



上海心玮醫療科技股份有限公司 Shanghai HeartCare Medical Technology Corporation Limited

(A joint stock company incorporated in the People's Republic of China with limited liability)
(於中華人民共和國註冊成立的股份有限公司)

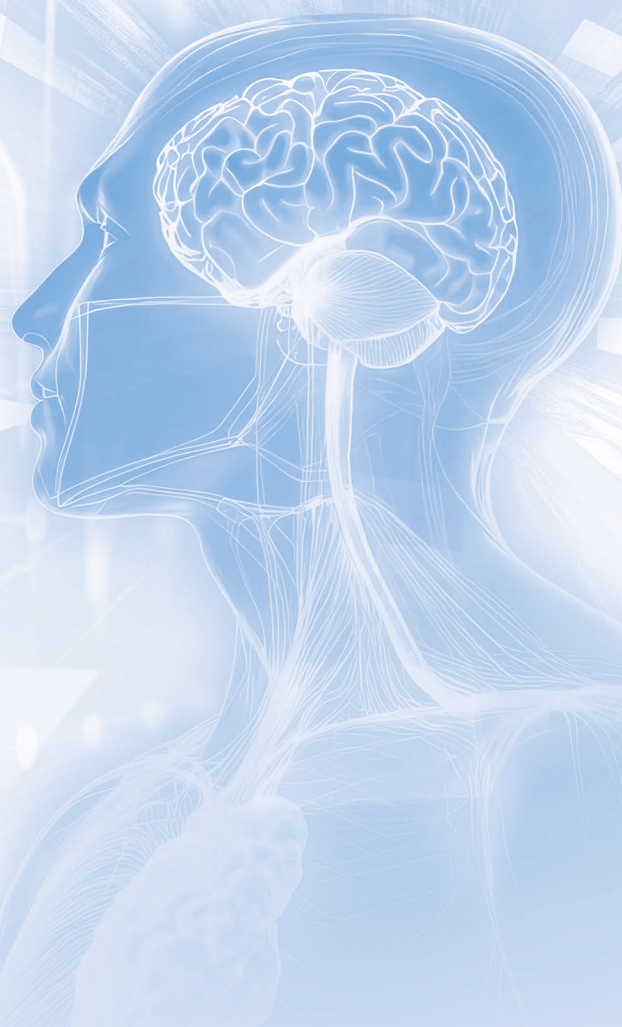
Stock Code 股份代號：6609

2025 INTERIM REPORT 中期報告



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. WANG Guohui (*Chairman, Chief executive officer*)
Ms. ZHANG Kun
Mr. WEI Jiawei (*Deputy general manager*)

Non-executive Directors

Mr. DING Kui
Mr. CHEN Shaoxiong
Mr. CHEN Gang

Independent Non-executive Directors

Mr. GUO Shaomu
Mr. FENG Xiangqian
Mr. GONG Ping

AUDIT COMMITTEE

Mr. GONG Ping (*Chairman*)
Mr. FENG Xiangqian
Mr. DING Kui

REMUNERATION COMMITTEE

Mr. GUO Shaomu (*Chairman*)
Mr. GONG Ping
Mr. WANG Guohui

NOMINATION COMMITTEE

Mr. FENG Xiangqian (*Chairman*)
Mr. GUO Shaomu
Ms. ZHANG Kun (*appointed on March 27, 2025*)
Mr. WANG Guohui (*ceased to be a member on March 27, 2025*)

STRATEGY COMMITTEE

Mr. WANG Guohui (*Chairman*)
Ms. ZHANG Kun
Mr. DING Kui
Mr. CHEN Gang

SUPERVISORY COMMITTEE

Ms. JIANG Xue (*Chairwoman*)
Mr. JIANG Xinbei
Mr. LIU Hongbao (*appointed on July 25, 2025*)
Mr. LIU Baiwei (*appointed on March 27, 2025 and resigned on July 25, 2025*)
Mr. XUE Zongyu (*resigned on March 27, 2025*)

