



MicroTech Medical (Hangzhou) Co., Ltd.
微泰醫療器械(杭州)股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2235)

INTERIM REPORT 2025



CONTENTS

	Pages
CORPORATE INFORMATION	2
FINANCIAL AND BUSINESS HIGHLIGHTS	4
MANAGEMENT DISCUSSION AND ANALYSIS	9
CORPORATE GOVERNANCE AND OTHER INFORMATION	28
CONSOLIDATED INCOME STATEMENT	52
CONSOLIDATED BALANCE SHEET	55
CONSOLIDATED STATEMENT OF CASH FLOW	58
CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY	61
CONDENSED NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	62
DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS	73

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Dr. Zheng Pan (*Chairman and
Chief Executive Officer*)

Dr. Yu Fei

Dr. Shi Yonghui

Ms. Liu Xiu

Non-executive Directors

Mr. Mao Shuo

Ms. Gao Yun

Independent Non-executive Directors

Dr. Li Lihua

Ms. Wang Chunfeng

Mr. Ho Kin Cheong Kelvin

Dr. Cheng Hua

SUPERVISORS

Mr. Li Zhenhua

Mr. Lyu Cheng

Mr. Zhao Zhiheng

JOINT COMPANY SECRETARIES

Dr. Shi Yonghui

Ms. Chu Pik Man

AUTHORIZED REPRESENTATIVES

Dr. Zheng Pan

Ms. Chu Pik Man

AUDIT COMMITTEE

Mr. Ho Kin Cheong Kelvin (*Chairperson*)

Ms. Gao Yun

Ms. Wang Chunfeng

REMUNERATION AND ASSESSMENT COMMITTEE

Ms. Wang Chunfeng (*Chairperson*)

Mr. Ho Kin Cheong Kelvin

Dr. Shi Yonghui

NOMINATION COMMITTEE

Dr. Li Lihua (*Chairperson*)

Dr. Cheng Hua

Dr. Zheng Pan

STRATEGY COMMITTEE

Dr. Zheng Pan (*Chairperson*)

Dr. Shi Yonghui

Dr. Li Lihua

REGISTERED OFFICE

No. 108 Liuze Street

Cangqian Street

Yuhang District, Hangzhou

Zhejiang, China

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 108 Liuze Street
Cangqian Street
Yuhang District, Hangzhou
Zhejiang, China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai, Hong Kong

H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

HONG KONG LEGAL ADVISER

Jingtian & Gongcheng LLP
Suites 3203–3207, 32/F
Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

PRINCIPAL BANKS

Industrial and Commercial Bank of China
Hangzhou Yuhang Branch
No. 998 Wenyi West Road
Yuhang District, Hangzhou
Zhejiang, China

Agricultural Bank of China
Hangzhou Haichuang Branch
No. 1326 Wenyi West Road,
Cangqian Street
Yuhang District, Hangzhou
Zhejiang, China

Bank of China
Hangzhou Chengxi Kechuang Branch
Block 4, No. 998 Wenyi West Road
Wuchang Street
Yuhang District
Hangzhou, Zhejiang, China

AUDITOR

Pan-China Certified Public Accountants LLP
Certified Public Accountants
Registered Public Interest Entity Auditor
Tower B, China Resources Building
1366 Qianjiang Road, Shangcheng District
Hangzhou, Zhejiang, China

STOCK CODE

2235

COMPANY'S WEBSITE

www.microtechmd.com

FINANCIAL AND BUSINESS HIGHLIGHTS

FINANCIAL HIGHLIGHTS

	For the six months ended June 30,		Period-to-Period
	2025 RMB (Unaudited)	2024 RMB (Unaudited)	Change (%)
Operating revenue	245,933,101.49	150,815,673.60	63.1
Gross profit	127,039,511.07	80,563,256.85	57.7
Net loss	(2,292,687.57)	(37,735,048.47)	93.9
Loss attributable to owners of the parent	(2,292,687.57)	(37,735,048.47)	93.9
Loss per share attributable to ordinary equity holders of the parent			
Basic and diluted	(0.005)	(0.09)	94.4

BUSINESS HIGHLIGHTS

In the first half of 2025, the Company focused on core pipeline products and continued to expand market share, and steadily strengthen our core competencies in the entire chain of product research and development, production, and commercialization by further improving operational efficiency and organizational effectiveness, driving the overall business to accelerate toward a new stage of high-quality development.

During the Reporting Period, we achieved operating revenue of RMB245.93 million, representing an increase of 63.1% from RMB150.82 million in the first half of 2024, among which RMB143.11 million was generated from the sales of CGMS, the revenue of which increased by 91.5% from RMB74.72 million in the first half of 2024. Our gross profit was RMB127.04 million, representing an increase of 57.7% from RMB80.56 million in the first half of 2024. The significant growth in our revenue and gross profit was mainly attributable to the rapid increase in the sales of the CGMS in both domestic and international markets.

During the Reporting Period, our net loss was RMB2.29 million, representing a significant decrease of 93.9% from the loss of RMB37.74 million in the first half of 2024, which was mainly attributable to the expansion of the Company's sales scale, the deepening of comprehensive budget control and the improvement of operational efficiency brought about by refined management.

During the Reporting Period, we steadfastly implemented cost-reducing and efficiency-enhancing measures, achieving significant results. The proportion of key operating expenses such as selling expenses and administrative expenses to revenue decreased significantly. Our selling expenses amounted to RMB92.81 million, representing a year-on-year decrease of 7.4% from the selling expenses of RMB100.28 million in the first half of 2024, and selling expenses to revenue ratio decreased from 66.5% in the first half of 2024 to 37.7% in the first half of 2025. Our administrative expenses amounted to RMB18.20 million, representing a year-on-year decrease of 7.6% from the administrative expenses of RMB19.70 million in the first half of 2024, and the administrative expense to revenue ratio decreased from 13.1% in the first half of 2024 to 7.4% in the first half of 2025. As of 30 June 2025, the balance of our monetary funds was RMB1.716 billion, with sufficient cash reserves.

Research and Development and Clinical Progress

In terms of product R&D pipeline, we insist on independent innovation and self-development. During the Reporting Period, the research and development and clinical promotion of our products achieved remarkable results, and several key advancements laid an important foundation for business expansion. Among them, the clinical study of AiDEX X CGMS targeting pregnant women has completed the clinical trials of all subjects, providing a solid clinical basis for further expanding the applicable population range of the product; the post-marketing clinical trial of the Equil Insulin Pump System in Europe has completed enrollment, providing support for medical insurance admission; the enrollment in the clinical trial for indication of the Hybrid Closed Loop Insulin Delivery System for children over 2 years of age has exceeded 50%. There were also several innovative products under rapid development.

In addition, based on the development trend of AI large models in the CGM field, we have made plans through various methods, such as forming an internal AI team and cooperating with leading domestic research institutes.

Core Product Market Performance

In the first half of 2025, the market penetration of our AiDEX X CGMS and Equil Patch Insulin Pump System continued to increase. The Company's products have obtained access to more than 2,500 domestic hospitals and have been sold to 118 countries around the world. Our Core Product, the Equil Patch Insulin Pump System, continued to maintain a leading position of domestic insulin pump system.

Diversified E-commerce Channel Layout

During the Reporting Period, we deepened our e-commerce layout, forming a comprehensive self-operated and distribution ecosystem covering e-commerce platform, new media matrix and private domain communities, achieving multi-scenario user reach and in-depth connection. On the marketing side, we increased investment in content marketing, and enhanced brand reach and conversion efficiency. On the service side, we improved the after-sales process, integrated the membership system across the entire domain, and built an integrated online and offline service network to support brand competitiveness and business growth. The sales scale has increased significantly compared with the first half of 2024.

Breakthrough in Globalisation Strategy

In the first half of 2025, our international business achieved strong growth, with revenue reaching RMB121.29 million, representing a year-on-year increase of 218.0% compared to RMB38.14 million in the first half of 2024. Our products now cover 118 countries and regions worldwide. The LinX CGMS has successfully included in the healthcare reimbursement systems of multiple European countries. It has also achieved market access in several emerging markets, including the Middle East, Asia-Pacific, and South America, providing a solid foundation for the growth of our international business. At the same time, we have preliminarily established a global commercial layout, deeply developed the layout of cross-border e-commerce platform and the construction of localised service systems, and participated in multiple international and academic exhibitions such as IDF, FIME, and ATTD.

Honor and Social Responsibility

As of the date of this report, we have been recognized by the General Administration of Sport of China as a "National Level 'Specialized, Refined, Differential and Innovative' Little Giants Enterprise in the Sports Field (體育領域國家級“專精特新”小巨人企業)" and have been included in the "KPMG China First Health Technology 50 (畢馬威中國首屆健康科技50)" list. Our "Continuous Glucose Monitoring System" has been listed in the "Promotion Catalogue of Smart Health and Elderly Care Products and Services (智慧健康養老產品及服務推廣目錄)" by the Ministry of Industry and Information Technology, and together with the "Patch Insulin Pump", has been selected into the "Catalogue of High-Quality Hangzhou-made Drugs and Medical Devices (優質杭產藥械目錄)" by the Hangzhou Municipal Bureau of Economy and Informatization. Relying on technological achievements, we actively respond to the "Zero Distance between Medical Institutions and Enterprises · Health with Silver Age (醫企零距離·健康伴銀齡)" health science popularization activity, build a diabetes health science popularization platform, and empower the health security of the elderly with technology. At the same time, we provide health support for sports events such as the 2025 Zhejiang Greater Bay Area Cycling Open (2025浙江大灣區自行車公開賽), the 2025 Tonglu Half Marathon (2025桐廬半程馬拉松) and Zhejiang Basketball League, safeguarding the public's healthy exercise.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

We are a high-tech company dedicated to the R&D, production and sales of innovative diabetes monitoring, treatment devices. By the deep integration of intelligent hardware and medical need, we are committed to becoming the global leader in the field of diabetes management. With the mission of “providing a healthier and better life for diabetic patients”, the Company established a full system product portfolio that covers diabetes monitoring equipment (continuous glucose monitoring system), treatment equipment (patch insulin pump system) and software platform (Jiantang Hospital-wide Blood Glucose Management System), and provides accurate, intelligent diabetes monitoring management equipment for medical institutions and patients.

At the core technology level, we have independently developed a patch insulin pump system equipped with the algorithm module, which can analyse patients’ physiological data in real time and dynamically adjust the dosing regimen. The continuous glucose monitoring system employed core processes and algorithms, significantly improving the accuracy of blood glucose measurement, and the core performance indicators have reached the international advanced level.

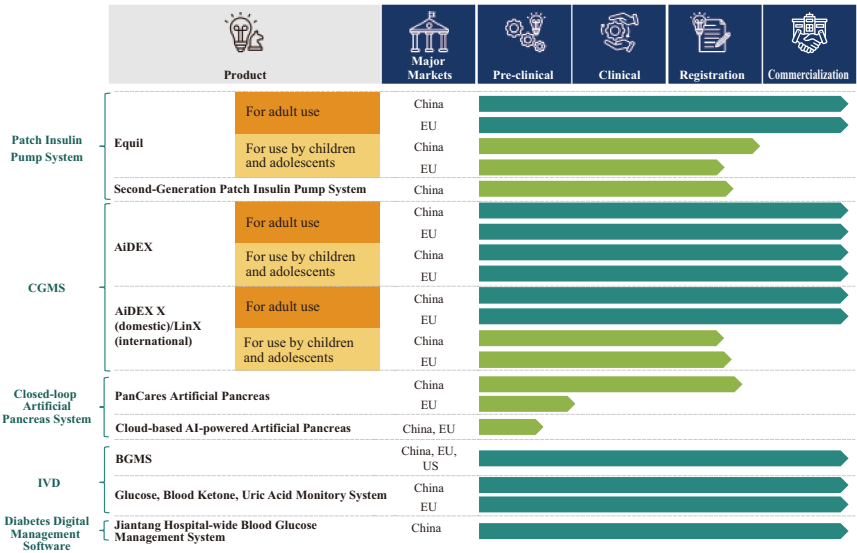
In terms of digital platform construction, we have developed a domestic cloud diabetes management platform that has realised three core capabilities:

1. Real-time data interconnection: Patient’s CGMS and insulin pump system data are automatically synchronised to the cloud through an encrypted channel, so that medical staff can view the dynamic data remotely, support multiple terminals to refresh the data every minute, and formulate an intervention plan in real time.
2. Intelligent reminder system: Real-time reminder of high and low blood glucose is realized based on dynamic threshold algorithm, and abnormal values are pushed to medical terminals in real time and trigger the response process, which supports personalized reminders according to hospitals, departments and patients.

3. Multi-scene and multi-device management: Integration inside and outside the hospital, multi-dimensional support for hospital-wide and regional glucose management, helping medical staff to easily navigate CGMS, insulin pump system and the clinical use of closed-loop artificial pancreas system.

