	(31.4)
Capex (growth)	(2.6)	(38.2)	(38.2)	(38.2)
Investments	(1.9)	0.0	0.0	0.0
Proceeds from sale of assets	0.5	1.0	0.0	0.0
Others	6.1	6.8	6.8	6.8
Financing	49.7	(11.7)	(11.7)	(11.7)
Issue of shares	0.0	0.0	0.0	0.0
Proceeds from borrowings	(36.6)	0.0	0.0	0.0
Loan repayment	(1.8)	0.0	0.0	0.0
Others/interest paid	88.1	(11.7)	(11.7)	(11.7)
Net cash inflow (outflow)	29.6	5.7	101.3	332.5
Beginning cash & cash equivalent	612.2	636.3	642.0	743.3
Changes due to forex impact	(5.5)	0.0	0.0	0.0
Ending cash & cash equivalent	636.3	642.0	743.3	1,075.8

Balance Sheet

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Fixed assets	172.8	186.0	165.6	153.8
Other LT assets	126.2	126.2	126.2	126.2
Cash/ST investment	636.3	642.0	743.3	1,075.8
Other current assets	399.3	453.6	766.9	1,154.3
Total assets	1,334.6	1,407.8	1,801.9	2,510.2
ST debt	28.8	28.8	28.8	28.8
Other current liabilities	421.4	470.6	709.5	1,012.9
LT debt	360.3	360.3	360.3	360.3
Other LT liabilities	124.2	124.2	124.2	124.2
Shareholders' equity	410.7	434.7	589.9	994.8
Minority interest	(10.7)	(10.7)	(10.7)	(10.7)
Total liabilities & equity	1,334.6	1,407.8	1,801.9	2,510.2

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
Gross margin	48.4	61.0	62.0	62.0
Pre-tax margin	(46.5)	2.5	9.5	16.5
Net margin	(47.3)	2.1	8.1	14.0
ROA	(19.9)	1.8	9.7	18.8
ROE	(75.6)	5.7	30.3	51.1
Growth				
Turnover	114.2	104.7	70.5	50.5
EBITDA	n.a.	n.a.	n.a.	232.9
Pre-tax profit	n.a.	n.a.	546.3	160.8
Net profit	n.a.	n.a.	546.3	160.8
Net profit (adj.)	n.a.	n.a.	150.2	106.1
EPS	n.a.	n.a.	150.2	106.1
Leverage				
Debt to total capital	49.3	47.9	40.2	28.3
Debt to equity	94.7	89.5	66.0	39.1
Net debt/(cash) to equity	(60.2)	(58.2)	(60.0)	(69.0)
Interest cover (x)	(26.9)	(4.3)	26.9	89.4

Appendix

RISK FACTORS

- a) **Overreliance risks.** MedBot's sales growth depends heavily on MicroPort's global sales network, making any revision to their framework agreement a potential headwind. Meanwhile, MedBot could be under pressure to reach breakeven quickly to help MicroPort meet its earn-out profit targets. Aggressive R&D cuts could delay pipeline launches and undermine long-term profitability. MedBot also faces integration risks: should MicroPort encounter cash flow or debt strain, it could impose restructuring measures similar to those seen at CardioFlow, exposing MedBot to systemic financial pressures and the market risks inherent to the MicroPort Group.
- b) **Geopolitical risks.** The US-China trade tension could intensify, and there could be further escalation and prolongation of the US-Israel war on Iran. Growing geopolitical risks may increase production costs and disrupt supply chains, hence negatively impacting the company's stock performance and the global expansion of its surgical robot business.
- c) **Possible further slowdown of economic growth in China and increasing policy risks.** China's GDP is projected to grow at a slower pace of 4.5-5.0% in 2026, given domestic challenges and deflationary pressure. Additionally, social medical insurance funds are under budget deficit pressure. Policy risks may increase, including anti-corruption campaigns, tightened diagnosis-related groups (DRG) and diagnosis-intervention packet (DIP) regulations, potential delays in or cancellations of hospital procurement programs, and volume-based procurement (VBP) price pressures on minimally invasive surgical products.
- d) **Regulatory approval and compliance risks.** The highly-regulated nature of medical devices, coupled with the rapid evolution of robotic and AI technologies, presents considerable uncertainties for market approval and regulatory risks. MedBot must navigate the different global standards across major markets, including the US Food and Drug Administration (FDA), the European Medicines Agency (EMA), and China's National Medical Products Administration (NMPA), etc, to eliminate compliance risks.
- e) **IP and legal risks.** The industry is characterised by fierce competition and frequent patent litigation. Patent infringement lawsuits can be protracted and costly, and can divert significant resources from R&D and commercialisation efforts.
- f) **Risks in R&D and new product launches.** There are considerable risks in new product development, clinical trials and evaluations. Delays or unexpected events during new product development could lead to delays in regulatory approval and even market launch failures.
- g) **Risks in commercialisation and market expansion.** Hospital budget and reimbursement constraints may limit customer base expansion and slow adoption. Successful market expansion demands extensive training for surgeons and robust sales and marketing support, which may be costly and depress margins.
- h) **Intensifying competition and technological risks.** The dynamic nature of the surgical robot industry, characterised by rapid innovation and new market entrants, poses significant competitive and technological risks, eg obsolete systems, AI-related failure, machine learning, and intense competition from newcomers. Continued price competition could also lead to margin pressure.
- i) **Risks in M&A and collaborations.** Failure of M&As and collaborations could bring substantial harm to business.