JOINT COMPANY SECRETARIES

Mr. ZHANG Han
Ms. KWOK SIU YING SARAH (*ACG, HKACG*)

AUTHORIZED REPRESENTATIVES

Mr. WANG Guohui
Mr. ZHANG Han
Alternate to authorized representatives
Ms. KWOK Siu Ying Sarah

HEADQUARTERS AND REGISTERED OFFICE IN THE PRC

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No. 356, Zhengbo Road
Lingang New District
Pilot Free Trade Zone
Shanghai
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Causeway Bay
Hong Kong
PRC

Corporate Information (Continued)

LEGAL ADVISERS

As to Hong Kong and United States laws:

O'Melveny & Myers

31/F, AIA Central

1 Connaught Road Central

Hong Kong

PRC

As to PRC law:

AllBright Law Offices

9, 11, 12/F, Shanghai Tower

No. 501, Yincheng Middle Road

Pudong New Area

Shanghai

PRC

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

Shops 1712–1716, 17th Floor

Hopewell Centre

183 Queen's Road East

Wanchai

Hong Kong

PRC

PRINCIPAL BANK

China Merchants Bank Co., Ltd.

Shanghai Zhangjiang Sub-Branch

1F, No. 88, Keyuan Road

Shanghai

PRC

STOCK CODE

6609

COMPANY'S WEBSITE

www.heartcare.com.cn

LISTING DATE

August 20, 2021

AUDITORS

Ernst & Young

Certified Public Accountants

Registered Public Interest Entity Auditor

27/F, One Taikoo Place

979 King's Road

Quarry Bay

Hong Kong

PRC

Financial Highlights

	Six months ended June 30, 2025 RMB'000 (Unaudited)	Six months ended June 30, 2024 RMB'000 (Unaudited)	Period-to-period change
Revenue	185,522	128,484	44.4%
Gross profit	126,599	82,281	53.9%
Gross profit margin	68.2%	64.0%	4.2 percentage points
Selling & distribution and administrative expenses	68,729	57,520	19.5%
Research and development costs	20,618	31,752	-35.1%
Profit/(Loss) before tax	49,011	(3,198)	1,632.6%
Profit/(Loss) and total comprehensive income/(loss) for the period	50,938	(5,119)	1,095.1%

Management Discussion and Analysis

I. BUSINESS REVIEW

Overview

We are an innovative medical device company committed to improving the accessibility of innovative medical technologies and protecting lives and health. We have established a pioneering leadership position in China's neuro-interventional market and successfully provided the first domestic one-stop solution for stroke treatment and prevention. Leveraging our advantage in R&D, manufacturing and commercialization, we strive to fulfill the unmet needs of clinicians and patients in the fields with tremendous opportunities, redefine the standard of care, reduce mortality rate, and improve prognosis by continuously launching innovative medical devices.

In the first half of 2025, the Company recorded revenue of RMB185.5 million, representing a year-on-year increase of 44.4%, as well as gross profit margin increase to 68.2%. The Group recorded a net profit attributable to the Shareholders of RMB50.9 million, representing a significant turnaround from the net loss attributable to the Shareholders of approximately RMB5.1 million for the six months ended June 30, 2024. Such a turnaround is primarily attributable to business growth of the Company, driven by increased revenue from the newly launched hemorrhagic stroke treatment devices and higher sales of ischemic stroke treatment devices and other hemorrhagic stroke treatment devices, as well as a decrease in the overall expense ratio of the Company. The expense rate of the selling and distribution expenses and administrative expenses decreased from 44.8% to 37.0% compared with the same period of 2024, as the business scale expands and the effects of cost control and efficiency enhancement measures become evident.

In order to adapt to the fast-changing market environment, the Company continuously promotes the upgrade of its neuro-intervention business toward the focus on differentiated treatment devices. Sales volume of ischemic stroke treatment devices and other access devices increased by 38.3% and 29.2% respectively. Revenue of hemorrhagic stroke treatment devices approximately increased by RMB37.7 million as compared with the same period of 2024, which is mainly attributable to the newly launched devices.