Products and Product Pipeline

We have a rich portfolio of products in the field of diabetes monitoring, treatment and management, covering products such as patch insulin pump system, CGMS, closed-loop artificial pancreas system, BGMS products, as well as multiple launched products and products under development that such as diabetes digital management software. As of June 30, 2025, we had 5 major categories of products and pipeline candidates that have obtained 21 medical device registration certificates in the PRC and 60 medical device registration certificates overseas. Of them, 23 of our products have obtained CE marking in the EU. We also have 1 product which has obtained FDA510(k) approval. The following chart summarizes the development progress of our products and product candidates as of the date of this report:



Equil Patch Insulin Pump System — Our Core Product


Patch Insulin Pump System (“**Equil**”), our Core Product, is a semi-disposable patch insulin pump. Compared to traditional tubed insulin pumps, Equil features a tubeless and lightweight design, enabling users to manage diabetes in a more private, convenient and safer manner. Compared to other patch insulin pumps in the market, Equil has a longer reusable lifespan, rechargeable battery, and a unique pump vibration alarm design. In 2017, Equil received the launch approval for adult use from the NMPA. Equil also received CE marking in the EU in the same year. In 2018, Equil was successfully selected into the “Innovative Medical Device Product Catalog (2018)” issued by the Ministry of Science and Technology. It is the only product in the field of diabetes in the catalog, and was included in the “China Insulin Pump Treatment Guidelines”.

As of the date of this report, we have submitted an application for registration of Equil for use by children and adolescents to the NMPA and the EU. At the same time, our second-generation patch insulin pump system was submitted to the NMPA for registration. The second-generation patch insulin pump system features a higher waterproof level and a better adaptability to insulin reservoirs with larger capacity as well as offers a more user-friendly operating experience.

CGMS

Compared to traditional blood glucose monitoring methods, CGMS (clinically referred to as dynamic blood glucose monitoring) can provide continuous, comprehensive and reliable blood glucose information throughout the whole day, helping users to have a better understanding of the trends and characteristics of blood glucose fluctuations while relieving the pain of frequent blood sampling.

Our AiDEX CGMS is the second commercialized calibration-free real-time CGMS in the world. The system received the launching approvals from the NMPA and the EU in 2021. In 2024, we have obtained approval from the NMPA and EU for the application extension of AiDEX to children and adolescents with diabetes.



With proprietary technology, the Company launched AiDEX X (international brand name: LinX), which is the latest generation of CGMS. AiDEX X/LinX is smaller in size, better in performance and more user-friendly with a fully disposable design. It has been granted with the launch approval by the NMPA in February 2024 and the launch approval by the EU in September 2024. As at the date of this report, the indications for pediatric and adolescent patients have been submitted to the NMPA and EU for registration.

Two CGMS complement each other in meeting the needs of different target groups through synergistic channels, enabling us to rapidly penetrate the market and reach out to a wide range of user segments with our product portfolio.

Closed-loop Artificial Pancreas System

PanCares closed-loop artificial pancreas system combines the intelligent functions in diabetes treatment with monitoring. Its closed-loop control algorithm simulates the feedback regulation mechanism of the human pancreas, so as to realize the automation of treatment and monitoring functions, allow a dynamic management of blood glucose levels of patients and keep the patients' blood glucose fluctuation within a normal or near-normal range.

The system consists of three major components: CGMS, insulin delivery system (the patch insulin pump system) and closed-loop control algorithm. The adaptive model predictive control (MPC) algorithm is used to dynamically regulate blood glucose levels by integrating insulin pump delivery data and continuous glucose monitoring values in real time. In 2023, the product obtained approval of the Special Procedures for Examination and Approval of Innovative Medical Devices promulgated by the NMPA, and was submitted to the NMPA for registration as at the date of this report.

IVD Products

BGMS

Since the establishment of the Company, we developed and commercialized 15 types of blood glucose meters and 7 types of test strips in China. In addition, our BGMS products have obtained launch approvals in major overseas markets, including FDA and CE marking of the EU. We have developed and commercialized 13 types of blood glucose meters and 6 types of test strips in the overseas markets. By using the BGMS, the Company can reach a wider range of diabetic patients, expand sales channels, accumulate customer resources, and offer solid support to the promotion of the Company's innovative medical devices such as CGMS, patch insulin pump system, and closed-loop artificial pancreas system in the market. In 2024, the blood glucose meter with an expanded indication to newborns (within 30 days of birth) received launch approval from the Zhejiang MPA.

Exactive Pro — Blood Glucose, Blood Ketone, Uric Acid Monitory System

The Exactive Pro blood glucose, blood ketone and uric acid monitoring system independently developed by the Company can detect blood glucose, blood ketones and uric acid concentration simultaneously, meeting the needs of diabetes, ketoacidosis, hyperuricemia and gout patients for self-monitoring of various health indicators. The system has obtained CE marking from the EU in 2022 and launch approval from the NMPA in 2023, making it the first integrated product in China to provide monitoring of the above three indicators function without requiring code adjustment.

As of the date of this report, the iteratively upgraded multi-function all-in-one tester (blood glucose/blood ketone/uric acid) equipped with “Jiantang Diabetes Management Software” passed the launch approval of the Zhejiang MPA. The device can realize real-time upload of test data.

Diabetes Digital Management Software

The Company has also made breakthroughs in the digital blood glucose management field. With the “Jiantang Hospital-wide Blood Glucose Management System” and the cloud-based diabetes platform, the Company has achieved real-time docking and remote data sharing of blood glucose monitoring and treatment, such as BGMS, CGMS, and patch insulin pump systems. The system enables doctors and nurses to monitor the blood glucose data and insulin infusion status of patients of various departments on a real-time basis, intervene in high or low blood glucose events promptly, and handle low drug dosage/low battery alarms of equipment, and equipment malfunctions. Patients can independently view their blood glucose and insulin infusion status during hospitalization and home care, increasing their participation in blood glucose management while authorize medical personnel to view and modify treatment and management programs in a timely manner through the outpatient management function.

As of the date of this report, the Company’s “Jiantang Hospital-wide Blood Glucose Management System” has been approved by the Zhejiang MPA.

We cannot ensure that we will ultimately be able to successfully develop and market our Core Product and other products as above mentioned. Shareholders and potential investors of the Company are advised to exercise caution when dealing in shares of the Company.

Our Platform

We have established a strong platform of R&D, manufacturing and commercialization capabilities in the field of diabetes monitoring and treatment devices.

R&D

The Company has built an interdisciplinary and composite R&D system, with the core team members consisting of scientists and engineers from top international universities and leading global medical device companies, covering cutting-edge fields such as biomedical engineering, advanced materials and intelligent algorithms, with an average of over 17 years of R&D experience. The team deeply collaborates with clinical experts and industry authorities to form a full-chain innovation mechanism of “demand insight — technology research — clinical verification”.

In terms of product R&D pipeline, we insist on independent innovation and self-development. During the Reporting Period, the research and development and clinical promotion of our products achieved remarkable results, and several key advancements laid an important foundation for business expansion. Among them, the clinical study of the AiDEX X CGMS targeting pregnant women has completed the clinical trials of all subjects, providing a solid clinical basis for further expanding the applicable population range of the product; the post-marketing clinical trial of the Equil Insulin Pump System in Europe has completed enrollment, providing support for medical insurance admission; the enrollment in the clinical trial for indication of the Hybrid Closed Loop Insulin Delivery System for children over 2 years of age has exceeded 50%. There were also several innovative products under rapid development.

In addition, based on the development trend of AI large models in the CGM field, we have made plans through various methods, such as forming an internal AI team and cooperating with leading domestic research institutes.

Our technological innovation strength has been recognized at the national level, and we were identified as a national level Specialized, Refined, Differential and Innovative “Little Giants” Enterprise, and designated as the Key Diabetes Research Center in Zhejiang Province, China. Equil, our independently developed Core Product, was designated as an Innovative Medical Device Product by the Ministry of Science and Technology, and AiDEX and PanCares were certified and approved by the NMPA to be applicable to the Special Procedures for Examination and Approval of Innovative Medical Devices issued by the NMPA. The projects undertaken through the National Major Scientific Research Program under the “13th Five-Year Plan” and the provincial major science and technology special projects have all completed technical acceptance inspection, and the development of artificial intelligence diabetes management platform has been selected as a project of “Leading Innovative Team” by the Department of Science and Technology of Zhejiang Province.



Manufacturing

The Company is located in Hangzhou, Zhejiang Province, China and owns a manufacturing facility with an aggregate area of approximately 15,000 sq.m., for the manufacturing of our products and product candidates. Our manufacturing facility complies with GMP regulations in the U.S., the EU and China and adheres to strict production and quality control standards to ensure high product output, quality and safety. We conduct all the key manufacturing procedures in-house, accumulating a wealth of expertise and skills. In recent years, we accumulated significant breakthrough in the production of diabetes monitoring medical devices, providing us with a solid foundation for rapid growth. We gradually introduced automated production lines, strived to build an intelligent factory, optimized the manufacturing process, and efficiently applied digital tools to all aspects of production and supply chain, so as to further improve production efficiency, enhance product quality, strengthen manufacturing agility and reduce production costs.

To meet the Company's growing business demand, we are actively pushing forward the construction of an advanced production manufacturing base in Yuhang District, Hangzhou, Zhejiang Province, China. The base, with a total area of approximately 44,000 sq.m., which commenced construction in 2023, will mainly be used to expand the production capacity of its Core Product. The new production base will be equipped with advanced production equipment and technology to increase capacity and production efficiency. Meanwhile, we will continue to follow strict quality control standards to ensure the quality and safety of our products. This initiative will further enhance the Company's production capabilities to meet the growing market demand and lay a more solid foundation for the Company's future development.

Commercialization

Core Product Market Performance

In the first half of 2025, the market penetration of our AiDEX X CGMS and Equil Patch Insulin Pump System continued to increase. The Company's products have obtained access to more than 2,500 domestic hospitals and have been sold to 118 countries around the world. Our Core Product, the Equil Patch Insulin Pump System, continued to maintain a leading position of domestic insulin pump system.

Diversified E-commerce Channel Strategy

During the Reporting Period, we deepened our e-commerce layout, forming a comprehensive self-operated and distribution ecosystem covering e-commerce platform, new media matrix and private domain communities, achieving multi-scenario user reach and in-depth connection. On the marketing side, we increased investment in content marketing to enhance brand reach and conversion efficiency. On the service side, we improved the after-sales process, integrated the membership system across the entire domain, and built an integrated online and offline service network to support brand competitiveness and business growth. The sales scale has achieved a significant increase compared with the first half of 2024.

Breakthrough in Globalisation Strategy

In the first half of 2025, our international business achieved strong growth, with revenue reaching RMB121.29 million, representing a year-on-year increase of 218.0% compared to RMB38.14 million in the first half of 2024. Our products now cover 118 countries and regions worldwide. The LinX CGMS has successfully included in the healthcare reimbursement systems of multiple European countries. It has also achieved market access in several emerging markets, including the Middle East, Asia-Pacific, and South America, providing a solid foundation for the growth of our international business operations. At the same time, we have preliminarily established a global commercial layout, deeply developed the layout of cross-border e-commerce platform and the construction of localised service systems, and participated in multiple international and academic exhibitions such as IDF, FIME, and ATTD.

FINANCIAL REVIEW

Overview

The following discussion is based on and should be read in conjunction with the financial information and accompanying notes included elsewhere in this report.

Operating Revenue

During the Reporting Period, we generated most of our revenue from sales of medical devices, including CGMS, patch insulin pump system, BGMS and others.

For the six months ended June 30, 2025, the Group's operating revenue was RMB245.93 million, representing an increase of 63.1% from RMB150.82 million for the six months ended June 30, 2024. The increase in the operating revenue was mainly attributable to the rapid increase in the sales of CGMS in both domestic and international markets.

The following table sets forth a breakdown of our unaudited operating revenue for the six months ended June 30, 2025 and 2024, respectively:

	For the six months ended June 30,			
	2025		2024	
	RMB'000	%	RMB'000	%
CGMS	143,105	58.2	74,715	49.5
Insulin pump system	41,379	16.8	39,687	26.3
BGMS	57,461	23.4	33,438	22.2
Others	3,988	1.6	2,976	2.0
Total	245,933	100.0	150,816	100.0

Operating Cost

Our operating cost primarily consists of material costs, staff costs and others.

For the six months ended June 30, 2025, the Group's operating cost was RMB118.89 million, representing an increase of 69.2% from RMB70.25 million for the six months ended June 30, 2024. The increase in operating cost was mainly due to the increase in raw material costs as a result of the sales volume.

Gross Profit

For the six months ended June 30, 2025, the Group's gross profit was RMB127.04 million, representing an increase of 57.7% from RMB80.56 million for the six months ended June 30, 2024, mainly due to the rapid increase in the sales of CGMS in both domestic and international markets.

Selling Expenses

Our selling expenses decreased by 7.4% from RMB100.28 million for the six months ended June 30, 2024 to RMB92.81 million for the six months ended June 30, 2025, mainly due to (i) the higher market acceptance of new products, CGMS AiDEX, making the commercial rollout more efficient; (ii) the Company's implementation of comprehensive budget control which has achieved remarkable results in reducing costs and increasing efficiency, as well as the improvement of operational efficiency through refined management.