j) Financial risks. The surgical robot industry demands substantial financial commitment. Bringing a surgical robot from concept to market requires immense upfront investment in R&D, clinical trials, and regulatory approvals. Companies often have to endure a prolonged period of unprofitability.

COMPANY OVERVIEW

MedBot is a leading Chinese company specialising in developing and producing innovative surgical robotic solutions. Established in 2015 as a subsidiary of MicroPort, MedBot focuses on advancing robotic technologies in surgical procedures. Its core product, Toumai Laparoscopic Surgical Robot, obtained market approval from China's NMPA in 2022, and the CE Marking in May 24. Within just three years of market launch, the product has gained market access in over 60 countries and regions and achieved active installations in nearly 40 countries.

Multiple Flagship Products With Global Market Access



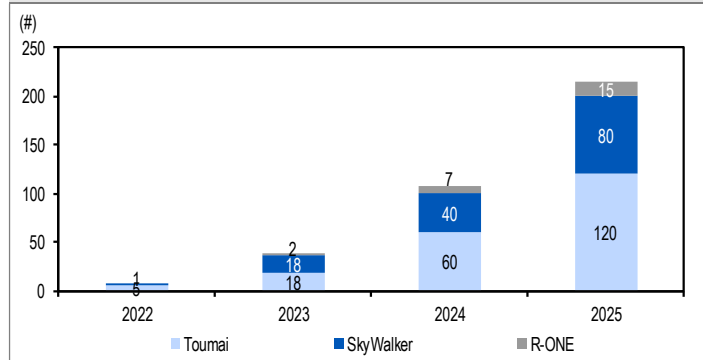
Source: MedBot, UOB Kay Hian

Committed to expanding its portfolio, the company has in recent years launched Skywalker Orthopedic Robot, Toumai Single-port Laparoscopic Surgical Robot, Toumai Remote System, UniPath Bronchoscopic Surgical Robot, R-ONE Vascular Interventional Robot System, and Mona Lisa Robotic Transperineal Prostate Biopsy System. With a strong focus on R&D, MedBot aims to leverage its competitive pricing and innovative technology to penetrate domestic and global markets effectively.

Toumai Remote obtained NMPA market approval in Apr 25, becoming the world's first approved remote surgical robot. Connecting 465 surgical centres within 229 cities in 103 countries and regions, the Toumai Remote system has completed approximately 800 remote surgeries globally.