During the Reporting Period, the Company recorded R&D costs of RMB20.6 million which was utilized to support the diversified candidates of neuro-intervention treatment devices. Our flow diverter device has obtained NMPA approvals. As of the date of this report, our full set treatment devices for complete solution of hemorrhagic stroke treatment, which included vascular reconstruction device (NMPA innovative device qualification), embolic coil and flow diverter device have launched and commenced sales. Furthermore, the Company aims to enhance the competitiveness of key thrombectomy devices (aspiration catheter and thrombectomy stent) and one-stop medical device solutions for different subtypes of acute ischemic stroke. At the same time, R&D of self-expanding drug stent and carotid artery stent for the treatment of intracranial stenosis is progressing as planned.

In the overseas market, the Company has obtained CE or FDA certification of the thrombectomy stent, balloon guiding catheter, distal access catheter and microcatheter, as well as 31 other registration certificates in eight other countries or regions. Up to now, the Company has been working on approximately 100 product registrations in 21 countries or regions, expanding sales channels, and laying the foundation for achieving long-term goals in overseas sales.

Management Discussion and Analysis (Continued)

Products and Pipeline

As of the date of this report, we have 32 device products approved by NMPA, three device products approved by FDA and one product obtained CE Mark.

The following diagram summarizes the development status of our pipeline including approved products and broad product pipelines in the late-stage of R&D covering acute ischemic stroke and neurovascular stenosis treatment, hemorrhagic stroke treatment, ischemic stroke prevention, interventional access, peripheral interventional devices and innovative business as of the date of this report:

NMPA Pipeline

Product Field		Product Category	Design Stage	Clinical Trial Stage	Registration and Evaluation Stage	Approval
Neuro-interventional treatment devices	Treatment of acute ischemic stroke	Thrombectomy Stent				
		Aspiration Pump				
		Aspiration Catheter				
	Treatment of neurovascular stenosis	Intracranial Drug-eluting Stent				
		Intracranial Balloon Dilatation Catheter				
		Intracranial Low Pressure Balloon Dilatation Catheter				
		Carotid Artery Balloon Dilatation Catheter				
		Embolization Protection System				
		Carotid Artery Stent				
	Treatment of hemorrhagic stroke	Embolic Coil				
		Vascular Reconstruction Device*				
		Embolization Assisting Balloon				
		Flow Diverter Device				
Prevention of ischemic stroke	Left Atrial Appendage (LAA) Occluder					
Neuro-interventional access devices	Balloon Guiding Catheter					
	Distal Access Catheter					
	Microcatheter					
	Microcatheter for Coiling					
	Microcatheter for Flow Diverter Device					
	Navigation Catheter					
	Vascular Closure Device					
	Neuro-interventional Micro Guidewire					
	Support Catheter					
	Neuro-interventional Microcatheter					
Radial Access Catheter System						
Peripheral interventional devices	Fibered Occlusion Coil					
	Disposable Venous Ablation Catheter					
	Peripheral Thrombus AP Catheter					
Innovative Business	Interventional Brain-Computer Interface					

* Eligible for NMPA Green Channel

FDA and Conformité Européenne (CE) Pipeline

Product Field	Product Category	Submitted for Registration	Registration Approval
Neuro-interventional treatment devices	Treatment of acute ischemic stroke	Thrombectomy Stent	CE
	Treatment of hemorrhagic stroke	Embolic Coil	CE
Neuro-interventional access devices		Balloon Guiding Catheter	FDA
		Microcatheter	FDA
		Distal Access Catheter	FDA
		Vascular Closure Device	CE

Management Discussion and Analysis (Continued)

Our Key Neuro-interventional Products and Product Candidates

Ischemic Stroke Thrombectomy Devices

Core Product — Captor® Thrombectomy Stent (“Captor”) is the first domestic thrombectomy stent retriever with multi-markers approved by NMPA. Sales in China started in December 2020. As of the date of this report, we have upgraded Captor by adding more product models with stents of varying lengths and diameters. Depending on the occluded blood vessel diameter and thrombus size, physicians may choose the stent retriever with the proper length and size, out of a selection of nine product models. We are evaluating the opportunities for upgrading Captor for indication expansion. Further, we are evaluating the opportunities to market Captor overseas and may apply for its registration in the United States subject to the results of our evaluation. This product has obtained CE Mark.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP NEW INDICATION AND SPECIFICATIONS AND EXPAND OVERSEAS MARKET FOR OUR CAPTOR SUCCESSFULLY.

