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China Healthcare

1H26 Results Wrap: Innovators Led the Rally While Recovery Broadened, Stay Strong into 2H26

Healthcare

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The MSCI China Healthcare Index rose 33% in the past three months, significantly outperforming the broader MSCI China Index, which held flat, driven by: sector rotation to more defensive sectors including healthcare, healthcare companies' earnings beat and raise, growing enthusiasm for AI-driven drug discovery (AIDD), and continued globalization progress in China healthcare (innovative drug out-licensing deals' total value reached US$110bn in 1H26). During the earnings season, these tailwinds were evident across the Biotech, CXO and AIDD segments. In contrast, Big Pharma performance was increasingly determined by commercialization execution rather than pipeline depth, while healthcare services, pharmacies and MedTech showed early signs of domestic recovery alongside continued overseas strength. TCM remained the weakest segment with early signs of a trough emerging. As we move into 2H26, we continue to view China healthcare as one of the most compelling growth and defensive stories providing diversification from AI themes. The key debate has moved to sustainable earnings growth, with major clinical readouts (including WCLC and ESMO), globalization activities and NRDL negotiations likely to drive the next leg of sector performance (see Figure 1 for catalysts). **Our preferred subsectors are Biotech, CXO and AIDD, while our least preferred subsectors are diagnostics and TCM.**

- **Biotech:** China biotech stayed the strongest subsector in terms of top-line growth in 1H26 – and what's different this time is that profits are also starting to do the talking. Innovent's product sales rose 57% YoY with non-IFRS net profit up 40%, beating market expectations. Kelun Biotech saw in-line product sales, but product sales were still up >100% in 1H26, suggesting the potential to make recurring net profit in FY27E. Junshi booked its first-ever profitable half-year, and RemeGen's core business, excluding BD income, was roughly breakeven in 2Q. We believe this demonstrates a macroenvironment friendly to innovative drugs, scaled-up commercial capabilities, operational leverage and cost discipline among China's biotech companies. However, Akeso and Ascentage missed 1H26 revenue expectations, suggesting commercial success no longer simply follows from NRDL coverage and clinical efficacy. As more Chinese biotech companies become or are close to becoming self-sustained in funding, the biotech subsector could continue to attract investor focus.
- **CXO:** CXO appears to be in a growth acceleration phase in 1H26 and continues to be the most discussed subsector in our conversations with investors. A number of companies beat earnings expectations and raised FY26 guidance, such as WuXi AppTec and WuXi Bio, and WuXi XDC (beat without raise), reflecting domestic demand recovery and sustained global demand growth. New order growth broadened across the group. WuXi AppTec's new orders rose over 40%, WuXi Biologics accelerated again to +23% (under constant FX) with raised guidance, and Pharmaron and Tigermed both posted roughly +30% order growth. According to management, WuXi AppTec, WuXi Biologics and Pharmaron all raised FY26 revenue guidance mid-year, reflecting order to revenue conversion rather than isolated items. WuXi XDC held guidance despite a record backlog (+50% YoY), citing capacity constraints ahead of new facility ramp-ups. Margins are expanding on

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operating leverage, richer complex molecule mix (bispecifics, ADCs, TIDES, degraders) and more late-stage or commercial projects. GenScript stands out as AIDD demand shifts from a theme to strong business demand, with AIDD-related revenue potentially doubling in 2H26. Tigermed seems to lag peers: clinical CRO recovery is real but slower, with contract pricing only now turning up after a multi-year decline. Overall, investors focus much less on geopolitics and we believe there is a strong rationale for that. However, we are watching for the potential list of "Biotechnology Companies of Concern" at end-2026/early 2027.