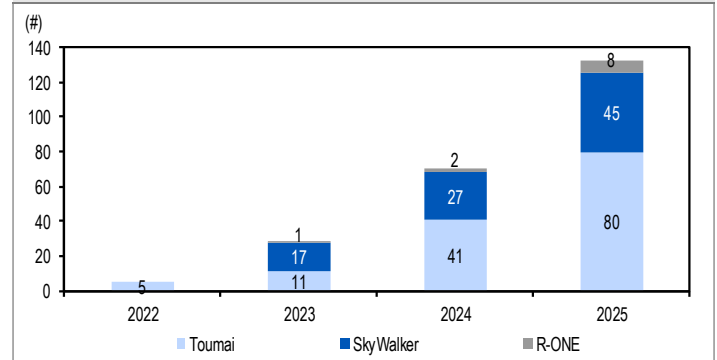
SkyWalker Orthopedic Surgical Robot received market approvals from China's NMPA, US FDA, and the CE Marking from the EMA in 2022. As the first domestic surgical robot to expand into the global market, the robot has obtained market approvals in nearly 20 countries and completed commercialised installations in the US, Europe, Japan, Brazil and India. The product saw global installations of over 50 units as at end-Dec 25. With a capacity for providing complete clinical total solutions for hip and knee surgeries, SkyWalker has carried out over 3,000 surgeries worldwide, with clinical applications covering over 100 hospitals globally.

Number Of Orders



Source: MedBot, UOB Kay Hian

Number Of Installations

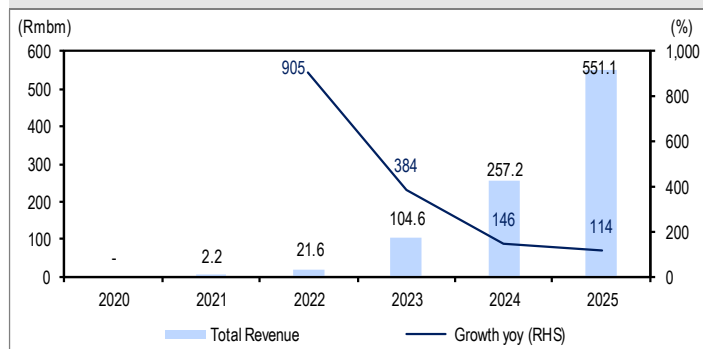


Source: MedBot, UOB Kay Hian

Having made continued efforts in market penetration, MedBot received over 400 commercial orders for its core products (across laparoscopic, orthopaedic and vascular intervention specialties) from global customers as at end-Jun 26. Among these, Toumai Laparoscopic Surgical Robot received over 300 commercial orders worldwide, with new orders secured in 1H26 surpassing the full-year total of the previous year. As at end-Jun 26, the number of commercial installations of the company's products exceeded 300 units, including more than 200 units of Toumai and over 50 SkyWalkers.

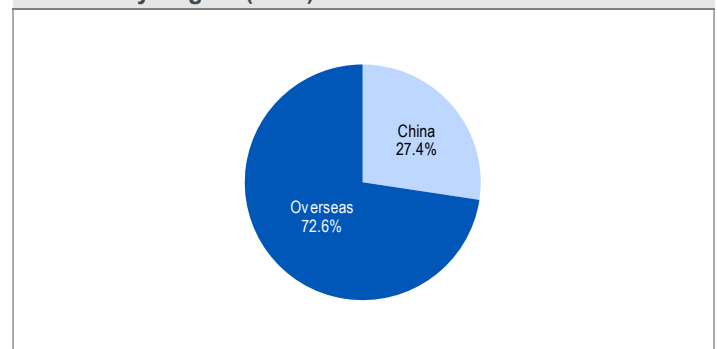
Robust revenue growth. The company witnessed revenue expanding robustly at a three-year CAGR of 194% in 2022-25, reaching Rmb551m in 2025. The strong revenue growth was mainly attributable to the strong sales momentum of the company's major products, Toumai and SkyWalker, particularly in overseas markets. The overseas business contributed approximately 72.6% of total revenue in 2025.