Administrative Expenses

Our administrative expenses decreased by 7.6% from RMB19.70 million for the six months ended June 30, 2024 to RMB18.20 million for the six months ended June 30, 2025, mainly due to the deepening of comprehensive budget control and the improvement of operational efficiency brought about by refined management.

Research and Development Expenses

Our research and development expenses decreased by 5.7% from RMB34.55 million for the six months ended June 30, 2024 to RMB32.57 million for the six months ended June 30, 2025, primarily due to the reduction in phased investment in R&D material expenses.

The following table sets forth a breakdown of our unaudited research and development expenses for the six months ended June 30, 2025 and 2024, respectively:

	For the six months ended June 30,			
	2025		2024	
	RMB'000	%	RMB'000	%
Staff costs	17,411	53.4	17,929	51.9
Depreciation and amortization	1,561	4.8	1,527	4.4
Service fees	10,151	31.2	9,974	28.9
Raw material costs	2,702	8.3	3,632	10.5
Travelling and entertainment expense	286	0.9	404	1.2
Others	456	1.4	1,085	3.1
Total	32,568	100.0	34,551	100

Income Tax Expense

Our income tax expense was RMB-0.005 million for the six months ended June 30, 2025 (for the six months ended June 30, 2024: RMB-0.01 million).

Net Profit

As a result of the foregoing, we incurred loss of RMB37.74 million for the six months ended June 30, 2024 and loss of RMB2.29 million for the six months ended June 30, 2025.

Construction in Progress

As at June 30, 2025, construction in progress amounted to RMB121.01 million, which was the construction project of an advanced production manufacturing base. The project aims to further expand the production capacity of the Core Product. The main body construction of the project has completed and is currently under the inspection and acceptance phase.

Liquidity and Financial Resources

The Group's cash is mainly used to satisfy our needs of working capital and our capital expenditure, which were principally financed through a combination of our investing activities, financing activities, cash generated from operating activities and borrowings. As at June 30, 2025, the Group's monetary funds amounted to RMB1,716 million, representing an increase of 1.1% from RMB1,697 million as at December 31, 2024. The Group's financial resources are adequate for the Company's daily operations.

Loans and Gearing Ratio

As of June 30, 2025, the Group had short-term borrowings (inclusive of interest) of RMB30.08 million with fixed interest rate of 2.4%.

The gearing ratio is calculated at the Group's debts divided by assets. As of June 30, 2025, the Group's gearing ratio was 10.8% (as of June 30, 2024: 7.2%).

Significant Investment Held

The Group had no significant investment held during the six months ended June 30, 2025.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Group had no material acquisition or disposal of subsidiaries, associates and joint ventures during the six months ended June 30, 2025.

Contingent Liabilities

As of June 30, 2025, the Group (i) was not involved in any material legal proceeding, nor aware of any pending or potential material legal proceedings involving us, and (ii) had no contingent liabilities.

Charge of Assets

As of June 30, 2025, the Group's patent rights with an appraised value of RMB53.45 million were charged as securities for borrowings.

Save as disclosed above, the Group did not charge any assets thereof as at June 30, 2025.

Future Plans for Material Investments and Capital Assets

As of June 30, 2025, the Group did not have any specific plan for material investments and capital assets except for the investment in the advanced production manufacturing base mentioned above.

Foreign Exchange Risks

We are exposed to foreign exchange rate risks. Certain of our bank balances, trade receivables and other payables are denominated in foreign currencies and are thus exposed to foreign exchange risks.

We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

Employees and Remuneration

As of June 30, 2025, we had 645 employees (excluding non-regular employees). During the Reporting Period, the Group's total expenses on remuneration amounted to RMB69.24 million.

To maintain the quality, knowledge and skill levels of our workforce, the Group provides continuing education and training programs, including internal and external training, for our employees to improve their technical, professional or management skills, and to ensure their awareness and compliance with our policies in various aspects.

We provide various incentives and benefits to our employees. We offer competitive salaries, bonuses and share-based compensation to our employees, especially key employees. We provide social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds and other benefits for our employees in accordance with applicable PRC laws.



FUTURE PROSPECTS AND OUTLOOK

Expanding the Market Share and Brand Reputation of Our Core Product

According to the data of CIC in 2021, China has 140 million diabetic patients, of which millions are still suitable for insulin pump therapy but have not yet learned about or received insulin-enhanced therapies. The penetration rate of continuous glucose monitoring system in China is much lower than that in Europe and the United States but is surging at a rate of more than 20% per year. As recognition of the clinical efficacy of insulin pumps and patient awareness of continuous glucose monitoring systems continue to grow, we expect sales of the Company's Equil Patch Insulin Pump System and CGMS (AiDEX X) to continue to grow rapidly.

We will strengthen our training, service and marketing teams to focus on promoting our products in the hospital specialty market, retail channels, e-commerce and health management platforms, with a view to providing quality treatment and blood glucose management services to diabetes patients of all types. Meanwhile, we will continue to collaborate with diabetes professional societies and medical institutions to advocate internationally recognized standards of diabetes management (e.g. managing blood glucose levels within the **"target range"**) and to remind diabetes patients in China to pay attention to their daily blood glucose management, to control the progress of their disease and to improve their quality of life.

We have set up a 7x24 hour responsive 400 hotline customer service team to provide end-users with consultation and enquiry service, which has been honored with the "Outstanding Service Brand Award (Top 100)" in the 5th China Customer Service Festival. We focus on providing comprehensive after-sales service system for products such as stick-on insulin pump system, continuous glucose monitoring system and blood glucose monitoring system. Through regular customer satisfaction surveys, we continuously optimize the content and form of our services in a data-driven manner.

Focusing on Expanding Our International Marketing and Deepening Our International Operations

Our long-term strategic goal is to become the leading brand of diabetes treatment and monitoring devices in the international market, with our strategic focus on expanding international markets such as Europe and emerging countries. With our product strengths and market expansion capabilities, we will continue to benefit from the higher levels of healthcare costs and insurance coverage in these regions, as well as the high level of recognition of intensive diabetes treatment and continuous monitoring and management therapies by local physicians and patients.

Currently, we have successfully expanded our market access and product sales in 118 countries and regions in Europe, the Middle East, Africa, Asia and Latin America. Our patch insulin pump has been sold in Italy, Austria, the Netherlands, Poland and many other countries, and has been well received by local doctors and patients. Meanwhile, our CGMS has covered many countries in Europe, Latin America, the Middle East and the Asia-Pacific, such as the UK, Germany, Italy, Brazil, Saudi Arabia, Singapore. We have further expanded our international user base by building user online communities on social media, organizing new product launches, and launching various activities such as free clinics, eco-friendly, offline education classes, and lucky draws through our diversified social media platforms. Meanwhile, we closely monitor the development trend of business areas related to the new mode of cross-border e-commerce and deepen our cross-border e-commerce business, taking into account the current situation of the local market. We build core market brand awareness and repeat purchase closed-loop through a rich pipeline portfolio, differentiated products, and localized services, thereby solidifying the foundation for long-term growth.

Continuing to Promote R&D of Advanced Diabetes Products to Strengthen Our Core Product Portfolio

As the only company in the PRC that owns both a patch insulin pump system and a real-time calibration-free continuous glucose monitoring system product, we will continue to invest in technology innovation and product research and development and is committed to providing a closed-loop solution of “monitoring + treatment + management” for diabetes patients. In the second half of 2025, we will continue to advance the development and clinical registration of our R&D product pipeline as planned. This includes advancing the development of CGM new products for registration, the second generation of patch insulin pump systems and the AiDEX X CGMS for children and adolescent indications, and clinical registration of the PanCares Artificial Pancreas System. In addition, the Company has begun to tap into the technology for strategic new products in future. Also, through collaboration with opinion leaders and research on the needs of diabetes patients, the Company will continue to research and develop new products, continuously invest in the upgrading and optimization of existing products, as well as the development and optimization of digital management platforms, with the aim to strengthen the advantages of the product portfolio, so as to ensure that healthcare professionals and diabetes patients will be provided with products and diabetes management tools that are clinically more effective, easier to use, and more cost-effective.

Smart Algorithm-Driven Upgrade of Diabetes Management Paradigm

The Company, through an innovative model of “devices + algorithms + cloud platform”, is building a closed-loop diabetes management system, with a focus on advancing the following three key areas:

Enhancing Smart Hardware Technology: We are optimizing biosensor, precision infusion platforms, and network connectivity technology to elevate the application level of smart devices in diabetes monitoring and management.

Expanding the Medical Ecosystem: By introducing learning algorithms into the patch insulin pump system, we are developing an “artificial pancreas” that adapts to individual metabolic characteristics. Based on blood glucose monitoring data and medication records, we are refining smart dosage recommendation algorithms to achieve personalized treatment plans.

Building a Smart Cloud Service Platform: We are developing a cross-device data integration platform to enable seamless connectivity between insulin pumps system, CGMS, and mobile terminals, enhancing device collaboration efficiency and establishing a closed-loop management system.

Based on industry characteristics and corporate development needs, we plan to steadily advance the scenario-based implementation of AI technology around three key directions: “R&D efficiency optimization”, “precise service capability development”, and “full-process compliance governance”. We are committed to enhancing internal and external collaboration efficiency through the application of intelligent tools, optimizing resource allocation, and creating more reliable product and service experiences for healthcare professionals and patients, thereby strengthening the Company’s innovative competitiveness in the medical device sector.

Promoting Cost Reduction and Efficiency Initiatives to Enhance Profitability

The Company is at a stage of rapid development and still needs to invest actively in product research and development, clinical research, marketing expansion and branding in order to enhance its market position and competitiveness. As at the date of this report, the Core Product is still in the stage of rapid market development and the Company is in a slight loss-making position. With the expansion of our business scale, we will take a series of vigorous measures to enhance operational efficiency, increase per capita sales, and continue to reduce operating costs. Our management expense ratio have been decreasing steadily in line with the increase in business revenue. We will continue to enhance organizational efficiency through a series of measures, including strengthening daily management, establishing a regular performance evaluation mechanism, and implementing key performance indicator assessments. We will comprehensively implement a performance-oriented assessment system, strictly enforce a merit-based system, and work together to achieve our overall performance goals. At the same time, we will continue to focus on the cost control of production and operations, continuously optimize supply chain management and cost expenditures, and deploy enterprise-specific AI large models to improve management efficiency, market precision marketing, and customer service optimization. This will drive a steady increase in the gross profit margin of Core Product and a gradual decrease in operating expense ratios, comprehensively enhancing the Company’s profitability.

Events after the Reporting Period

There was no significant event that might affect the Group after the Reporting Period and up to the date of this report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Corporate Governance

The Company is committed to ensuring high standards of corporate governance and has adopted the code provisions set out in the CG Code. During the Reporting Period, the Company has complied with all the applicable code provisions in the CG Code contained in Appendix C1 to the Listing Rules, save for the deviation from code provision C.2.1.

Code provision C.2.1 of the CG Code provides that the roles of the chairman of the Board and the chief executive of the Company should be separated and should not be performed by the same individual. The roles of the Chairman and the CEO are currently held by Dr. Zheng. The Board believes that, in view of his experience, personal profile and his roles in the Company, Dr. Zheng is the Director best suited to identify strategic opportunities and as the focus of the Board due to his extensive understanding of our business as the CEO. The Board also believes that vesting the roles of both the Chairman and the CEO in the same person has the benefit of (i) ensuring consistent leadership within the Group, (ii) enabling more effective and efficient overall strategic planning and execution of strategic initiatives of the Board, and (iii) facilitating the flow of information between the management and the Board for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired, and this arrangement will enable the Company to make and implement decisions promptly and effectively.

Further, the decisions to be made by the Board require approval by at least a majority of the Directors and that the Board comprises four executive Directors, two non-executive Directors and four Independent Non-executive Directors, which the Company believes that there are sufficient checks and balances in the Board. Dr. Zheng and other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they shall act for the benefit and in the best interest of the Company and will make decisions for the Group accordingly.

The Board will continue to review and consider splitting the roles of the Chairman and the CEO at the time when it is appropriate by taking into account the circumstances of the Group as a whole.

The Board will examine and review, from time to time, the Company's corporate governance practices and operations in order to meet the relevant provisions under the Listing Rules.

COMPLIANCE WITH MODEL CODE

The Company has adopted a code of conduct regarding Directors' and Supervisors' securities transactions on terms no less exacting than the required standard set out in the Model Code. Specific enquiries have been made to all the Directors and Supervisors and they have confirmed that they complied with the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, the Company repurchased a total of 456,000 H Shares with a par value of RMB1.0 per ordinary share, at the total consideration of RMB2,390,815.00, on the Stock Exchange pursuant to the share repurchase mandate approved by the Shareholders at the annual general meeting of the Company held on May 17, 2024. As of the date of this report, all of the 456,000 H Shares have been held as the treasury shares (as defined in the Listing Rules) of the Company. As at the date of this report, the Company is holding 2,552,200 treasury shares. The Company intends to use those treasury shares for cancellation and to provide incentives to employees and the Company intends to resell or use such treasury shares for such purposes subject to, for example, market conditions and its capital management needs and in compliance with the Listing Rules.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed the Company's listed securities (including the sale and/or transfer of treasury shares) for the six months ended June 30, 2025.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended June 30, 2025 (for the six months ended June 30, 2024: Nil).