Aspiration Catheter is used in the aspiration thrombectomy procedure to retrieve the thrombus and restore blood flow in occluded cerebral vessels for patients with acute ischemic stroke with large vessel occlusion (“AIS-LVO”). Aspiration thrombectomy can be performed not only on a stand-alone basis, but also together with stent retrieving thrombectomy in accordance with the patient’s symptoms. We have obtained the NMPA approval for our aspiration catheter and sales commenced in 2022.

Carotid artery heavy load thrombus aspiration technique (CATCH) combines our 8F large-inner lumen Aspiration Catheter (“088 Aspiration Catheter”) with an approved aspiration indication. With a larger cross-sectional area, 088 Aspiration Catheter provides stronger negative pressure and thrombus accommodation space, enhancing recanalization rates. This allows physicians to precisely and rapidly remove thrombi during acute stroke thrombectomy, improving patient outcomes and gaining widespread clinical recognition.

Besides Captor and Aspiration Catheter, our **Aspiration Pump** for the treatment of ischemic stroke has obtained NMPA approval, and we had a product portfolio covering stents and aspiration thrombectomy procedure for the emergency treatment of different subtypes of acute ischemic stroke.

Intracranial Stenosis Treatment Devices

Intracranial Balloon Dilatation Catheter and Carotid Artery Balloon Dilatation Catheter are designed to be used in balloon angioplasty procedures for patients with intracranial stenosis, with the former used in intracranial vessels and the latter in the carotid artery. The balloon dilatation catheters are designed to be passed into the narrowed artery and push the plaque to the sides of the artery and improve the patient’s blood flow. We received the NMPA approvals for our intracranial balloon dilatation catheter and carotid artery balloon dilatation catheter in 2021.

Embolization Protection System is used in interventional procedures for peripheral, coronary artery and carotid artery to capture and remove debris that dislodges during the procedures. It can help prevent the debris from blocking smaller vessels, which may result in procedural complications. We have obtained the NMPA approval for our embolization protection system.

Management Discussion and Analysis (Continued)

Intracranial Drug-eluting Stent (“Intracranial DES”) is a stent placed into narrowed and diseased arteries that slowly releases an anti-proliferative drug to block cell proliferation. The stent is usually placed within arteries during an angioplasty procedure. Drug-eluting stents generally consist of three parts — the stent platform, a polymer coating that binds the drug to the stent and releases drug, and the drug. As at the date of the report, our Intracranial DES has completed clinical trials and is awaiting the clinical trial report for registration.

Carotid Artery Stent is an endovascular implantable device designed for the treatment of extracranial carotid artery stenosis, typically deployed via percutaneous transluminal angioplasty (PTA) with embolic protection. As at the date of the report, our carotid artery stent is in clinical trial stage.

Hemorrhagic Stroke Treatment Devices

Vascular Reconstruction Device is used in aneurysm coiling procedures for patients with aneurysm. It is designed for bridging the neck of aneurysm to support the coils placed in the aneurysm. Our vascular reconstruction device (NMPA innovative device qualification) is the first domestically developed aneurysm embolization assist stent and has been approved by NMPA in October 2024, and sales has commenced. As of the date of this report, our vascular reconstruction device have rapidly been adopted by approximately 200 medical institutions and gained widespread recognition, thus acting as a strong driver for revenue growth.

Embolic Coil is a hemorrhagic stroke treatment device used to treat intracranial aneurysms through embolization. It can be released at the location of the aneurysm, filling the aneurysm to isolate the aneurysm from normal blood circulation and prevent the aneurysm from further expanding and breaking. We have obtained the NMPA approval and commenced sales in 2022.