Robust Revenue Growth



Source: MedBot, UOB Kay Hian

Revenue By Region (2025)



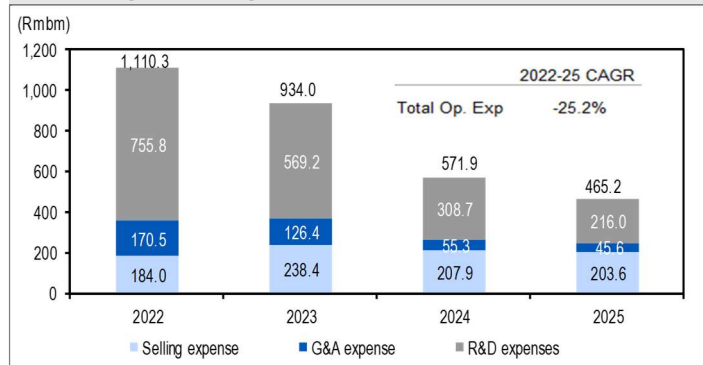
Source: MedBot, UOB Kay Hian

To sustain growth, MedBot has put in place a well-trained and fully responsible consultant marketing team to provide hospitals with comprehensive services, such as training, surgery support, and maintenance. Across the world, it has set up nearly 40 clinical application and training centres for Toumai and about 20 for SkyWalker. To continuously augment its market presence and build its brand reputation, MedBot conducted more than 1,600 training sessions for Toumai in 2024, with over 2,000 participants in more than 40 countries.

Improving profitability. MedBot saw total net loss fall from Rmb1,012.2m in 2023 to Rmb249.7m in 2025. The adjusted net loss also fell significantly from Rmb869.1m in 2023 to Rmb165.0m in 2025. This was primarily driven by: a) rapid revenue growth; and b) the effective implementation of strategic measures to reduce costs and enhance efficiency since 2023, leading to a significant decline in operating expenses. The company attributed the 30% yoy

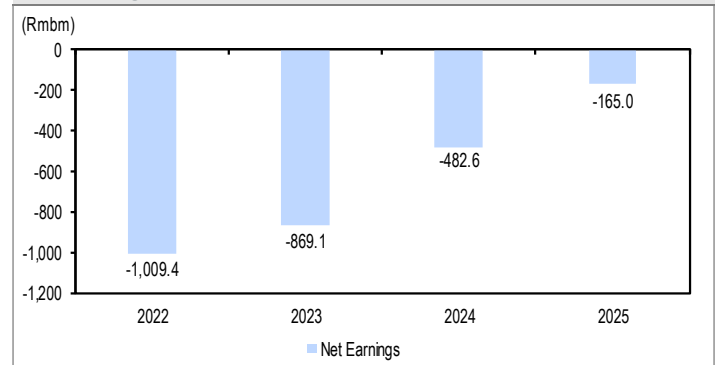
decrease in R&D expenses in 2025 mainly to its focus on the R&D of late-stage product pipelines and improvement of R&D efficiency. It continues to focus on global revenue expansion and expects to achieve positive earnings in 2026. MedBot's positive profit alert for 1H26 projects a net profit of Rmb28m-40m, underscoring the company's solid trajectory toward profitability in 2026.

Decreasing Operating Expenses



Source: MedBot, UOB Kay Hian

Decreasing Net Loss



Source: MedBot, UOB Kay Hian

Focusing on R&D in intelligent surgical solutions. MedBot is dedicated to technology advancement. Leveraging its strength in 5G remote surgery, MedBot has completed remote clinical applications across multiple regions and departments, achieving milestone breakthroughs and pushing application boundaries. The company will also further deepen its R&D and application of key technologies, such as multi-sensor fusion positioning, augmented reality (AR), and intelligent robotics, to continuously advance its capabilities in developing intelligent surgical solutions.

Dedicated To Technology Advancement

Technology	Definition	Achievement
Augmented Reality Technology	AR in surgical robotics overlays 3D digital data (like CT scans and MRI models) onto a surgeon's real-time view of a patient.	It enables real-time lesion display on fluoroscopy and AI-driven endoscopic imaging to improve puncture accuracy.
Automated Surgical Technology	It refers to the use of AI and machine learning to enable robotic systems to perform specific surgical tasks with partial or full autonomy.	It has completed robotic bronchoscope auto-insertion, automatic image fusion for liver/kidney surgeries with AR-assisted navigation, and first autonomous cholecystectomy in animals using a large model-enabled laparoscopic robot.
AI Technology	It refers to the integration of machine learning, computer vision, and predictive analytics into robotic systems to assist surgeons	It has completed the deployment of a cloud-based AI server architecture, enabling cloud connectivity and interoperability of robotic systems and laying the foundation for future AI models.
Force Sensing Technology	It measures the physical forces (like tension, pressure, and compression) applied by a robotic instrument on human tissue.	It has completed second-generation force-sensing trocars – 50% better accuracy, 100% longer service life – that enable more sensitive and reliable force feedback for surgery.
Image Reconstruction Technology	It combines preoperative imaging (CT, MRI) and real-time endoscopic video to create high-resolution, 3D anatomical models.	It has developed high-precision 3D intra-cavity image reconstruction using AI (point cloud, 3D modelling, segmentation), boosting intraoperative navigation and planning accuracy.