AUDIT COMMITTEE

The Audit Committee has considered and reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2025 and the accounting principles and practices adopted by the Group. The Audit Committee is of the opinion that the unaudited interim condensed consolidated financial results of the Group for the six months ended June 30, 2025 are in compliance with the relevant accounting standards, laws and regulations.

USE OF PROCEEDS FROM THE LISTING OF SHARES OF THE COMPANY

The shares of the Company were listed on October 19, 2021 and the over-allotment options were partially exercised on November 10, 2021. The Company obtained net proceeds of HK\$1,875.53 million (equivalent to RMB1,533.49 million) in total after deducting the underwriting fees and other estimated expenses in connection with the Global Offering and the partial exercise of the over-allotment option. The table below sets forth a detailed breakdown and description of the use of net proceeds from the listing of the shares of Company up to June 30, 2025:

Use of proceeds	Approximate percentage of use of proceeds	Allocation of net proceeds		Utilized amount as at December 31, 2024	Utilized amount for the six months ended June 30, 2025	Utilized amount as at June 30, 2025	Unutilized amount as at June 30, 2025	Expected timetable for utilization
		Net proceeds from the IPO	Global Offering					
		(HKD million)	(RMB million)	(RMB million)	(RMB million)	(RMB million)	(RMB million)	
To fund our Core Product	31%	581.42	475.38	105.05	65.10	170.15	305.23	Expected to be fully utilized by December 31, 2025
— to fund ongoing and planned clinical trials of our Core Product for its further development, including but not limited to clinical trials for our Core Product's indication expansion, to prepare for and carry out registration of our Core Product in major markets worldwide	14%	262.58	214.69	19.90	0.93	20.83	193.86	Expected to be fully utilized by December 31, 2025

Use of proceeds	Approximate percentage of use of proceeds	Allocation of net proceeds		Utilized	Utilized amount	Utilized amount	Unutilized amount	Expected timetable for utilization
		Net proceeds from the IPO	Global Offering	amount as at December 31, 2024	for the six months ended June 30, 2025	as at June 30, 2025	as at June 30, 2025	
— to enhance our commercialization capabilities for our Core Product through expanding our global footprint by recruiting high-caliber sales staff with extensive local experience and establishing long-term cooperation with leading distribution partners, and organizing and participating in academic conferences and activities, among other efforts	11%	206.31	168.68	66.66	26.94	93.60	75.08	Expected to be fully utilized by December 31, 2025
— to fund the expansion of our manufacturing capacity of our Core Product, by upgrading our existing production lines, recruiting personnel and purchasing new machinery	6%	112.53	92.01	18.49	37.23	55.72	36.29	Expected to be fully utilized by December 31, 2025
For our CGMS	35%	656.43	536.73	222.53	28.61	251.14	285.59	Expected to be fully utilized by December 31, 2025
— to fund the pre-clinical studies, including but not limited to develop the second generation of our CGMS product, AIDEX X	10%	187.55	153.35	52.06	7.00	59.06	94.29	Expected to be fully utilized by December 31, 2025
— to fund clinical trials of our AIDEX G7	12%	225.06	184.03	16.47	2.35	18.82	165.21	Expected to be fully utilized by December 31, 2025
— to fund the expansion of our manufacturing capacity of our CGMS	6%	112.53	92.01	47.42	18.50	65.92	26.09	Expected to be fully utilized by December 31, 2025

Use of proceeds	Approximate percentage of use of proceeds	Allocation of net proceeds		Utilized amount as at December 31, 2024	Utilized amount for the six months ended June 30, 2025	Utilized	Unutilized	Expected timetable for utilization
		Net proceeds from the IPO	Global Offering			amount as at June 30, 2025	amount as at June 30, 2025	
		(HKD million)	(RMB million)	(RMB million)	(RMB million)	(RMB million)	(RMB million)	
— to enhance our commercialization capabilities for our CGMS	7%	131.29	107.34	106.58	0.76	107.34	—	Not applicable
For the pre-clinical studies, clinical trials, registration, manufacturing and commercialization of our second-generation patch insulin pump system	11%	206.31	168.68	60.17	3.58	63.75	104.93	Expected to be fully utilized by December 31, 2025
For the pre-clinical studies, clinical trials, registration, manufacturing and commercialization of our other products and product candidates	8%	150.04	122.68	10.33	3.31	13.64	109.04	Expected to be fully utilized by December 31, 2025
To fund the establishment of our cloud-based diabetes management platform	5%	93.78	76.67	45.15	5.14	50.29	26.38	Expected to be fully utilized by December 31, 2025
For working capital and other general corporate purposes	10%	187.55	153.35	150.00	0.91	150.91	2.44	Expected to be fully utilized by December 31, 2025
Total	100%	1,875.53	1,533.49	593.23	106.65	699.88	833.61	

Notes:

- (1) Net IPO proceeds were received in Hong Kong dollars and translated to Renminbi for application planning.
- (2) The unutilized net proceeds of RMB833.61 million as of June 30, 2025 is expected to be fully utilized by December 31, 2025, subject to further adjustments based on the current and future development of market conditions and actual business needs of the Group. The remaining balance of the net proceeds have been deposited in bank. The Group expects that the remaining net proceeds shall be utilized gradually in accordance to the actual business needs and in the manner stated in the Prospectus. There was no change in the intended use of the unutilized net proceeds as previously disclosed in the Prospectus.

CHANGE OF INFORMATION OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES

There was no change to information which was required to be disclosed by Directors, Supervisors and chief executives of the Company pursuant to Rule 13.51B(1) of the Listing Rules during the Reporting Period.

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at June 30, 2025, interests or short positions of Directors, Supervisors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which are registered in the register that the Company must keep in accordance with the section 352 of the SFO; or which shall be separately notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code, were as follows:

Name of Director	Nature of interest	Class of Shares	Number of underlying Shares held	Approximate percentage in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding interest ⁽¹⁾
Dr. Zheng	Beneficial owner	H Shares	30,115,356(L) ⁽²⁾	17.79%	7.15%
	Interests in controlled corporation	H Shares	11,575,363(L) ⁽²⁾	6.84%	2.75%
	Beneficial owner	Domestic Shares	58,855,338(L) ⁽²⁾	28.27%	13.98%
	Interests in controlled corporation	Domestic Shares	23,154,199(L) ⁽²⁾	11.12%	5.50%
Dr. Shi Yonghui	Beneficial owner	H Shares	626,900(L) ⁽²⁾	0.37%	0.15%
Ms. Liu Xiu	Beneficial owner	H Shares	36,000(L) ⁽²⁾	0.02%	0.01%
Mr. Yu Fei	Beneficial owner	H Shares	36,000(L) ⁽²⁾	0.02%	0.01%
Li Zhenhua	Beneficial owner	H Shares	18,000(L) ⁽²⁾	0.01%	0.00%
Zhao Zhiheng	Beneficial owner	H Shares	9,000(L) ⁽²⁾	0.01%	0.00%

Notes:

- (1) As at June 30, 2025, the Company had 421,138,000 issued shares in total, comprising 169,235,842 H Shares, 208,205,474 Domestic Shares and 43,696,684 Unlisted Foreign Shares.
- (2) "L" means holding a long position in Shares.

Save as disclosed above, so far as the Directors are aware, as at June 30, 2025, none of the Directors, Supervisors or chief executives has any interest and/or short position in the Shares, underlying Shares and debentures of the Company or our associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

To the best knowledge of the Company and the Directors, the following are the persons, other than the Directors, Supervisors or chief executives of the Company, who had interests or short positions in the Shares and underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be entered in the register of interests required to be kept by the Company pursuant to Section 336 of Part XV of the SFO as at June 30, 2025.

Name of substantial shareholder	Nature of interest	Class of Shares	Number of Shares interested	Approximate percentage in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding interest ⁽¹⁾
Chen Fei ⁽³⁾	Interests in controlled corporation	Domestic Shares	24,776,804(L) ⁽²⁾	11.90%	5.88%
Shanghai Liyao Investment Management Co., Ltd (上海禮曜投資管理有限公司) ("Shanghai Liyao") ⁽³⁾	Interests in controlled corporation	Domestic Shares	24,776,804(L) ⁽²⁾	11.90%	5.88%
Hu Xubo ⁽⁴⁾	Interests in controlled corporation	Domestic Shares	11,011,913(L) ⁽²⁾	5.29%	2.61%
Yu Jia ⁽⁴⁾	Interests in controlled corporation	Domestic Shares	11,011,913(L) ⁽²⁾	5.29%	2.61%
Shanghai Qichang Investment Consulting Co., Ltd. (上海啟昌投資諮詢有限公司) ("Shanghai Qichang") ⁽⁴⁾	Interests in controlled corporation	Domestic Shares	11,011,913(L) ⁽²⁾	5.29%	2.61%
Suzhou Qicheng Investment Management Partnership (Limited Partnership) (蘇州啟承投資管理合夥企業 (有限合夥)) ("Suzhou Qicheng") ⁽⁴⁾	Interests in controlled corporation	Domestic Shares	11,011,913(L) ⁽²⁾	5.29%	2.61%

Name of substantial shareholder	Nature of interest	Class of Shares	Number of Shares interested	Approximate percentage in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding interest ⁽¹⁾
Suzhou Qiming Ronghe Venture Capital Partnership (Limited Partnership) (蘇州啟明融合創業投資合夥企業(有限合夥)) ("Suzhou Qiming") ⁽⁴⁾	Beneficial owner	Domestic Shares	11,011,913(L) ⁽²⁾	5.29%	2.61%
Zhu Yong ⁽³⁾	Interests in controlled corporation	Domestic Shares	15,678,051(L) ⁽²⁾	7.53%	3.72%
Jiangsu Lize Investment Management Co., Ltd. (江蘇禮澤投資管理有限公司) ("Jiangsu Lize") ⁽⁵⁾	Interests in controlled corporation	Domestic Shares	15,678,051(L) ⁽²⁾	7.53%	3.72%
Jiangsu Jiequan Lize Health Industry Venture Capital Fund (Limited Partnership) (江蘇建泉禮澤健康產業創業投資基金(有限合夥)) ("Jiangsu Jiequan") ⁽⁵⁾	Beneficial owner	Domestic Shares	15,678,051(L) ⁽²⁾	7.53%	3.72%
Zhejiang Jiuren Capital Management Co., Ltd. (浙江九仁資本管理有限公司) ("Zhejiang Jiuren") ⁽⁶⁾	Interests in controlled corporation	Domestic Shares	14,700,067(L) ⁽²⁾	7.06%	3.49%

Name of substantial shareholder	Nature of interest	Class of Shares	Number of Shares interested	Approximate percentage in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding interest ⁽¹⁾
Hangzhou Yantai Investment Partnership (Limited Partnership) (杭州研泰投資合夥企業(有限合伙)) ("Hangzhou Yantai") ⁽⁷⁾	Beneficial owner	Domestic Shares	12,688,166(L) ⁽²⁾	6.09%	3.01%
Shanghai Li Yi Investment Management Partnership (Limited Partnership) (上海禮頤投資管理合夥企業(有限合伙)) ("Shanghai Li Yi") ⁽³⁾	Interests in controlled corporation	Domestic Shares	11,983,877(L) ⁽²⁾	5.76%	2.85%
Shanghai Li'an Venture Capital Investment Center (Limited Partnership) (上海禮安創業投資中心(有限合伙)) ("Shanghai Li'an") ⁽³⁾	Beneficial owner	Domestic Shares	11,983,877(L) ⁽²⁾	5.76%	2.85%
Hangzhou Hengtai Brand Management Partnership (Limited Partnership) (杭州衡泰品牌管理合夥企業(有限合伙)) ("Hangzhou Hengtai") ⁽⁷⁾	Beneficial owner	Domestic Shares	10,466,033(L) ⁽²⁾	5.03%	2.49%

Name of substantial shareholder	Nature of interest	Class of Shares	Number of Shares interested	Approximate percentage in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding interest ⁽¹⁾
LAV Asset Management (Hong Kong) Limited ⁽⁸⁾	Investment manager	H Shares	12,464,540(L) ⁽²⁾	7.37%	2.96%
Shi Yi ⁽⁸⁾⁽¹⁵⁾	Interests in controlled corporation	H Shares	12,464,540(L) ⁽²⁾	7.37%	2.96%
	Interests in controlled corporation	Unlisted Foreign Shares	20,091,680(L) ⁽²⁾	45.98%	4.77%
Qiming Corporate GP V, Ltd. ⁽⁹⁾	Interests in controlled corporation	H Shares	11,925,181(L) ⁽²⁾	7.05%	2.83%
	Interests in controlled corporation	Unlisted Foreign Shares	15,190,018(L) ⁽²⁾	34.76%	3.61%
Qiming GP V, L.P. ⁽⁹⁾	Interests in controlled corporation	H Shares	11,925,181(L) ⁽²⁾	7.05%	2.83%
	Interests in controlled corporation	Unlisted Foreign Shares	15,190,018(L) ⁽²⁾	34.76%	3.61%
Qiming Venture Partners V, L.P. ⁽⁹⁾	Interests in controlled corporation	H Shares	11,925,181(L) ⁽²⁾	7.05%	2.83%
	Interests in controlled corporation	Unlisted Foreign Shares	15,190,018(L) ⁽²⁾	34.76%	3.61%
QM32 Limited ⁽⁹⁾	Beneficial owner	H Shares	11,925,181(L) ⁽²⁾	7.05%	2.83%
	Beneficial owner	Unlisted Foreign Shares	15,190,018(L) ⁽²⁾	34.76%	3.61%