- **AIDD:** The group moved from narrative to monetization in 1H26. Insilico swung to profit: revenue up 287% YoY to US$106mn and net profit at US$35.5mn, powered by large out-licensing deals (Lilly, Servier, Takeda) worth roughly US$7.3bn YTD, though management resists formal guidance given lumpy deal timing. We estimate FY26 revenue of Insilico could be around US$180-190mn. XtalPi's AI4S infrastructure revenue more than doubled (+136%) and is now half of group sales. Metis, newly listed, reported revenue up 133x off a very low base plus its first landmark global licensing deal of MTS-128, with up to US$1.6bn in milestones on top of a US$20mn upfront. Across the group, AIDD platforms are increasingly generating tradeable, licensable drug assets rather than just providing R&D services.
- **Big Pharma:** 1H26 separated China's innovative-pharma leaders on commercialization execution, not on the depth of their innovation stories. Hansoh beat cleanly with revenue +11.7%, and innovative drug sales and collaboration income at 85% of total sales, domestic innovative product sales +21.6%, and net profit +19% ex-one-off items. The company also provided a 2027-30 roadmap of five new innovative drug launches next year and 30 by 2030. Hengrui, by contrast, missed in 2Q, with its first-generation innovative portfolio (pyrotinib, hetrombopag, apatinib, PEG-G-CSF) missing sales expectations due to NRDL renewal price cuts and tougher competition at the same time. The management moved the FY26E innovative drug growth bar from ~30% to lower implied by its ESOP. The shared theme is that licensing has become a recurring earnings line. Hansoh booked ~Rmb1.1bn of upfronts from Roche and Regeneron and holds US $9bn+ of signed deal value since 2023, while Hengrui will start recognizing the BMS upfront in 3Q26, which will help cushion R&D intensity and extend profit visibility well past the current headwind.
- **Healthcare services:** The group was still capped by soft consumption in 1H26, but showing early signs of recovery in 2Q26 driven by traffic growth. Gushengtang grew revenue 10.6% but blended ticket size fell 3.9% as its lower-ticket consumer-healthcare business ramped faster, while the serious-medical ticket still rose ~2%. Aier's reported 2Q profit drop of 82% was almost entirely a Rmb756mn back-tax provision, while core business to watch (refractive surgery and optometry) showed modest growth; Topchoice's +33% reported profit growth was flattered by a one-off asset disposal (recurring +5.7%), while orthodontics and implant surgery volume accelerated in 2Q driven by lower-tier city penetration. The structural shifts matter more for the outlook. Aier's refractive growth now comes from procedure mix (SMILE Pro, ICL V5) and not case volume; overseas reached 14% of revenue with Brazil consolidating in 3Q, and optometry gained a policy tailwind as OK-lens fitting rules were relaxed. Gushengtang is pivoting from same-store growth to M&A and overseas (Singapore revenue up 14x, Hong Kong and Malaysia entry, 18 acquired stores to consolidate in 2H), while Topchoice's community-grid strategy leaves it well placed for the NHSA's draft to fold dental implants into nationally unified reimbursement.
- **Medtechs:** The subsector's business trends split cleanly by geography in 1H26. Overseas remains the clear growth engine: Mindray's international sales rose 13.7% (+18.4% in USD terms), United Imaging's overseas revenue jumped 54.5% (now 25% of total sales), and SNIBE's overseas sales grew 15%, although the Middle East conflict briefly disrupted logistics and cost roughly 5pp of growth. Domestically, signs of a China sales

bottom for a few top medtech companies are emerging. Mindray's China revenue turned positive in 2Q after seven straight quarters of decline, driven by market share gains (IVD share rose to 14% from 12%) rather than an industry recovery. SNIBE's first-round VBP categories are growing at 20%-plus again. According to third-party data cited by United Imaging, China's overall imaging equipment market fell about 8% in 1H26, however, tender activity picked up sharply in July, pointing to a potentially better 2H26. Margins remain pressured by RMB appreciation (FX losses hit Mindray and United Imaging) and lingering domestic pricing, but a few top China medtech companies expect gradual margin improvement into 2H26.