Source: MedBot, UOB Kay Hian

Manufacturing and supply chain. MedBot has two production bases in China, one each in Shanghai and Suzhou. It has a production capacity for over 300 units for Toumai, which is sufficient to support rapid revenue expansion in the next 1-2 years. The company plans to further expand production capacity as needed. To continuously optimise efficiency, it strengthens its production capability and supply chain management by improving quality assurance, IP protection, and continuous optimisation of product design and processing technology.

Milestones And Key Developments

Year	Milestone
2014	Established the surgical robot project team and the preliminary R&D team
2015	MicroPort (Shanghai) MedBot Co was registered and incorporated Started the feasibility study of Honghu Orthopedic Surgical Robot
2016	Toumai Laparoscopic Surgical Robot successfully completed the preclinical trial on animals
2017	Finalised the design of DFVision 3D Electronic Laparoscope
2018	Finalised the design of Toumai Laparoscopic Surgical Robot Took the lead in formulating the first national standard on surgical robots
2019	DFVision 3D Electronic Laparoscope was admitted to the special review and approval procedure for innovative medical devices by NMPA Toumai Laparoscopic Surgical Robot was admitted to the special review and approval procedure for innovative medical devices by NMPA Toumai Laparoscopic Surgical Robot completed the first-in-human (FIM) trial DFVision 3D electronic Laparoscope completed the FIM trial
2020	Honghu Orthopedic Surgical Robot was admitted to the special review and approval procedure for innovative medical devices by NMPA Conducted the confirmatory clinical trial in urological surgery with Toumai Laparoscopic Surgical Robot First robot-assisted partial nephrectomy completed by Toumai Laparoscopic Surgical Robot First robot-assisted partial nephrectomy completed through the retroperitoneal approach by Toumai Laparoscopic Surgical Robot
2021	Established JVs with Robocath, NDR and Biobot in China Completed the confirmatory clinical trial in urological surgery with Toumai Laparoscopic Surgical Robot and submitted the registration application to NMPA Company officially renamed as Shanghai MicroPort MedBot (Group) Co DFVision 3D Electronic Laparoscope was approved by NMPA for commercialisation MedBot debuted on the Main Board of HKEX
2022	Toumai Laparoscopic Surgical Robot completed Multi-Disciplinary and Multi-Center Clinical Trial Toumai Laparoscopic Surgical Robot was approved by the NMPA and became the first domestic four-arm laparoscopic surgical robot to be used in clinic applications MicroPort Honghu Orthopedic Surgical Robot was approved by NMPA, and became the first Chinese-developed orthopaedic surgical robot equipped with robotic arms of independent IP rights.
2023	SkyWalker Orthopedic Surgical Robot completed FIM research of knee joint single condyle replacement (First-in-man, FIM) Toumai Laparoscopic Surgical Robot completed China's first 5G ultra telerobotics hepatobiliary surgery Toumai Single-arm Surgical Robot completed the first gynaecological registered clinical trial SkyWalker Orthopedic Surgical Robot won the 2023 German iF Design Award SkyWalker Orthopedic Surgical Robot was approved for the market by the Brazilian Health Supervision Authority (ANVISA)
2024	Toumai completed 100 cases of 5G telesurgery Toumai completed the world's first cross-border 5G ultra-remote simulated surgery verification Toumai completed the world's first "Word-Tour" Robotic Tele-Surgery Operation Verification Toumai completed the first human surgery in overseas markets Toumai completed 2,000 clinical surgeries SkyWalker Orthopedic Surgical Robot's global surgical volume exceeds 1,000 cases