Flow Diverter Device is a neurovascular stent placed in the blood vessel of an aneurysm, which can divert blood flow away from the aneurysm. Over time, blood flow into the aneurysm may slow down and the aneurysm may shrink, thus healing the blood vessel. As at the date of this report, our flow diverter device has obtained NMPA approval and commenced sales.

Ischemic Stroke Prevention Devices

Core Product — LAA Occluder is a stroke prevention device designed to be permanently implanted at the opening of the LAA of patients with non-valvular atrial fibrillation (AF) to prevent thrombus escaping from the LAA, thus causing embolization. LAA Occlusion is a one-time surgical therapy with proven efficacy, in particular for the patient who is not suitable for long-term oral anticoagulation therapy and has a higher risk for bleeding complications. We have obtained the NMPA approval and commenced sales in 2022.

Management Discussion and Analysis (Continued)

Vascular Access Devices

Vascular Closure Device is designed for closure of large bore femoral arterial access site when the neuro-interventional and cardiac-interventional procedures are completed. Our Vascular Closure Device features an extensive array of specifications and models to accommodate various clinical needs. Owing to its reliable performance and quality, Our Vascular Closure Device has received widespread market recognition, with its market share showing a continuous upward trend. Furthermore, we have established a strategic partnership with Hangzhou Matrix Medical Technology Co., Ltd (杭州矩正醫療科技有限公司) for the collaborative promotion of Collseal vascular closure device, enriching our comprehensive portfolio of hemostasis solutions.

Besides Vascular Closure Device, we are also developing various vascular access devices for use in interventional procedures. As of the date of this report, we have obtained NMPA approvals for **Distal Access Catheter, Microcatheter, Balloon Guiding Catheter, Support Catheter, Neuro-Interventional Microcatheter, Neuro-interventional Micro Guidewire, Microcatheter for Coiling, Microcatheter for Flow Diverter Device, Navigation Catheter, and Radial Access Catheter System.**

In addition, we have several other product candidates in the design stage, which further supplement our full-set product portfolio for the treatment and prevention of stroke. For details of our products and product candidates, please refer to the Company's prospectus dated August 10, 2021.

Innovative Business

Interventional Brain-Computer Interface (BCI) is a product developed using traditional minimally invasive vascular intervention technology, enabling long-term implantation and stable electroencephalogram signal acquisition. Unlike invasive and non-invasive BCIs, it employs a minimally invasive electrode implantation assisted by vascular puncture, precisely capturing electroencephalogram signals and decoding brain intentions, while avoiding major blood vessels and critical brain tissue. This technology offers a balance of minimal invasiveness, high safety, precision, and reliability. As at the date of the report, the product has undergone two sheep trials and one monkey trial and is in preparation for human clinical trials.

Research and Development

The Company's product R&D aims to build a high-quality product portfolio with market competitiveness. Capitalizing on existing R&D platforms, certain products we developed are qualified for NMPA priority review. Meanwhile, we formed a multi-level product matrix through continuously iterating products approved for marketing, so as to meet the clinical needs.

As of the date of this report, we had 267 registered patents, including 132 invention patents, 121 utility models and 14 industrial design patents. As of the date of this report, we also had 80 pending patents applications, including 76 invention patents and 4 utility models.

Manufacturing

In terms of manufacturing, we continuously improve our product quality and competitive advantage based on a stable and efficient supply chain.

Management Discussion and Analysis (Continued)

As of the date of this report, we have two production facilities in Shanghai Lingang New Area and Nanjing Jiangbei New Area, which can ensure a sufficient supply of products.

Commercialization

As of the date of this report, we have established an extensive distribution network covering over 2,500 hospitals across all provinces nationwide other than Macau.

Meanwhile, academic exchange platforms elaborately built by us contribute to our brand image and influence in the market through diversified channels and digital media, laying the foundation for long-term and stable revenue growth.

Future and Outlook

We aim to become the leader in the neuro-interventional medical device market in China, and to develop into a competitive domestic device company in several innovative medical device markets within China.