- **Pharmacy:** The pharmacy sector finally delivered a broad-based recovery in 1H26, and it is traffic-led rather than pricing-driven.Dashenlin showed the most obvious inflection (2Q revenue +6.9% vs +0.3% in 1Q, recurring net profit +26.2% YoY), Yifeng's same-store sales accelerated from 1.5% in 1Q to ~6% in 2Q, and Laobaixing's mature stores grew over 5% in 2Q and 9% in July, with growth almost entirely organic. Two years of industry exits are pushing customers back to the surviving pharmacy stores. Meanwhile, ticket sizes have stayed flat and non-drug discretionary sales remain weak, so profit gains have come from margin discipline and cost control. Expansion models have shifted decisively toward franchise and M&A: Dashenlin restarted M&A after a six-quarter pause (+451 stores through 6 deals) and added 458 franchise stores in 2Q, Laobaixing added 429 franchise stores, and Yifeng's slow 1H26 M&A (+11 stores) should accelerate in 2H26 as seller expectations cool. The emerging upside is innovative drugs and GLP-1 in the pharmacy channel – Yifeng's innovative sales reached ~2% of mix and Laobaixing sold Rmb110mn+ of GLP-1 products in 1H (+200%+), helping to diversify their offering and attract more traffic.
- **Diagnostics:** The key leaders in the group posted margin-driven recovery. KingMed swung to a net profit as gross margins expanded, while Dian also turned to profit with sharply lower impairment charges. Both recorded revenue declines in the low-single-digits YoY. Runda narrowed its net loss, but with sales declining by high-single-digit YoY. The takeaway is that earnings are stabilizing via cost control rather than volume-led growth.
- **TCM:** The group was again the relatively weak subsector in 1H26. Only 24 of 68 listed A-share TCM companies grew revenue, and the decline widened into 2Q (net profit -24% YoY in 2Q vs -5.5% in 1Q), based on Wind data. Declines trace to OTC destocking after the 2025 high base, hospital VBP expansion and soft discretionary demand, with gift-driven premium brands suffering the most. Tongrentang's net profit fell 23%, deepening a slide that began in 2024, while Yunnan Baiyao (+1.9%) and Tasly (+15%, helped by 10 essential-drug-list additions) grew, and CR Sanjiu absorbed Kunming Pharma's Rmb364mn loss. Trough signals are nonetheless building: herbal-material prices are down ~17% YoY leaving less room for further reduction, sector gross margins should recover as high-cost inventory clears, and the new essential-drug list adds 48 TCM products in September.

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Figure 1: Near-term Catalysts for China Biotech