H-share Equity Financing Activities

5 Nov 21	Listed on HKEX, via a share offering of 36.2m H shares, at HK\$43.20/share. Raised HK\$1,566.9m including exercise of over-allotment option. The proceeds were expected to be used as follows: 35% for developing Toumai, 21% for orthopaedic surgical robots, 19% for other products, 5% for enhancing manufacturing capacity and supply chain, and 10% for expanding product portfolio via in-licensing, acquisition and equity, investment, etc, and the remaining 10% for working capital and general corporate purposes.
26 Jun 24	Raised HK\$114.08m by placing 12.9m new H shares at Rmb9.10/share (representing a discount of 14.63% to the closing price on the previous trading day). The net proceeds were expected to be used for overseas product registration and market expansion, and improving optimisation and upgrading of products, as well as replenishing working capital.
10 Dec 24	Raised HK\$266.31m by placing 34.7m (or 3.45% of total enlarged share capital) at HK\$7.85/share, representing a discount of approximately 19.98% to the closing price. About 70% of the proceeds were expected to be used for enhancing commercialisation and R&D capabilities, and 30% for replenishing working capital.
14 May 25	Raised HK\$382.33m by placing 25,136,500 new H shares (or approximately 2.5% of total share capital) at HK\$15.50/share (at a discount of 13.79% to the closing price). The proceeds were expected to be used for enhancing commercialisation and R&D capabilities, and replenishing working capital. Mr He Chao, the controlling shareholder, disposed 30,163,500 (or 3.0%) existing shares through Shanghai Latent Artificial Intelligence Co at HK\$15.50/share on the same day.