We plan to implement the following strategies to achieve this goal:

- improve our brand recognition as a comprehensive neuro-interventional device solution provider in the market, expand sales of our commercialized neuro-interventional devices and rapidly advance our product candidates into commercialization;
- further enhance our manufacturing capabilities to ensure reliability of our product supply; and
- promote the development of innovative medical devices in emerging therapeutic fields with high potential growth market to form a second business unit with a competitive commercialized product portfolio in addition to our neuro-interventional business.

The Company also proposed to apply to the relevant PRC authorities for the issuance of A shares to be listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange, please refer to the Company's announcements dated October 10, 2022, November 9, 2022, October 16, 2023 and October 17, 2024 and circulars dated October 24, 2022, October 20, 2023 and October 21, 2024 for further details.

Management Discussion and Analysis (Continued)

II. FINANCIAL REVIEW

Overview

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

Revenue

For the six months ended June 30, 2025, our revenue was mainly generated from the sales of our commercialized neuro-interventional devices.

Revenue increased by 44.4% from RMB128.5 million for the six months ended June 30, 2024 to RMB185.5 million for the six months ended June 30, 2025. The increase in revenue was mostly attributable to continuous sales growth of our ischemic stroke treatment devices, as well as other access devices. Meanwhile, the newly launched hemorrhagic stroke treatment devices have contributed to a significant increase in the company's revenue.

Cost of Sales

Cost of sales increased from RMB46.2 million for the six months ended June 30, 2024 to RMB58.9 million for the six months ended June 30, 2025, which was in line with the increase in our revenue.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased from RMB82.3 million for the six months ended June 30, 2024 to RMB126.6 million for the six months ended June 30, 2025. Gross profit margin is calculated as gross profit divided by revenue. Our gross profit margin increased from 64.0% for the six months ended June 30, 2024 to 68.2% for the six months ended June 30, 2025, primarily due to increased manufacture scale, and the increasingly mature manufacturing techniques.

Other Income and Gains

Other income and gains increased from RMB9.0 million for the six months ended June 30, 2024 to RMB28.4 million for the six months ended June 30, 2025, primarily attributable to (i) the increase in fair value gain on financial assets on FVTPL; and (ii) the increase in our government grants.

Management Discussion and Analysis (Continued)

Research and Development Costs

Research and development costs decreased from RMB31.8 million for the six months ended June 30, 2024 to RMB20.6 million for the six months ended June 30, 2025, primarily due to (i) the reduction of number of staff of the R&D team; and (ii) the reduction in third party contracting costs.

The following table sets forth a breakdown of our research and development costs:

	Six months ended June 30, 2025 (Unaudited)		Six months ended June 30, 2024 (Unaudited)	
	RMB million	%	RMB million	%
Staff costs	8.1	39.4	12.0	37.7
Depreciation	3.1	15.0	4.0	12.6
Third party contracting costs	5.9	28.7	13.1	41.2
Raw materials and consumables	2.7	12.8	1.6	5.0
Others	0.8	4.1	1.1	3.5
Total	20.6	100.0	31.8	100.0

Administrative Expenses

Administrative expenses increased from RMB27.0 million for the six months ended June 30, 2024 to RMB28.2 million for the six months ended June 30, 2025, primarily attributed to a increase in professional service fees.

Selling and Distribution Expenses

Selling and distribution expenses increased from RMB30.5 million for the six months ended June 30, 2024 to RMB40.5 million for the six months ended June 30, 2025, primarily attributed to increasing in market development costs.

Finance Costs

Finance costs remained relatively stable, increasing slightly from RMB0.9 million for the six months ended June 30, 2024 to RMB1.1 million for the six months ended June 30, 2025.

Borrowings and Gearing Ratio

As at June 30, 2025, the Group has not incurred any outstanding borrowing. The gearing ratio (calculated by dividing the sum of borrowings and lease liabilities by total equity) of the Group as at June 30, 2025 was 4.1%, compared to 3.4% for the year ended December 31, 2024.