Company	Drug	MoA	Indications	Event	Time
Akeso	Ivonescimab (AK112)	PD-1/VEGF bsAb	1L PD-L1+ NSCLC (mono vs pembro)	HARMONi-2 Ph3 OS data presentation	WCLC (Sep 2026)
Akeso	Ivonescimab (AK112)	PD-1/VEGF bsAb	1L BTC	HARMONi-GI1 positive OS topline (Aug 2026) detailed data release	ESMO (Oct 2026)
Akeso	Ivonescimab (AK112)	PD-1/VEGF bsAb	2L EGFRm NSCLC (US)	FDA decision window on BLA (ODAC call decision ~Sep) PDUFA	14 Nov 2026 (PDUFA)
Akeso	Ivonescimab (AK112)	PD-1/VEGF bsAb	1L sq/NSCLC (global)	HARMONi-3 sq cohort final PFS + interim OS first look	2H26
Akeso	Ivonescimab (AK112)	PD-1/VEGF bsAb	1L urothelial carcinoma	HARMONi-GU1 global Ph2/3 initiation (+EV vs pembro+EV Summit)	4Q26
Akeso	Cadonilimab (AK104)	PD-1/CTLA-4 bsAb	Adjuvant HCC	COMPASSION-22 Ph3 readout	~1H27 (within ~6m)
Innovent	IBI363	PD-1/IL-2α bsAb	1L mucosal/acral melanoma	Pivotal Ph3 H2H vs pembrolizumab readout (BTD; supports NDA)	End-2026/1H27
Innovent	IBI363	PD-1/IL-2α bsAb	IO-resistant NSCLC, later-line CRC	MarsLight-11 global Ph3 expansion China Ph3 (CRC) started; PoC updates in 1L NSCLC	2H26-1H27
Innovent	IBI354	HER2 ADC	PROC	Ph3 readout + NDA filing	2H26
Innovent	Mazdutide (IBI362)	GLP-1/GCGR	Obesity (9mg)	China approval decision (NDA in review multi-dose pen approved May 2026)	1H27
Innovent	Mazdutide (IBI362)	GLP-1/GCGR	Obesity/MAFLD	GLORY-3 Ph3 H2H vs semaglutide 2.4mg data, cardiometabolic readouts (OSA, HFpEF MASH)	2027
Innovent	IBI3032	Oral small-molecule GLP-1	Obesity	Ph2 initiation (oral asset)	End-2026
Kelun Biotech	Sac-TMT (SKB264)	TROP2 ADC	1L TNBC	OptiTROP-Breast03 positive; sNDA accepted (Jul 2026)	2H26/1H27E
Kelun Biotech	Sac-TMT (SKB264)	TROP2 ADC	1L PD-L1- nsqNSCLC (+pembro)	OptiTROP-Lung06 met PFS primary (Jul 2026) full data release	ESMO (Oct 2026)
Kelun Biotech	Sac-TMT (SKB264)	TROP2 ADC	2L EGFRm NSCLC 2L+ HR+/HER2- BC	2026 NRDL negotiation for new indications (+ trastuzumab botidotin)	Sep-Oct 2026
Kelun Biotech	Sac-TMT (SKB264)	TROP2 ADC	1L EGFRm NSCLC (+osimertinib)	China Ph3 readout	1Q27E
Kelun Biotech	Sac-TMT (SKB264)	TROP2 ADC	2L+ endometrial cancer (global)	TroFuse-005 met primary endpoint, Merck first BLA filing (US)	ESMO 2026
Junshi	JS207	PD-1/VEGF bsAb	Unresectable stage III NSCLC (induction)	Ph2 induction data oral presentation (OA09.03 pCR 54.5% in resected)	WCLC (Sep 2026)
Junshi	JS207	PD-1/VEGF bsAb	1L HCC	First pivotal study start	Oct 2026
Junshi	JS212	EGFR/HER3 ADC	Later-line ESCC, HR+ BC	Registrational study start	End-2026/1H27
Remegen	Telitacicept (RC18)	BLyS/APRIL fusion protein	IgAN (pre-filled syringe)	2026 NRDL negotiation	Sep-Oct 2026
Remegen	Telitacicept + Disitamab vedotin	BLyS/APRIL, HER2 ADC	SLE/IgAN, UC/BC	2026 NRDL renewals (seeking no/limited price cut)	Sep-Oct 2026
Remegen	RC148	PD-1/VEGF bsAb	1L sq/nsq NSCLC	China Ph2 data, oral presentation (ORR 90%/75.9%, PD-L1- 93.3%/71.4%)	WCLC (Sep 2026)
Remegen	RC148 (ABBV-1480)	PD-1/VEGF bsAb	1L sq/NSCLC (global)	AbbVie global Ph3 first patient enrollment (triggers milestone), combo Ph2s with ABBV-400	4Q26-1H27
Remegen	RC48	HER2 ADC	2L UC (US)	US Ph2 data readout	2H26/1H27E
Ascentage	Lisaftoclax	Bcl-2 inhibitor	R/R CLL/SLL (China)	2026 NRDL negotiation	Sep-Oct 2026
Ascentage	Lisaftoclax	Bcl-2 inhibitor	1L HR-MDS (global)	GLORA-4 Ph3 enrollment completion (CR endpoint, supports US NDA)	End-2026/1H27
Ascentage	Olverembatinib	3rd-gen BCR-ABL/KIT inhibitor	1L Ph+ ALL (global) 3L+ CML no T315I (global)	POLARIS-1 NDA filing POLARIS-2 NDA filings to FDA/EMA	2H27
Ascentage	Olverembatinib	3rd-gen BCR-ABL/KIT inhibitor	CML (ex-China)	Takeda option exercise window (post ponatinib patent expiry)	Early 2027
Hengrui	Hetrombopag (Heng Qu)	TPO-R agonist	CIT (chemotherapy-induced thrombocytopenia)	New indication approval expected	2H26
Hengrui	SHR-1139	IL-23p19/IL-36R bsAb	Psoriasis, ulcerative colitis	Psoriasis Ph2 data (late Sep), IBD/UC Ph2 data, global Ph3 (psoriasis) start (FDA alignment done)	2H26 (psoriasis data Sep)
Hengrui	SHR-2173	IFNAR1/TACI fusion protein	Primary membranous nephropathy (PMN)	US enrollment in enlarged Ph2, global Ph3 preparation, initial data	2H26-1H27
Hengrui	Ribupatide (HRS9531)	GLP-1/GIP dual agonist	Obesity/overweight (China), T2D	NDA submission	2H26
Hengrui	HRS-7535	Oral small-molecule GLP-1	Obesity (China)	NDA submission	2H26/2027E
Hengrui	SHR-4849 (DLL3 ADC)	DLL3 ADC	SCLC, neuroendocrine carcinoma (global, IDEAYA)	Partner global Ph3 start	By end-2026
Hansoh	HS-20093 (Risvutatug rezetecan)	B7-H3 ADC	2L+ SCLC (platinum-treated)	ARTEMIS-008 Ph3 full data - LBA oral at WCLC	WCLC (Sep 2026)
Hansoh	HS-20093 (Risvutatug rezetecan)	B7-H3 ADC	2L+ SCLC (China)	New indication approval expected	2027E
Hansoh	HS-20093 (Risvutatug rezetecan)	B7-H3 ADC	Osteosarcoma (China); global basket	Osteosarcoma Ph3 - full data, first global data (GSK pan-tumor Ph1 Pan-Tumor-101)	2H26
Hansoh	Olatorepatide (HS-20094)	GLP-1/GIP dual agonist	Obesity/overweight (China), T2D	New indication approval expected	2H27E
Hansoh	HS-10241	c-MET TKI	EGFRm NSCLC with MET alterations (China)	New indication approval expected	2027E
Hansoh	HS-10365	RET inhibitor	RET+ solid tumors (China)	New indication approval expected	2027E
Hansoh	HS-10568	CaSR allosteric modulator	Secondary hyperparathyroidism / CKD (China)	New indication approval expected	2027E
Hansoh	HS-20118 (AVR-001)	Oral cyclic-peptide IL-23 antagonist	Psoriasis (China)	Ph2b data in Chinese patients, NewCo (Avere/NextCure) milestones potential	1H27
Keymed	CGM901/AZD0901	CLDN 18.2 ADC	2L+ Gastric Cancer	CLARITY-Gastric01 Ph3 OS/PFS readout	2H26
Duality	DB-1303/BNT323	HER2 ADC	HER2+ 2L Breast Cancer	Ph3 readout + NDA filing	2H26