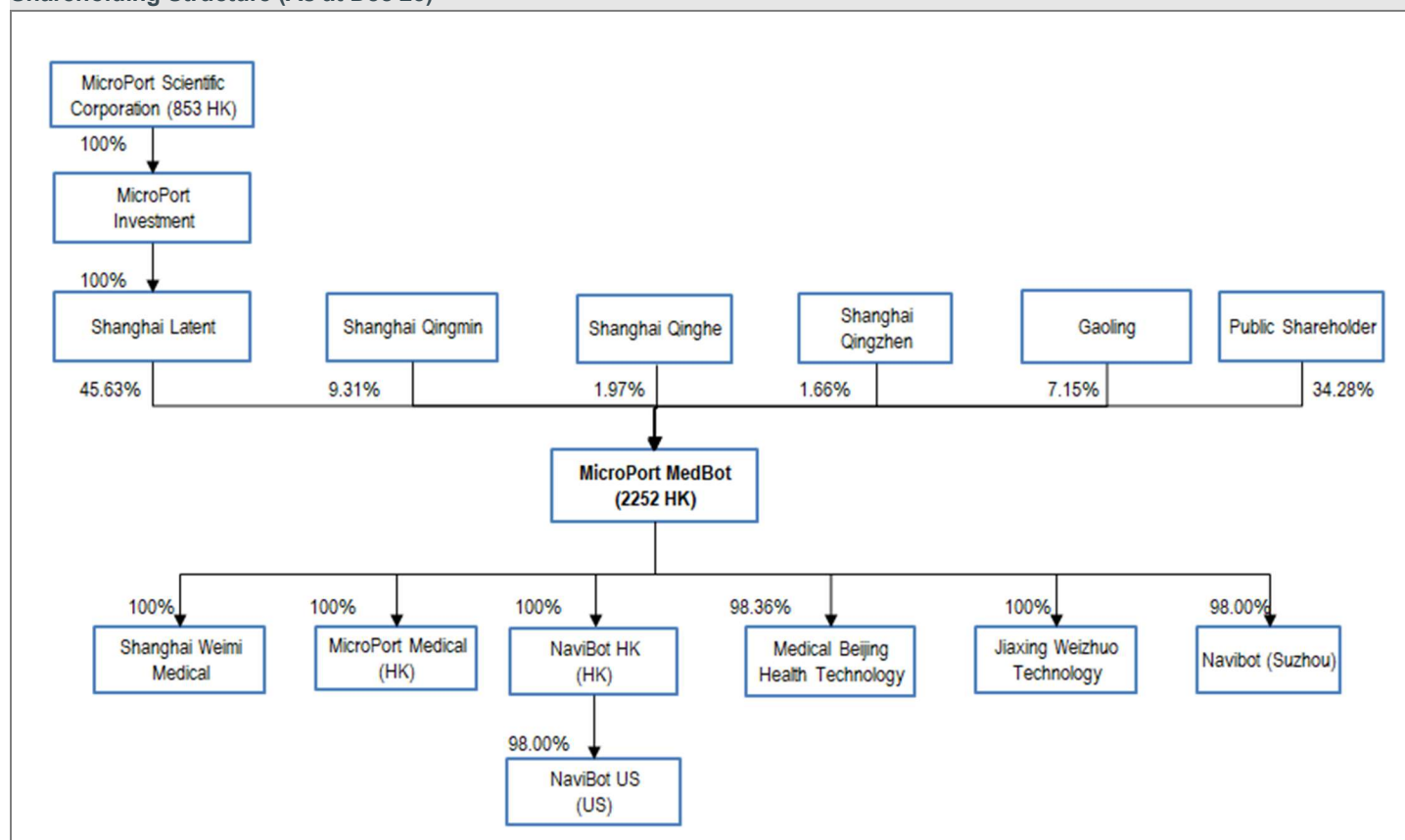
Source: MedBot, UOB Kay Hian

Management Team

Name	Position	Experience
Mr Sun Hongbin (孫洪斌)	Chairman, Non-executive Director	Mr Sun was appointed as Director on 3 Apr 20, and re-designated as Non-executive Director on 10 Jun 21. He serves as Chairman of the board, overseeing the company's management and operations, and is the Chairperson of the Strategy and Development Committee, as well as a member of the Remuneration and Appraisal Committee. Mr Sun has spent over 21 years in the medical device industry. He joined MicroPort Group in Sep 10, where he is currently Chief Financial Officer, a rotating chairperson of the Greater China Executive Committee, and a member of the Intercontinental Cardiac Rhythm Management Committee. He has also held independent non-executive director roles at several companies, including New Century Healthcare, CStone Pharmaceuticals, Mobvista Inc, and Abbisko Cayman. Before MicroPort, he worked at KPMG Shanghai as an assistant manager from 1998 to 2003 and later served as Financial Director at Otsuka (China) from 2004 to 2010. Mr Sun holds a bachelor's degree in economics from Shanghai Jiao Tong University and is a member of the Chinese Institute of Certified Public Accountants and a Chartered Financial Analyst.
Dr He Chao (何超)	Executive Director, President	Dr He was appointed as Director on 18 Oct 17, and re-designated as Executive Director on 10 Jun 22. As President, he oversees R&D, daily management, and strategic development. He has over 17 years of experience in surgical robot R&D. Dr He joined the company as General Manager in May 15 and has served as President since Dec 20, holding various directorships within the group. Before this, he worked as a system engineer at the Chinese Academy of Space Technology from Jun 13 to Apr 14 and was senior director at Shanghai MicroPort Medical, focusing on R&D and project management. Dr He earned his bachelor's in mechanical and electronics from Hefei University in Jul 07 and a PhD in mechanical engineering from Tianjin University in Jan 14, including a year as a visiting scholar at Johns Hopkins University.
Mr Liu Yu (劉雨)	Executive Director, Chief Commercial Officer, Vice President <i>pls standardise</i>	Mr Liu has spent over 30 years in the pharmaceutical and medical device industry. He joined the company as Chief Commercial Officer and Vice President in Dec 20. He served as Chief Commercial Officer and Senior Vice President from Mar 21 to May 22 and has held the position of Chief Commercial Officer and Executive Vice President since Jun 22, focusing on sales, marketing, and clinical affairs. Since Sep 20, he has also been Executive Director and Manager of 1.1 Medical (Beijing) Health Technology Co. Previously, he held various roles at Medtronic, Chindex, and Shanghai Fosun Pharmaceutical, specialising in operations and management. Mr Liu earned a bachelor's degree in Mechanical Instruments Engineering from Tianjin University of Technology in 1992 and a master's degree in Economic Management from Tsinghua University.
Mr Li Shuxiang (李叔祥)	Vice President of Supply Chain	Mr Liu joined the company as a quality director in Oct 19. He has been serving as Vice President, primarily responsible for the planning, operation and supervision of the company's industrial system. Mr Liu was a R&D engineer of Nanjing Research Institute Simulation Technique from Aug 04 to Jul 06. He worked as a PE/PQ manager at GE Medical Systems (China) Company during 2006-19, responsible for supervising quality control and manufacturing process design and improvement. Mr Liu earned a bachelor's degree in mechanical manufacturing process and equipment from Anhui Institution of Engineering and Technology in 2002 and a master's degree in mechanical manufacturing and automation from Nanjing University of Science and Technology in Jul 04.
Ms Cui Xiaoyu (崔曉煜)	Financial Controller	Ms Cui has over 20 years' experience in finance. She joined the company in Apr 20 and was appointed as the financial controller in Jun 22. Ms Cui served as an assistant manager of KPMG Huazhen Certified Public Accountant in Aug 02-Apr 08, a senior internal auditor of Tyco Electronics in Apr-Dec 08, the financial manager of SCA (China) Holding Co in Mar 09-Oct 13, and the senior financial manager of Shanghai Roche Pharmaceutical Co in Oct 13-Apr 19. She received her bachelor's degree in economics from Shanghai University of Finance & Economics in 2002.
Ms Fang Cong (房聰)	Executive Director, Board secretary	Ms Fang was appointed as the board secretary on 28 Sep 21, and was re-designated as Executive Director on 18 Jul 24. She is primarily responsible for the board matters of the company. Prior to joining the company, Ms Fang was an assistant manager at KPMG, responsible for providing tax advisory service in Sep 13-Jul 17. She was a research analyst at Citigroup Global Markets Asia. She received her bachelor's degree of economics from Renmin University of China in Jun 12 and master's degree of finance from the University of Hong Kong in Nov 13.