Name of substantial shareholder	Nature of interest	Class of Shares	Number of Shares interested	Approximate percentage in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding interest ⁽¹⁾
LAV Corporate GP, Ltd. ⁽⁸⁾	Interests in controlled corporation	Unlisted Foreign Shares	17,091,680(L) ⁽²⁾	39.11%	4.06%
LAV Evergreen (Hong Kong) Co., Limited ⁽⁸⁾	Beneficial owner	Unlisted Foreign Shares	17,091,680(L) ⁽²⁾	39.11%	4.06%
Lilly Asia Ventures Fund GP, L.P. ⁽⁸⁾	Interests in controlled corporation	Unlisted Foreign Shares	17,091,680(L) ⁽²⁾	39.11%	4.06%
Lilly Asia Ventures Fund II, L.P. ⁽⁸⁾	Interests in controlled corporation	Unlisted Foreign Shares	17,091,680(L) ⁽²⁾	39.11%	4.06%
Qiming GP VII, LLC ⁽¹⁰⁾	Interests in controlled corporation	Unlisted Foreign Shares	4,458,238(L) ⁽²⁾	10.20%	1.06%
Qiming Venture Partners VII, L.P. ⁽¹⁰⁾	Interests in controlled corporation	Unlisted Foreign Shares	4,458,238(L) ⁽²⁾	10.20%	1.06%
QM153 Limited ⁽¹⁰⁾	Beneficial owner	Unlisted Foreign Shares	4,458,238(L) ⁽²⁾	10.20%	1.06%
CDBI Partners Fund I, L.P. ⁽¹¹⁾	Interests in controlled corporation	Unlisted Foreign Shares	6,958,131(L) ⁽²⁾	15.92%	1.65%
CDBI Partners GP, Ltd ⁽¹¹⁾	Interests in controlled corporation	Unlisted Foreign Shares	6,958,131(L) ⁽²⁾	15.92%	1.65%
Master Summer Limited ⁽¹¹⁾	Interests in controlled corporation	Unlisted Foreign Shares	6,958,131(L) ⁽²⁾	15.92%	1.65%
Power SUM Limited ⁽¹¹⁾	Beneficial owner	Unlisted Foreign Shares	6,958,131(L) ⁽²⁾	15.92%	1.65%

Name of substantial shareholder	Nature of interest	Class of Shares	Number of Shares interested	Approximate percentage in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding interest ⁽¹⁾
OrbiMed Asia Partners V, L.P. ⁽¹²⁾	Beneficial owner	H Shares	19,651,800(L) ⁽²⁾	11.61%	4.67%
OrbiMed Asia GP V, L.P. ⁽¹²⁾	Interests in controlled corporation	H Shares	19,651,800(L) ⁽²⁾	11.61%	4.67%
OrbiMed Advisors V Limited ⁽¹²⁾	Interests in controlled corporation	H Shares	19,651,800(L) ⁽²⁾	11.61%	4.67%
CD Capital GP Ltd ⁽¹³⁾	Interests in controlled corporation	H Shares	10,026,231(L) ⁽²⁾	5.92%	2.38%
CD Capital Healthcare FUND V, L.P. ⁽¹³⁾	Interests in controlled corporation	H Shares	10,026,231(L) ⁽²⁾	5.92%	2.38%
CDBI GP, Ltd ⁽¹³⁾	Interests in controlled corporation	H Shares	10,026,231(L) ⁽²⁾	5.92%	2.38%
CDBI Partners Fund II, L.P. ⁽¹³⁾	Interests in controlled corporation	H Shares	10,026,231(L) ⁽²⁾	5.92%	2.38%
CDBI Partners GP, Ltd ⁽¹³⁾	Interests in controlled corporation	H Shares	10,026,231(L) ⁽²⁾	5.92%	2.38%
Master Summer Limited ⁽¹³⁾	Interests in controlled corporation	H Shares	10,026,231(L) ⁽²⁾	5.92%	2.38%
LAV Evergreen (Hong Kong) Co., Limited ⁽¹⁴⁾	Beneficial owner	H Shares	8,545,840(L) ⁽²⁾	5.05%	2.03%
Lilly Asia Ventures Fund II, L.P. ⁽¹⁴⁾	Interests in controlled corporation	H Shares	8,545,840(L) ⁽²⁾	5.05%	2.03%

Name of substantial shareholder	Nature of interest	Class of Shares	Number of Shares interested	Approximate percentage in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding interest ⁽¹⁾
Lilly Asia Ventures Fund GP, L.P. ^(1,4)	Interests in controlled corporation	H Shares	8,545,840(L) ⁽²⁾	5.05%	2.03%
LAV Corporate GP, Ltd. ^(1,4)	Interests in controlled corporation	H Shares	8,545,840(L) ⁽²⁾	5.05%	2.03%
LAV Corporate VI GP Opportunities, Ltd. ^(1,5)	Interests in controlled corporation	Unlisted Foreign Shares	3,000,000(L) ⁽²⁾	6.87%	0.71%
LAV GP VI Opportunities, L.P. ^(1,5)	Interests in controlled corporation	Unlisted Foreign Shares	3,000,000(L) ⁽²⁾	6.87%	0.71%
LAV Fund VI Opportunities, L.P. ^(1,5)	Interests in controlled corporation	Unlisted Foreign Shares	3,000,000(L) ⁽²⁾	6.87%	0.71%
LAV Kecheng Hong Kong Limited ^(1,5)	Beneficial owner	Unlisted Foreign Shares	3,000,000(L) ⁽²⁾	6.87%	0.71%

Notes:

- (1) As at June 30, 2025, the Company had 421,138,000 issued shares in total, comprising 169,235,842 H Shares, 208,205,474 Domestic Shares and 43,696,684 Unlisted Foreign Shares.
- (2) "L" means holding a long position in Shares.
- (3) Shanghai Li'an and Suzhou Likang Equity Investment Center (Limited Partnership) (蘇州禮康股權投資中心(有限合夥)) ("**Suzhou Likang**") are managed by Shanghai Li Yi and Shanghai Liyi Investment Management Co., Ltd (上海禮貽投資管理合夥企業(有限合夥)) ("**Shanghai Liyi**"), respectively. Suzhou Lirun Equity Investment Center (Limited Partnership) (蘇州禮潤股權投資中心(有限合夥)) ("**Suzhou Lirun**") is managed by Shanghai Likun Enterprise Management Partnership (Limited Partnership) (上海禮堃企業管理合夥企業(有限合夥)) ("**Shanghai Likun**"). Shanghai Li Yi, Shanghai Liyi and Shanghai Likun are in turn managed by Shanghai Liyao, which is wholly-owned by Mr.

- Chen Fei. Therefore, Mr. Chen Fei and Shanghai Liyao are deemed to be interested in (i) the 11,983,877 Domestic Shares held by Shanghai Li'an, (ii) the 9,792,927 Domestic Shares held by Suzhou Likang and (iii) the 3,000,000 Domestic Shares held by Suzhou Lirun under the SFO. Shanghai Li Yi is deemed to be interested in the 11,983,877 Domestic Shares held by Shanghai Li'an under the SFO.
- (4) Suzhou Qiming is managed by Suzhou Qicheng, which is in turn managed by Shanghai Qichang, a company held as to 50% and 50% by Mr. Hu Xubo and Ms. Yu Jia, respectively. Therefore, Suzhou Qicheng, Shanghai Qichang, Mr. Hu Xubo and Ms. Yu Jia are deemed to be interested in the 11,011,913 Domestic Shares held by Suzhou Qiming under the SFO.
 - (5) Jiangsu Jiequan is managed by Jiangsu Lize, a company wholly-owned by Mr. Zhu Yong. Therefore, Jiangsu Lize and Mr. Zhu Yong are deemed to be interested in the 15,678,051 Domestic Shares held by Jiangsu Jiequan under the SFO.
 - (6) Hangzhou Jiuyao Equity Investment Partnership (Limited Partnership) (杭州九瑛股權投資合夥企業(有限合夥)) ("**Hangzhou Jiuyao**"), Hangzhou Jiufu Equity Investment Partnership (Limited Partnership) (杭州九賦股權投資合夥企業(有限合夥)) ("**Hangzhou Jiufu**"), Hangzhou Yunbo Investment Partnership (Limited Partnership) (杭州雲帛投資合夥企業(有限合夥)) ("**Hangzhou Yunbo**") and Hangzhou Jiuge Equity Investment Partnership (Limited Partnership) (杭州九歌股權投資合夥企業(有限合夥)) ("**Hangzhou Jiuge**") are all managed by Zhejiang Jiuren. Therefore, Zhejiang Jiuren is deemed to be interested in (i) the 3,426,804 Domestic Shares held by Hangzhou Jiuyao; (ii) the 6,944,317 Domestic Shares held by Hangzhou Jiufu; (iii) the 2,472,612 Domestic Shares held by Hangzhou Yunbo; and (iv) the 1,856,334 Domestic Shares held by Hangzhou Jiuge under the SFO.
 - (7) Hangzhou Yantai and Hangzhou Hengtai, both being the employee incentive platforms, are managed by Dr. Zheng. Therefore, under the SFO, in addition to his direct shareholding, Dr. Zheng is deemed to be interested in the 12,688,166 Domestic Shares held by Hangzhou Yantai, and the 10,466,033 Domestic Shares held by Hangzhou Hengtai. Dr. Zheng is therefore also deemed to be interested in the 6,343,131 H shares and 5,232,232 H Shares held by Hangzhou Yantai and Hangzhou Hengtai, respectively.
 - (8) LAV Evergreen (Hong Kong) Co., Limited is wholly-owned by Lilly Asia Ventures Fund II, L.P., which is managed by Lilly Asia Ventures Fund GP, L.P., which in turn is managed by LAV Corporate GP, Ltd., a company wholly-owned by Mr. Shi Yi. Therefore, under the SFO, Mr. Shi Yi is deemed to be interested in the 8,545,840 H Shares held by LAV Evergreen (Hong Kong) Co., Limited. LAV Star Limited, being a cornerstone investor of the Company, is wholly-owned by LAV Fund VI, L.P. and LAV Star Opportunities Limited, being a cornerstone investor of the Company, is wholly-owned by LAV Fund VI Opportunities, L.P. (together with LAV Fund VI, L.P., collectively, the "**LAV Fund VI**"), each is ultimately controlled by Mr. Shi Yi. LAV Star Limited and LAV Star Opportunities

Limited collectively own 3,918,700 H Shares. Therefore, (i) Lilly Asia Ventures Fund II, L.P., Lilly Asia Ventures Fund GP, L.P., LAV Corporate GP, Ltd. and Mr. Shi Yi are deemed to be interested in the 17,091,680 Unlisted Foreign Shares held by LAV Evergreen (Hong Kong) Co., Limited under the SFO; (ii) Mr. Shi Yi is deemed to be interested in the 12,464,540 H Shares held by LAV Star Limited, LAV Star Opportunities Limited and LAV Evergreen (Hong Kong) Co., Limited under the SFO. LAV Asset Management (Hong Kong) Limited is the investment manager of those fund mentioned-above.