Source: Company reports.



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Figure 2: China Healthcare H-shares: Sales by sector

Sales (Rmb bn)	Stock #	1H23A	2H23A	1H24A	2H24A	1H25A	2H25A	1H26A
OVERALL	**51**	**819**	**805**	**834**	**827**	**852**	**883**	**897**
Distributors	6	597	589	606	601	612	626	625
Pharma	14	93	87	96	86	95	100	101
Biotech	13	17	18	22	27	31	38	46
TCM	3	50	45	50	43	50	44	48
Medtech	6	8	7	8	8	8	9	8
CXO	6	38	41	35	44	41	49	53
Medical service	3	8	9	9	9	10	9	9

Y/Y %	1H23A	2H23A	1H24A	2H24A	1H25A	2H25A	1H26A
OVERALL	**16%**	**4%**	**2%**	**3%**	**2%**	**7%**	**5%**
Distributors	17%	4%	1%	2%	1%	4%	2%
Pharma	3%	-2%	3%	0%	-1%	16%	6%
Biotech	64%	55%	31%	51%	40%	40%	49%
TCM	15%	5%	0%	-5%	0%	2%	-4%
Medtech	0%	-4%	-3%	5%	1%	9%	2%
CXO	11%	2%	-8%	7%	17%	12%	29%
Medical service	17%	15%	5%	0%	7%	2%	-5%

Source: Bloomberg Finance L.P.

Figure 3: China Healthcare H-shares: Net income by sector

Net profit (Rmb bn)	1H23A	2H23A	1H24A	2H24A	1H25A	2H25A	1H26A
OVERALL	**35**	**24**	**37**	**23**	**48**	**42**	**63**
Distributors	11	8	12	8	14	11	14
Pharma	14	11	18	10	18	14	21
Biotech	(7)	(7)	(6)	(5)	(1)	1	9
TCM	4	2	3	0	3	0	1
Medtech	2	1	1	1	1	1	1
CXO	10	8	7	8	12	15	15
Medical service	1	1	2	1	1	1	2

Y/Y %	1H23A	2H23A	1H24A	2H24A	1H25A	2H25A	24A
OVERALL	**26%**	**33%**	**7%**	**-2%**	**31%**	**80%**	**30%**
Distributors	15%	5%	8%	1%	15%	28%	4%
Pharma	2%	8%	24%	9%	4%	38%	15%
Biotech	41%	46%	14%	3%	86%	117% (+)	
TCM	14%	5%	-8%	2%	-11%	-2%	-43%
Medtech	-17%	7%	(+)	24%	-16%	-21%	-23%
CXO	6%	1%	27%	6%	64%	94%	24%
Medical service	9%	21%	6%	9%	-3%	-24%	3%

Source: Bloomberg Finance L.P.