Source: MedBot, UOB Kay Hian

Shareholding Structure (As at Dec 25)



Note: Dr He Chao, the Executive Director, held approximately 54.05% interest in Shanghai Qingzhen as its limited partner.

By virtue of the Securities and Futures Ordinance, Shanghai Latent Artificial Intelligence Co and Shanghai Qingzhen are parties acting in-concert.

Dr He Chao is also a general partner of Shanghai Qingmin, and held approximately 43.12% interest in Shanghai Qinghe as its limited partner.

Source: MedBot, UOB Kay Hian

This page has been left blank intentionally.

This page has been left blank intentionally.

IMPORTANT NOTICE - DISCLOSURES AND DISCLAIMERS

This report is provided subject to various disclosures and disclaimers (the "Disclosures / Disclaimers") which form an integral part of this report and are available at the following link: <https://research-api.uobkayhian.com/assets/disclaimer/0e6d602f-adeb-45f8-9dea-5d5591daae87> or by scanning the QR code below:



The Disclosures / Disclaimers contain important information, including without limitation, (a) exclusions of liability, (b) confidentiality obligations, (c) restrictions on publication, circulation, reproduction, distribution and use of the report, (d) potential conflicts of interest, and (e) disclosures and requirements specific to recipients in the United States and other applicable jurisdictions.

Specifically, this report is intended for general circulation and informational purposes only and does not take into account the specific investment objectives, financial situation, or particular needs of any individual person. It is not intended to constitute personal investment advice or a recommendation to buy or sell any investment product or security. You should independently evaluate the information and, where necessary, seek advice from a qualified financial adviser regarding the suitability of any investment, taking into account your specific objectives, financial situation and needs, before making any investment decision. Analyst certifications required under applicable regulations, including SEC Regulation AC (where relevant), are included in this report.

Recipients of this report must carefully read, review and understand the full Disclosures / Disclaimers before using or relying on any information in this report. By accessing, receiving or using this report, you acknowledge and confirm that you have read, understood, accepted and agreed to be bound by the Disclosures / Disclaimers (as may be amended or updated from time to time) in full."