- (9) QM32 Limited is held as to 96.99% by Qiming Venture Partners V, L.P., which is managed by Qiming GP V, L.P., which is in turn managed by Qiming Corporate GP V, Ltd. Therefore, Qiming Venture Partners V, L.P., Qiming GP V, L.P. and Qiming Corporate GP V, Ltd. are deemed to be interested in (i) the 11,925,181 H Shares held by QM32 Limited, and (ii) the 15,190,018 Unlisted Foreign Shares held by QM32 Limited under the SFO.
- (10) QM153 Limited is held as to 99.09% by Qiming Venture Partners VII, L.P., whose sole general partner is Qiming GP VII, LLC. Therefore, Qiming Venture Partners VII, L.P. and Qiming GP VII, LLC are deemed to be interested in the 4,458,238 Unlisted Foreign Shares held by QM153 Limited under the SFO.
- (11) Power SUM Limited is wholly-owned by Master Summer Limited, which is in turn owned as to 90.52% by CDBI Partners Fund I, L.P., an entity controlled by CDBI Partners GP, Ltd. Therefore, Master Summer Limited, CDBI Partners Fund I, L.P. and CDBI Partners GP, Ltd are deemed to be interested in the 6,958,131 Unlisted Foreign Shares held by Power SUM Limited under the SFO.
- (12) OrbiMed Asia Partners V, L.P. is wholly-owned by OrbiMed Asia GP V, L.P., which in turn is wholly-owned by OrbiMed Advisors V Limited. Therefore, OrbiMed Asia GP V, L.P. and OrbiMed Advisors V Limited are deemed to be interested in the 19,651,800 H Shares held by OrbiMed Asia Partners V, L.P. under the SFO.
- (13) Power SUM Limited is wholly-owned by Master Summer Limited, which is owned as to 37.18% and 62.82% by CD Capital Healthcare FUND V, L.P. and CDBI Partners Fund I, L.P. (with CDBI Partners GP, Ltd as its general partner), respectively. CD Capital Healthcare FUND V, L.P. (with CD Capital GP Ltd as its general partner) is owned as to 47.67% by CDBI Partners Fund II, L.P., the general partner of which is CDBI GP, Ltd. Therefore, CD Capital GP Ltd, CD Capital Healthcare FUND V, L.P., CDBI GP, Ltd, CDBI Partners Fund I, L.P., CDBI Partners Fund II, L.P., CDBI Partners GP, Ltd and Master Summer Limited are deemed to be interested in the 10,026,231 H Shares held by Power SUM Limited under the SFO.

- (14) LAV Evergreen (Hong Kong) Co., Limited is wholly-owned by Lilly Asia Ventures Fund II, L.P., which is wholly-owned by Lilly Asia Ventures Fund GP, L.P., which is in turn wholly-owned by LAV Corporate GP, Ltd. Therefore, Lilly Asia Ventures Fund II, L.P., Lilly Asia Ventures Fund GP, L.P. and LAV Corporate GP, Ltd are deemed to be interested in the 8,545,840 H Shares held by LAV Evergreen (Hong Kong) Co., Limited under the SFO.
- (15) LAV Kecheng Hong Kong Limited is wholly-owned by LAV Fund VI Opportunities, L.P., which is wholly-owned by LAV GP VI Opportunities, L.P., which is in turn wholly-owned by LAV Corporate VI GP Opportunities, Ltd., a company wholly-owned by Mr. Shi Yi. Therefore, LAV Fund VI Opportunities, L.P., LAV GP VI Opportunities, L.P., LAV Corporate VI GP Opportunities, Ltd. and Mr. Shi Yi are deemed to be interested in the 3,000,000 Unlisted Foreign Shares held by LAV Kecheng Hong Kong Limited under the SFO.

Save as disclosed above, as at June 30, 2025, the Directors and the chief executives of the Company were not aware of any other person (other than the Directors, Supervisors and the chief executives of the Company) who had an interest or short position in the Shares or underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be entered in the register required to be kept by the Company pursuant to Section 336 of the SFO.

RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, at no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors or the Supervisors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouse or children under the age of 18 had any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

THE 2022 H SHARE AWARD AND TRUST SCHEME

As approved by the Shareholders at the annual general meeting of the Company on June 22, 2022, the Company adopted the 2022 H Share Award and Trust Scheme (the **“H Share Scheme”**). As of the Latest Practicable Date, 938,500 awards have been granted under the H Share Scheme. Hence, the total number of award Shares available for grant under the 2022 H Share Scheme is 7,571,500 and 7,571,500 H Shares as at January 1, 2025 and June 30, 2025, respectively, representing approximately 1.80% and 1.80% of the issued share capital of the Company

(excluding treasury shares) on the even date, respectively. As at the date of this report, the total number of award Shares available for grant under the 2022 H Share Scheme is 7,571,500 H Shares, representing approximately 1.80% of the issued share capital of the Company (excluding treasury shares) on the even date. Major terms of the H Share Scheme are set out below:

(a) Purpose and Objectives of the H Share Scheme

The H Share Scheme is a share award of H Shares and trust scheme established by the Company to award selected employees and the objectives of the H Share Scheme are:

- (i) to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company;
- (ii) to deepen the reform on the Company's remuneration system and to develop and constantly improve the interests balance mechanism among the Shareholders, the operational and executive management; and
- (iii) to (a) recognize the contributions of the leadership of the Company including the Directors; (b) attract, encourage, motivate and retain the key personnel of the Company whose contributions are beneficial to the continual operation, development and long-term growth of the Group; and (c) provide additional incentive for long standing employee by aligning the interests of such personnel of the Company to those of the Shareholders and the Group as a whole.

(b) Eligible participant of the H Share Scheme

Eligible participant who may participate in the H Share Scheme include any full-time PRC or non-PRC employee of any members of the Group, who is a Director, supervisor, senior management, key operating team member, employee, or, a consultant of the Group.

(c) H Share Scheme Limit

Subject to the rules of the H Share Scheme, the H Share Scheme Limit shall be the maximum number of H Shares that will be acquired by the Trustee from time to time, and in any case being not more than 8,510,000 H Shares. The Company shall not make any further grant of Awards which will result in the aggregate number of H Shares underlying all grants made pursuant to the H Share Scheme (excluding Awarded Shares that have been forfeited in accordance with the H Share Scheme) to exceed the H Share Scheme Limit without approval of the general meeting of the Shareholders.

As all Awarded Shares awarded under the H Share Scheme are existing Shares, no new Shares will be issued for satisfying the such grants.

Save as required above, the maximum number of awards granted to a selected employee under the H Share Scheme shall not exceed one per cent of the issued share capital of the Company from time to time in any 12-month period.

(d) Grant of Award Shares

The Board or its delegates may, from time to time, at its absolute discretion select any employee for participation in the H Share Scheme as a selected employee, and grant such number of award Shares to any selected employee at no consideration and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine.

No consideration is payable on application or acceptance of the award Shares granted, and no purchased price is required under the H Share Scheme.

(e) *Vesting of the Awarded Shares*

Subject to the terms and condition of the H Share Scheme and the fulfillment of all vesting conditions to the vesting of the award Shares on such selected employee as specified in the H Share Scheme and the grant notice, the respective award Shares held by the trustee on behalf of the selected employee pursuant to the provision hereof shall vest in such selected employee in accordance with the vesting schedule (if any) as set out in the grant notice.

(f) *Duration of the H Share Scheme*

Unless terminated earlier by the Board pursuant to the H Share Scheme Rules, the H Share Scheme shall be valid for ten years commencing from the June 22, 2022. As of June 30, 2025, the remaining life of the H Share Scheme is approximately seven years.

As the share scheme was adopted before new chapter 17 of the Listing Rules taking into effect, there is no clawback mechanism established or performance target set under the H Share Scheme, nor the maximum entitlement of each participant.

On December 27, 2024, the Company granted an aggregate of 938,500 Awarded Shares to three Directors, two Supervisors and other 48 employees under the H Share Scheme, including (i) 135,000 Awarded Shares to three Directors and two Supervisors; and (ii) 803,500 Awarded Shares to 48 core management personnel and backbones. For more details, please refer to the Company's announcement dated December 27, 2024. All such Awarded Shares were vested on June 30, 2025.

Grantees	Date of grant	Vesting period	Grant price and purchase price per Shares (HK\$)	Unvested as at January 1, 2025	Granted prior to the Reporting Period	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as at June 30, 2025	Closing price of the Shares immediately before the grant date	Average closing price of the Shares immediately before the vesting date	Fair value of awarded Shares at the grant date (HK\$) ⁽¹⁾
											(HK\$)	(HK\$)	
Yu Fei (executive Director)	December 27, 2024	on or before June 30, 2025	Nil	36,000	36,000	Nil	36,000	Nil	Nil	Nil	6.00	6.01	215,640
Shi Yonghui (executive Director)	December 27, 2024	on or before June 30, 2025	Nil	36,000	36,000	Nil	36,000	Nil	Nil	Nil	6.00	6.01	215,640
Liu Xiu (executive Director)	December 27, 2024	on or before June 30, 2025	Nil	36,000	36,000	Nil	36,000	Nil	Nil	Nil	6.00	6.01	215,640
Li Zhenhua (Supervisor)	December 27, 2024	on or before June 30, 2025	Nil	18,000	18,000	Nil	18,000	Nil	Nil	Nil	6.00	6.01	107,820
Zhao Zhiheng (Supervisor)	December 27, 2024	on or before June 30, 2025	Nil	9,000	9,000	Nil	9,000	Nil	Nil	Nil	6.00	6.01	53,910
48 employees	December 27, 2024	on or before June 30, 2025	Nil	803,500	803,500	Nil	803,500	Nil	Nil	Nil	6.00	6.01	4,812,965

Note:

- (1) The fair value of the Awarded Shares at the grant date was calculated based on the share price of the H Shares (being HK\$5.99) at the grant date.

PRE-IPO Employee Incentive Schemes

The following is a summary of the principal terms of the employee incentive schemes dated January 2, 2018 (as amended on September 21, 2020) and December 25, 2019 (as amended on September 21, 2020) respectively (collectively, the **"Pre-IPO Employee Incentive Schemes"**). Given the underlying Shares under the Pre-IPO Employee Incentive Schemes had already been issued, there will not be any dilution effect to the issued Shares upon the vesting of the Shares thereunder. No further award will be or was granted after Listing.

The Company had established two employee incentive platforms (**"Employee Incentive Platforms"**), namely Hangzhou Yantai and Hangzhou Hengtai. As at the Latest Practicable Date, the two Employee Incentive Platforms, in aggregate, held 11,575,363 H Shares and 23,154,199 Domestic Shares.

(a) Objectives

The purpose of the Pre-IPO Employee Incentive Schemes is to build an incentive mechanism for the management members and core employees of our Company, attracting talents in the labour market to raise the core competitiveness of the Company. The Pre-IPO Employee Incentive Schemes also serve the purpose of achieving efficient and high-quality management of the Company.

(b) Eligibility

Pursuant to the scheme documents, participants of the Pre-IPO Employee Incentive Schemes include the Company's senior management members and core employees. The scheme documents further provided that the following employees may not be selected as participants to the Schemes (as applicable):

- Employees who have received public censure from any stock exchange or have been declared as disqualified persons for the preceding three years;

- Employees who have received administrative penalties from CSRC due to material violation laws and regulations for the preceding three years;
- Employees who are forbidden to hold the position of director or senior management pursuant to the PRC Company Law; or
- Employees who are otherwise not eligible due to serious violations of laws, regulations and the policies of the Company as determined by the Board.

(c) Grant of Award

The sole general partner of Hangzhou Yantai and Hangzhou Hengtai is Dr. Zheng and in effect, all management powers and voting rights of the Employee Incentive Platforms reside with the sole general partner, Dr. Zheng.

All selected participants do not have any voting rights in the Company. The selected participants will be granted awards in the form of economic interest in the Employee Incentive Platforms as a limited partner of the relevant Employee Incentive Platform. Upon becoming the limited partner of the Employee Incentive Platforms, the selected participants indirectly receive economic interest in the corresponding number of underlying Shares held by the Employee Incentive Platforms.

(d) Administration of the Schemes

The Board retain full discretion over the following matters of the Pre-IPO Employee Incentive Schemes:

- the selection of participants in the Pre-IPO Employee Incentive Schemes, which currently include Directors, core employees and senior management members of our Group; and
- the implementation, amendment and termination of the Pre-IPO Employee Incentive Schemes.