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Figure 4: China Healthcare A-shares: Sales by sector

Sales (Rmb bn)	Stock #	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
OVERALL	**229**	**522**	**514**	**486**	**504**	**521**	**513**	**500**	**498**	**513**	**512**	**507**	**519**	**525**	**519**
Distributors	16	230	226	214	221	232	226	226	222	233	228	231	251	239	232
Pharma	71	108	106	100	103	109	110	105	105	107	108	103	108	108	108
Biotech	14	3	4	4	4	4	5	5	5	5	6	6	6	6	7
TCM	35	89	81	73	75	85	77	72	72	82	76	71	76	83	70
Medtech	36	32	33	29	31	32	34	29	30	30	33	32	34	32	37
CXO	9	18	19	19	19	15	17	19	20	17	20	21	25	21	26
Spec pharma	19	15	15	16	16	12	14	15	14	13	14	15	13	11	13
Medical service	6	10	11	12	12	10	11	12	11	11	11	12	11	11	11
Diagnostics	20	15	15	15	16	14	15	14	15	12	13	13	13	12	13

Sales YoY	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
OVERALL	**8%**	**6%**	**-2%**	**-2%**	**0%**	**0%**	**3%**	**-1%**	**-1%**	**0%**	**1%**	**4%**	**2%**	**1%**
Distributors	17%	15%	0%	3%	1%	0%	5%	1%	1%	1%	2%	4%	2%	2%
Pharma	8%	5%	3%	5%	1%	3%	5%	2%	2%	2%	2%	3%	1%	0%
Biotech	10%	31%	44%	25%	48%	26%	28%	16%	22%	19%	17%	26%	19%	20%
TCM	14%	15%	2%	-2%	1%	-5%	-1%	-9%	-8%	-1%	1%	5%	1%	-5%
Medtech	13%	-2%	1%	-9%	0%	4%	1%	0%	-4%	-4%	10%	12%	7%	11%
CXO	3%	4%	6%	11%	15%	12%	2%	7%	15%	16%	11%	12%	22%	33%
Spec pharma	-4%	-7%	6%	0%	-17%	-5%	-8%	-10%	2%	2%	1%	-6%	-12%	10%
Medical service	33%	32%	12%	39%	2%	5%	2%	3%	5%	2%	2%	0%	2%	0%
Diagnostics	~-70%	-50%	-40%	-42%	-6%	1%	-5%	8%	-12%	-15%	8%	-5%	-4%	1%

Source: Bloomberg Finance L.P.

Figure 5: China Healthcare A-shares: Net income by sector

Net Income (Rmb bn)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
OVERALL	**48**	**48**	**41**	**16**	**45**	**47**	**39**	**14**	**48**	**49**	**40**	**20**	**49**	**48**
Distributors	5	6	4	1	5	5	4	1	5	6	4	2	5	5
Pharma	12	11	10	4	12	14	12	7	15	15	12	6	16	17
Biotech	(1)	(1)	(0)	(1)	0	0	1	(0)	1	1	1	0	1	1
TCM	12	10	8	3	12	9	7	1	11	10	7	3	11	7
Medtech	7	8	7	4	7	8	5	2	6	7	5	3	6	6
CXO	4	6	5	3	2	4	3	3	4	6	5	8	6	7
Spec pharma	4	3	3	1	3	3	3	1	3	2	4	0	2	3
Medical service	1	1	2	0	1	1	2	0	1	1	1	0	1	1
Diagnostics	2	2	2	0	1	2	1	(2)	1	1	1	(2)	1	1

Net Income YoY	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
OVERALL	**-2%**	**-10%**	**-8%**	**-33%**	**-6%**	**-2%**	**-3%**	**-13%**	**6%**	**4%**	**1%**	**45%**	**4%**	**-2%**
Distributors	28%	-15%	-5%	-51%	0%	12%	-4%	-27%	0%	28%	-6%	69%	-1%	-22%
Pharma	7%	-2%	-7%	-49%	4%	25%	28%	76%	17%	4%	-4%	-16%	11%	13%
Biotech	~140%	4%	~-100%	-3%	(+)	(+)	(-)	(+)	~300%	~200%	23%	(+)	54%	58%
TCM	50%	31%	12%	20%	4%	8%	14%	56%	5%	6%	3%	106%	4%	26%
Medtech	11%	1%	1%	22%	1%	1%	18%	44%	14%	21%	1%	19%	7%	6%
CXO	22%	-13%	-8%	-14%	43%	33%	-27%	-5%	81%	59%	50%	173%	28%	15%
Spec pharma	4%	-21%	-13%	-68%	17%	26%	-2%	-6%	-9%	-4%	12%	-76%	-19%	6%
Medical service	~500%	143%	35%	(+)	4%	16%	-4%	36%	23%	-13%	-24%	-8%	22%	-54%
Diagnostics	-84%	72%	-70%	~340%	30%	25%	-42%	(-)	11%	56%	10%	14%	13%	75%

Source: Bloomberg Finance L.P.