CONSOLIDATED INCOME STATEMENT

For the six months ended June 30, 2025

Unit: RMB

Item	Note	June 30, 2025 (Unaudited) RMB	June 30, 2024 (Unaudited) RMB
I. Operating income	4	245,933,101.49	150,815,673.60
Less: Operating cost		118,893,590.42	70,252,416.75
Tax and surcharges		1,884,942.17	1,714,722.35
Selling expenses		92,810,927.37	100,281,277.67
Administrative expenses		18,202,016.83	19,704,244.78
Research and development expenses		32,567,547.27	34,551,341.28
Finance costs		-22,673,423.70	-35,102,512.56
Including: interest costs		97,094.23	20,590.53
interest income		28,303,742.37	31,875,977.61
Add: Other income		3,045,118.32	6,691,982.43
Investment income (Loss denoted with "-")		309,201.18	67,091.29
Including: investment income from associates and joint venture			
income from derecognition of financial assets measured at amortised cost			
Net exposure hedging benefits (Loss denoted with "-")			
Gain on change in fair value (Loss denoted with "-")		-41,270.00	140,410.92
Impairment loss on credit (Loss denoted with "-")		-3,722,203.16	-1,842,189.04
Impairment loss on assets (Loss denoted with "-")		-6,243,066.62	-2,184,455.90
Gains on disposal of assets (Loss denoted with "-")			

Item	Note	June 30, 2025 (Unaudited) RMB	June 30, 2024 (Unaudited) RMB
II. Operating profit (Loss denoted with "-")		-2,404,719.15	-37,712,976.97
Add: Non-operating income		181,435.87	13,381.00
Less: Non-operating expenses		73,947.10	47,188.48
III. Total profit (Total loss denoted with "-")		-2,297,230.38	-37,746,784.45
Less: Income tax expenses	5	-4,542.81	-11,735.98
IV. Net profit (Net loss denoted with "-")		-2,292,687.57	-37,735,048.47
(I) By continuing operation:			
1. Net profit from continuing operations (Net loss denoted with "-")		-2,292,687.57	-37,735,048.47
2. Net profit from discontinued operations (Net loss denoted with "-")			
(II) By ownership:			
1. Net profit attributable to owners of the parent (Net loss denoted with "-")		-2,292,687.57	-37,735,048.47
2. Minority interests (Net loss denoted with "-")			
V. Other comprehensive income, net of tax		-3,966.55	69,990.90
Other comprehensive income attributable to owners of the parent, net of tax		-3,966.55	69,990.90
(I) Other comprehensive income that will not be reclassified to profit or loss			
1. Change in defined benefit plans arising from re-measurement			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity approach			
3. Changes in fair value of other equity instrument investments			

Item	Note	June 30, 2025 (Unaudited) RMB	June 30, 2024 (Unaudited) RMB
4. Change in fair value of the Company's own credit risk			
5. Others			
(II) Other comprehensive income that will be reclassified to profit or loss		-3,966.55	69,990.90
1. Other comprehensive income that can be transferred to profit or loss under the equity approach			
2. Change in fair value of other debt investments			
3. Financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedge reserve (effective portion of gains or losses on hedging instruments)			
6. Translation differences arising on translation of foreign currency financial statements		-3,966.55	69,990.90
7. Others			
Other comprehensive income attributable to minority interests, net of tax			
VI. Total comprehensive income		-2,296,654.12	-37,665,057.57
Total comprehensive income attributable to owners of the parent		-2,296,654.12	-37,665,057.57
Total comprehensive income attributable to minority interests			
VII. Earnings per share:			
(I) Basic earnings per share		-0.005	-0.09
(II) Diluted earnings per share		-0.005	-0.09

CONSOLIDATED BALANCE SHEET

As at June 30, 2025

Unit: RMB

		June 30, 2025 (Unaudited) RMB	December 31, 2024 (Audited) RMB
Assets	Note		
Current assets:			
Cash at bank and on hand		1,715,863,086.53	1,697,264,859.72
Financial assets held for trading		7,978,186.88	10,224,641.54
Derivative financial assets			
Bills receivable			
Accounts receivable	9	133,189,557.66	116,103,604.51
Receivables financing			1,715,356.77
Prepayments		10,759,945.70	10,676,251.06
Other receivables		5,596,567.55	3,011,353.66
Inventories		63,902,161.90	50,807,949.19
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		16,349,744.07	15,010,025.92
Total current assets		1,953,639,250.29	1,904,814,042.37
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments			
Other equity instrument investments			
Other non-current financial assets			
Investment properties			
Fixed assets	8	92,071,497.46	94,796,492.21

Assets	Note	June 30, 2025 (Unaudited) RMB	December 31, 2024 (Audited) RMB
Construction in progress		121,005,911.50	109,615,940.27
Productive biological asset			
Oil and gas assets			
Right-of-use assets		832,040.29	199,296.56
Intangible assets		30,713,882.30	31,801,977.57
Development expenses			
Goodwill			
Long-term deferred expenses		124,778.76	107,626.91
Deferred tax assets			
Other non-current assets		9,335,878.52	5,017,469.72
Total non-current assets		254,083,988.83	241,538,803.24
Total assets		2,207,723,239.12	2,146,352,845.61
Current liabilities:			
Short-term borrowings		30,080,333.34	
Financial liabilities held for trading			
Derivative financial liabilities			
Bills payable		21,933,265.52	4,038,498.99
Accounts payable	10	101,021,264.75	77,045,286.72
Advance payments received		2,690,452.48	664,307.84
Contract liabilities		37,339,040.28	27,246,592.19
Staff salaries payable		17,254,405.55	23,064,032.20
Taxes payable		235,054.45	7,613,802.09
Other payables		14,323,112.47	26,718,159.12
Liabilities held for sales			
Non-current liabilities due within one year		358,520.62	165,627.80
Other current liabilities		1,534,720.76	371,287.93
Total current liabilities		226,770,170.22	166,927,594.88

		June 30, 2025 (Unaudited) RMB	December 31, 2024 (Audited) RMB
Assets	Note		
Non-current liabilities:			
Long-term borrowings			
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		391,779.73	
Long-term payables			
Long-term staff salaries payable			
Accrued liabilities		5,769,299.55	4,655,549.55
Deferred income		5,300,000.00	
Deferred tax liabilities		134,775.94	139,318.75
Other non-current liabilities			
Total non-current liabilities		11,595,855.22	4,794,868.30
Total liabilities		238,366,025.44	171,722,463.18
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)		421,138,000.00	421,138,000.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve		1,871,271,557.52	1,871,271,557.52
Less: Inventory shares		36,554,514.55	33,577,999.92
Other comprehensive income		843,238.03	847,204.58
Special reserve			
Surplus reserve			
General risk reserve			
Unallocated profit		-287,341,067.32	-285,048,379.75
Total equity attributable to owners of the parent		1,969,357,213.68	1,974,630,382.43
Minority interest			
Total owners' equity		1,969,357,213.68	1,974,630,382.43
Total liabilities and owners' equity		2,207,723,239.12	2,146,352,845.61

CONSOLIDATED STATEMENT OF CASH FLOW

January to June 2025

Unit: RMB

Item	June 30, 2025 (Unaudited) RMB	June 30, 2024 (Unaudited) RMB
I. Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	256,590,021.86	157,666,089.36
Refund of taxes	3,440,625.71	1,368,982.36
Proceeds from other operating activities	9,805,333.29	16,665,825.39
Sub-total of cash inflows from operating activities	269,835,980.86	175,700,897.11
Payment for goods and services	100,657,956.92	86,461,203.30
Payment to and for employees	75,223,715.56	78,620,730.06
Payment of various taxes	9,467,683.68	2,509,520.66
Payment for other operating activities	80,058,153.01	84,752,124.14
Sub-total of cash outflows from operating activities	265,407,509.18	252,343,578.17
Net cash flows from operating activities	4,428,471.69	-76,642,681.06
II. Cash flows from investing activities:		
Cash received from return of investments		
Cash received on investment income		
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other operating units		
Proceeds from other investing activities	1,059,029,197.21	975,967,617.57
Sub-total of cash inflows from investing activities	1,059,029,197.21	975,967,617.57
Payment for acquisition of fixed assets, intangible assets and other long-term assets	33,665,368.20	41,807,844.48

Item	June 30, 2025 (Unaudited) RMB	June 30, 2024 (Unaudited) RMB
Cash paid for investment		
Net cash paid for acquisition of subsidiaries and other operating units		
Payment for other investing activities	1,161,994,013.01	730,573,144.97
Sub-total of cash outflows from investing activities	1,195,659,381.21	772,380,989.45
Net cash flows from investing activities	-136,630,184.00	203,586,628.12
III. Cash flows from financing activities:		
Proceeds from investors		
Including: Investments received by subsidiaries from minority interests		
Proceeds from borrowings	30,000,000.00	20,000,000.00
Proceeds from other financing activities		
Sub-total of cash inflows from financing activities	30,000,000.00	20,000,000.00
Cash paid for repayment of indebtedness		

Item	June 30, 2025 (Unaudited) RMB	June 30, 2024 (Unaudited) RMB
Payment for dividends, profit distributions or interest	61,666.67	
Including: Dividends and profits paid to minority interests of subsidiaries		
Payment for other financing activities	3,329,024.83	14,455,519.56
Sub-total of cash outflows from financing activities	3,390,691.50	14,455,519.56
Net cash flows from financing activities	26,609,308.50	5,544,480.44
IV. Effect of changes in exchange rate on cash and cash equivalents	-5,415,128.63	2,414,931.54
V. Net increase in cash and cash equivalents	-111,007,532.44	134,903,359.04
Add: Cash and cash equivalents at the beginning of the period	338,676,422.93	365,437,783.39
VI. Cash and cash equivalents at the end of the period	227,668,890.49	500,341,142.43

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

January to June 2025

Unit: RMB

Item	Amount for the period										Amount for the same period for year									
	Owner equity attributable to shareholders of the parent company					Owner equity attributable to shareholders of the parent company					Owner equity attributable to shareholders of the parent company					Owner equity attributable to shareholders of the parent company				
	Paid-in capital (or share capital)	Other equity instruments (preference shares)	Preferred shares	Capital reserves	Less: Treasury shares	Other comprehensive income	Surplus reserve	General risk provision	Individual minority interest	Total Owner's equity	Paid-in capital (or share capital)	Other equity instruments (preference shares)	Preferred shares	Capital reserves	Less: Treasury shares	Other comprehensive income	Surplus reserve	General risk provision	Individual minority interest	Total Owner's equity
I. Balance at the end of the previous year	421,130,000.00			1,671,271,025.21	35,577,996.62	849,264.58			2,650,461,376.75	1976,681,868.43	421,130,000.00			1,682,782,212.00	26,361,336.65	751,761.22			-21,191,400.77	200,184,529.70
II. Adjustments for changes in accounting policies																				
III. Consolidated accounting entries for the period																				
IV. Consolidated entries as one company																				
Others:																				
I. Balance at the beginning of the year	421,130,000.00			1,671,271,025.21	35,577,996.62	849,264.58			2,650,461,376.75	1976,681,868.43	421,130,000.00			1,682,782,212.00	26,361,336.65	751,761.22			-21,191,400.77	200,184,529.70
II. Income and expense during the period						3,966.55			3,265,067.57	5,271,160.55					10,021,136.57	6,990.00			37,721,684.97	46,537,783.44
III. Total comprehensive income						3,966.55			3,265,067.57	2,286,654.12					10,021,136.57	6,990.00			37,721,684.97	57,865,572.57
IV. Capital contribution and distribution										2,076,514.63										-10,001,136.57
1. Ordinary shares contributed by investors																				
2. Capital contributed by holders of the equity instruments																				
3. Amount of the general payment in cash																				
4. Others						2,076,514.63				2,076,514.63					10,021,136.57				-10,001,136.57	
V. Profit distribution																				
1. Transfer of capital reserve																				
2. Provision for general risk reserve						3,966.55														
3. Distribution to owners (or shareholders)																				
4. Others																				
VI. Internal transfer within shareholders' equity																				
1. Transfer of capital reserves to the capital for equity																				
2. Transfer of surplus reserves to the capital for equity																				
3. Compensation losses by equity reserve for equity																				
4. Change in fair value of equity instruments held to trade																				
5. Other comprehensive income transferred to retained earnings																				
6. Other comprehensive income transferred to retained earnings																				
7. Others																				
VI. Special reserve																				
1. Extract from the profit period																				
2. Amount used during the period																				
VI. Others																				
IV. Balance at the end of the period	421,130,000.00			1,671,271,025.21	36,594,514.55	863,238.63			3,024,741,607.32	1986,957,713.88	421,130,000.00			1,682,782,212.00	37,044,471.29	852,071.10			-21,191,400.77	200,571,529.46

CONDENSED NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a joint stock company with limited liability established in the People's Republic of China ("**PRC**"). The registered office of the Company is located at No. 108 Liuze Street, Cangqian Street, Yuhang District, Hangzhou, Zhejiang, China. The Group is principally engaged in the research and development, manufacture and sales of medical devices for diabetes monitoring, treatment and management.

The H shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 19 October 2021. The existing share capital of the Company is RMB421,138,000 with a total number of 421,138,000 shares. Unless otherwise stated, the financial information for the six months ended June 30, 2025 is presented in Renminbi. The consolidated results for the six months ended June 30, 2025 have not been audited by the Company's auditors but have been reviewed by the Company's audit committee.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These financial statements have been prepared on a going-concern basis, based on transactions and items that have actually occurred and in accordance with the Accounting Standard for Business Enterprises and related regulations issued by the Ministry of Finance of the PRC (hereinafter collectively referred to as "**PRC GAAP**") and the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), the disclosure requirements under the Hong Kong Companies Ordinance, and based on the accounting policies and accounting estimates applicable to the Group.

3. CHANGES IN ACCOUNTING POLICIES ARISING FROM ALTERATION IN ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

The Company has adopted the provision of “classification of current liabilities and non-current liabilities” under Interpretation No. 17 of the Accounting Standards for Business Enterprises issued by the Ministry of Finance since January 1, 2024. Such changes in the accounting policies have no impact on the Company’s financial statements.

The Company has adopted the provision of “disclosure of supplier finance arrangements” under Interpretation No. 17 of the Accounting Standards for Business Enterprises issued by the Ministry of Finance since January 1, 2024.

The Company has adopted the provision of “accounting treatment of sale and leaseback transactions” under Interpretation No. 17 of the Accounting Standards for Business Enterprises issued by the Ministry of Finance since January 1, 2024. Such changes in the accounting policies have no impact on the Company’s financial statements.

3. CHANGES IN ACCOUNTING POLICIES ARISING FROM ALTERATION IN ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES (Continued)

The Company has adopted the provision of “accounting treatment of assurance-type quality assurance not constituting a separate performance obligation” under Interpretation No. 18 of the Accounting Standards for Business Enterprises issued by the Ministry of Finance since January 1, 2024, and retrospectively adjusted the information for comparable periods. The major impacts are as follows:

Income statement items	For the six months ended June 30, 2025		
	Before the changes	Amount affected	After the changes
Operating costs	114,871,275.95	4,022,314.47	118,893,590.42
Selling expenses	96,833,241.84	(4,022,314.47)	92,810,927.37
Total	211,704,517.79	—	211,704,517.79

Income statement items	For the six months ended June 30, 2024		
	Before the changes	Amount affected	After the changes
Operating costs	67,015,240.82	3,237,175.93	70,252,416.75
Selling expenses	103,518,453.60	(3,237,175.93)	100,281,277.67
Total	170,533,694.42	—	170,533,694.42

4. OPERATING INCOME

Operating income is analysed as follows:

Item	For the six months ended June 30,	
	2025 (Unaudited)	2024 (Unaudited)
Revenue from contracts with customers		
Sales of medical devices and consumables	243,617,145.17	148,453,653.35
Provision of services	306,422.98	377,403.89
Revenue from other sources		
Other lease payments, including fixed payments	2,009,533.34	1,984,616.36
	245,933,101.49	150,815,673.60

Revenue from contracts with customers

(a) Disaggregated revenue information

Item	For the six months ended June 30,	
	2025 (Unaudited)	2024 (Unaudited)
Geographical markets		
Mainland China	122,326,576.39	110,695,273.86
Other countries/regions	121,290,568.78	38,135,783.38
	243,617,145.17	148,831,057.24
Timing of revenue recognition		
Goods or services transferred at a point in time	243,617,145.17	148,831,057.24

5. INCOME TAX EXPENSE

Item	For the six months ended June 30,	
	2025 (Unaudited)	2024 (Unaudited)
Current income tax	0.00	0.00
Deferred income tax	(4,542.81)	(11,735.98)
	(4,542.81)	(11,735.98)

6. DIVIDENDS

No dividend has been paid or declared by the Company in respect for the six months ended June 30, 2025 (six months ended June 30, 2024: Nil).

7. EARNINGS PER SHARE

The calculation of the basic earnings per share amounts is based on the earnings for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 421,138,000 in issue during the period. No adjustment has been made to the basic earnings per share amount presented for the reporting period in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the reporting period.

8. FIXED ASSETS

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Carrying amount at beginning of period	94,796,492.21	92,685,508.25
Additions	2,443,416.08	5,508,603.23
Transferred from construction in progress	—	7,303,885.00
Depreciation provided	(5,168,410.83)	9,834,663.50
Provision for impairment	—	—
Disposal or retirement	—	866,840.77
Carrying amount at end of period	92,071,497.46	94,796,492.21

9. ACCOUNT RECEIVABLES

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Book balance of accounts receivables	144,035,609.54	123,227,453.23
Less: Provision for bad debts	10,846,051.88	7,123,848.72
Carrying amount of accounts receivables	133,189,557.66	116,103,604.51

9. ACCOUNT RECEIVABLES (Continued)

(1) Ageing analysis

Aging	June 30, 2025 (Unaudited)		
	Book balance	Provision for bad debts	Provision proportion (%)
Within 1 year	133,572,077.31	3,514,939.76	2.6
1 to 2 years	5,989,899.96	3,056,710.28	51.0
2 to 3 years	952,494.96	800,191.07	84.0
3 to 4 years	2,054,557.24	2,010,246.46	97.8
4 to 5 years	349,353.95	346,738.19	99.3
Over 5 years	1,117,226.12	1,117,226.12	100.0
Total	144,035,609.54	10,846,051.88	7.5

Aging	December 31, 2024 (Audited)		
	Book balance	Provision for bad debts	Provision proportion (%)
Within 1 year	112,324,674.33	2,751,954.53	2.5
1 to 2 years	7,200,102.44	1,725,831.95	24.0
2 to 3 years	1,559,981.68	810,590.08	52.0
3 to 4 years	1,060,927.56	757,179.94	71.4
4 to 5 years	113,605.77	110,191.26	97.0
Over 5 years	968,161.45	968,100.96	100.0
Total	123,227,453.23	7,123,848.72	5.8

The ageing analysis of accounts receivable is based on the month in which the amount actually occurs. The amount which occurs first has priority in settlement with respect to cash flow.

The credit period granted by the Company to its customers generally ranges from 1 to 3 months. Overdue receivables are regularly reviewed by management.

10. ACCOUNT PAYABLES

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Within 1 year	99,792,000.95	75,885,091.34
1 to 2 years	486,856.13	542,856.45
2 to 3 years	240,678.67	75,222.31
Over 3 years	501,729.00	542,116.62
Total	101,021,264.75	77,045,286.72

The aging analysis of accounts payable is based on the month in which the amount actually occurs. The amount which occurs first has priority in settlement with respect to cash flow.

11. COMMITMENTS

At the end of the reporting period, the Group did not have any significant commitments.

12. RELATED PARTY TRANSACTIONS

Details of the Group's related party are as follows:

Name	Relationship
Hangzhou Henghua Property Management ("Henghua Property Management")	An entity controlled by a relative of a director

12. RELATED PARTY TRANSACTIONS (Continued)

- (a) In addition to the transactions detailed elsewhere in the financial statements, the Group had the following transactions with related parties during the period:

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Purchases of services from:		
Henghua Property Management	820,420.08	769,694.78

Note:

- (i) The purchases of services from the related party were made according to the published prices and conditions offered by the related party to their major customers.
- (b) Compensation of key management personnel of the Group:

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Salaries, bonuses, allowances and benefit in kind	2,264,025.98	2,821,499.31
Pension scheme contributions	56,001.60	50,961.94
Total compensation paid to key management personnel	2,320,027.58	2,872,461.25

13. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at June 30, 2025 and December 31, 2024 are as follows:

Financial assets — at amortised cost

	As at June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Accounts receivable	133,189,557.66	116,103,604.51
Other receivables	5,596,567.55	3,011,353.66
Monetary funds	1,715,863,086.53	1,697,264,859.72
	1,854,649,211.74	1,816,379,817.89

Financial assets — at fair value

	As at June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Receivables financing	—	1,715,356.77
Financial assets held for trading	7,978,186.88	10,224,641.54
Sub-total	7,978,186.88	11,939,998.31

13. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

Financial liabilities — at amortised cost

	As at June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Short-term borrowings	30,080,333.34	
Bills payable	21,933,265.52	4,038,498.99
Accounts payable	101,021,264.75	77,045,286.72
Other payables	14,323,112.47	26,718,159.12
Lease liabilities (including amounts due within one year)	750,300.35	165,627.80
	168,108,276.43	107,967,572.63

14. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

(a) Breakdown of fair value at the end of the period of assets and liabilities measured at fair value

Item	Fair value at the end of the period			Total
	Fair value measured at level 1	Fair value measured at level 2	Fair value measured at level 3	
Recurring fair value measurement				
Financial assets held for trading	7,978,186.88			7,978,186.88
Financial assets at fair value through profit or loss for the period	7,978,186.88			7,978,186.88
Fund	7,978,186.88			7,978,186.88
Total assets measured at fair value on a recurring basis	7,978,186.88			7,978,186.88

(b) The determination basis for market price of recurring and non-recurring fair value measurements categorised within level 1

For financial assets held for trading, the fair value is determined based on the net fund value announced by the fund management company on that day.

DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

"13th Five-Year Plan"	outline of the 13th Five Year Plan for national economic and social development of the PRC (中華人民共和國國民經濟和社會發展第十三個五年規劃綱要)
"AGM" or "Annual General Meeting"	annual general meeting of the Company
"artificial pancreas system"	an integrated diabetes management system that tracks blood glucose levels using a continuous glucose monitor and automatically delivers the insulin when needed using an insulin pump according to its control algorithm
"Audit Committee"	the audit committee of the Board
"BGMS"	blood glucose monitoring system
"blood glucose"	blood glucose, also referred to as blood sugar, is the amount of glucose in your blood, an indicator of diabetes monitoring
"Board"	the board of Directors of our Company
"calibration-free"	also known as "factory-calibrated", the ability to use the sensor without the need for BGMS calibration; while users may opt to calibrate at his/her own discretion, a calibration-free CGMS does not require the user to perform a finger stick blood glucose calibration before displaying the glucose values
"CE marking"	a certification marking that indicates conformity with health, safety, and environmental protection standards for products sold within the European Economic Area

"CEO"	chief executive officer of our Company
"CG Code"	the Corporate Governance Code set out in Appendix C1 of the Listing Rules
"CGMS"	continuous glucose monitoring system
"Chairman"	chairman of the Board
"China" or "PRC"	People's Republic of China, but for the purpose of this report and for geographical reference only and except where the context requires otherwise, references in this report to "China" and the "PRC" do not apply to Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"Company", "MicroTech" or "MicroTech Medical"	MicroTech Medical (Hangzhou) Co., Ltd.* (微泰醫療器械(杭州)股份有限公司), a limited liability company incorporated in the PRC on January 20, 2011 and converted into a joint stock limited liability company incorporated in the PRC on November 6, 2020, whose stock code is: HK2235
"Core Product"	Equil Patch Insulin Pump System, the designated "core product" as defined under Chapter 18A of the Listing Rules
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of the Company
"Domestic Share(s)"	ordinary share(s) issued by our Company, with a nominal value of RMB1.0 each, which are subscribed for or credited as paid in Renminbi

"Dr. Zheng"	Dr. Zheng Pan (鄭攀), the chairman of the Board, an executive Director, the Chief Executive Officer of the Company and a member of the Single Largest Group of Shareholders
"Employee Incentive Platforms"	Hangzhou Yantai and Hangzhou Hengtai
"FDA"	U.S. Food and Drug Administration
"Global Offering"	the Hong Kong public offering and the international offering of the Shares
"GMP"	good manufacturing practices, the aspect of quality assurance that ensures that medicinal products are consistently produced and controlled to the quality standards appropriate to their intended use and as required by the product specification
"Group", "our", "we" or "us"	the Company and its subsidiaries from time to time
"H Share(s)"	overseas listed foreign share(s) in the share capital of our Company with a nominal value of RMB1.0 each, which is/are subscribed for and traded in HK dollars and listed on the Hong Kong Stock Exchange
"H Share Registrar"	Tricor Investor Services Limited
"Hangzhou Hengtai"	Hangzhou Hengtai Brand Management Partnership (Limited Partnership) (杭州衡泰品牌管理合夥企業(有限合夥)), a limited partnership established in the PRC on December 11, 2019, of which Dr. Zheng is the sole general partner, one of the Employee Incentive Platforms

“Hangzhou Yantai”

Hangzhou Yantai Investment Partnership (Limited Partnership) (杭州研泰投資合夥企業(有限合夥)), a limited partnership established in the PRC on January 2, 2018, of which Dr. Zheng is the sole general partner, one of the Employee Incentive Platforms

“Hong Kong” or “HK”

the Hong Kong Special Administrative Region of the PRC

“Hong Kong Stock
Exchange” or “Stock
Exchange” or “HKEx”

The Stock Exchange of Hong Kong Limited

“Independent
Non-executive
Directors”

the independent non-executive Directors of the Board

“IVD”

in vitro diagnostic medical devices, referring to devices such as reagent, calibrator, control material, kit, specimen receptacle, software, instrument, apparatus, equipment, or system, whether used alone or in combination, intended by the manufacturer for tests performed on samples taken from the human body, such as swabs of mucus from inside the nose or back of the throat, or blood taken from a vein or fingerstick

“Latest Practicable Date”

September 23, 2025 being the latest practicable date for the purpose of ascertaining certain information contained in this interim report prior to its publication

“Listing”

the listing of the shares on the Main Board of the Stock Exchange

“Listing Rules”

the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time

"Main Board"	the stock exchange (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with GEM of the Hong Kong Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
"NMPA"	National Medical Products Administration (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局)
"Nomination Committee"	the nomination committee of the Board
"Prospectus"	the prospectus of the Company dated October 6, 2021, in relation to its Global Offering
"R&D"	research and development
"Remuneration and Assessment Committee"	the remuneration and assessment committee of the Board
"Reporting Period"	the six months ended June 30, 2025
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Schemes"	the employee incentive schemes dated January 2, 2018 (as amended on September 21, 2020) and December 25, 2019 (as amended on September 21, 2020) respectively
"Securities and Futures Ordinance" or "SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.0 each
"Shareholder(s)"	holder(s) of our Share(s)
"Single Largest Group of Shareholder(s)"	Dr. Zheng Pan, Hangzhou Yantai and Hangzhou Hengtai
"Strategy Committee"	the strategy committee of the Board
"Supervisor(s)"	the supervisor(s) of the Company
"Unlisted Foreign Share(s)"	ordinary share(s) issued by our Company, with a nominal value of RMB1.0 each, which is/are subscribed for or credited as paid in a currency other than Renminbi, held by foreign investors and not listed on any stock exchange
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction

For the purpose of this interim report and for illustration purpose only, conversion of HK\$ to RMB is based on the exchange rate of HK\$1 to RMB0.9120.