Management Discussion and Analysis (Continued)

Liquidity and Financial Resources

We primarily rely on capital contributions by our shareholders, equity financing as the major sources of liquidity as well as cash generated from our sales revenue of existing commercialized medical device products. As part of our treasury policy, our management monitors and maintains a level of cash and bank balances deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. As our business develops and expands, we expect to generate more cash from our operating activities, through increasing sales revenue of the existing commercialized products and by launching new products.

Our cash and bank balances as of June 30, 2025 were RMB545.2 million, representing a decrease of RMB56.7 million compared to RMB601.9 million as of December 31, 2024.

Our net current assets as of June 30, 2025 were RMB977.9 million, representing an increase of RMB36.5 million compared to RMB941.4 million as of December 31, 2024.

Capital Expenditure

For the six months ended June 30, 2025, our total capital expenditure amounted to approximately RMB9.2 million as compared to a capital expenditure of RMB1.4 million for the six months ended June 30, 2024, the capital expenditure was primarily used in the plant and equipment.

Contingent Liabilities

As of June 30, 2025, the Group did not have any material contingent liabilities.

Significant Investments, Material Acquisitions and Disposals

As of June 30, 2025, the Group did not have material acquisitions and disposals of subsidiaries, associates and joint ventures, or had any significant investment accounting for more than 5% of the Group's total assets.

Pledge of Assets

As of June 30, 2025, the Group had no pledge of assets.

Foreign Exchange Exposure

We are exposed to foreign currency risk mainly arising from cash at bank denominated in USD and HKD. 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.

Future Plans for Material Investments or Capital Assets

We had not authorized any plan for the material investments or acquisition of capital asset as of the date of this report.

Management Discussion and Analysis (Continued)

HUMAN RESOURCES

As of June 30, 2025, we had 327 full-time employees in total.

The remuneration policy for the Directors and senior management is based on their responsibility and general market conditions. Any discretionary and performance bonus are linked to the general performance of the Group and the individual performances of the Directors and senior management.

In compliance with the relevant PRC labor laws, we enter into individual employment contracts with our employees covering matters such as terms, wages, bonuses, employee benefits, workplace safety, confidentiality obligations and grounds for termination.

To remain competitive in the labor market, we also provide various incentives and benefits to our employees. We invest in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge. We also provide competitive salaries and stock incentive plans to our employees especially key employees. We believe our benefits, working environment and development opportunities for our employees have contributed to good employee relations and employee retention.

SHARE SCHEME

Saved as the 2021 H Share Incentive Scheme and the 2025 H Share Incentive Scheme disclosed below, neither the Company nor its subsidiaries had any share scheme during the Reporting Period.

Management Discussion and Analysis (Continued)

SHARE INCENTIVE SCHEMES

The 2021 H Share Incentive Scheme

The Shareholders have adopted the 2021 H Share Incentive Scheme by a special resolution on November 1, 2021 (and further amended the 2021 H Share Incentive Scheme by ordinary resolution on June 10, 2022 and May 20, 2024). The following is a summary of the principal terms of the 2021 H Share Incentive Scheme. Please refer to the Company's circulars dated October 11, 2021, April 11, 2022 and April 17, 2024 for further information. Unless otherwise defined, capitalized terms used in this section shall have the meaning as prescribed in this section.

(a) Purpose of the 2021 H Share Incentive Scheme

The purposes of the 2021 H Share Incentive 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) encourage, motivate and retain the leadership 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 the leadership of the Company and long standing employee by aligning the interests of the leadership of the Company to those of the Shareholders and the Group as a whole.

(b) Participants

Any individual who is a Director, senior management, key operating team member, employee, or, a consultant of the Group; however, no individual who is resident in a place where the grant, acceptance or vesting of an Award (as defined below) pursuant to the 2021 H Share Incentive Scheme is not permitted under the laws and regulations (including the relevant PRC laws and the Listing Rules) or where, in the view of the Board or the Delegatee (as defined below), in compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the 2021 H Share Incentive Scheme and such individual shall therefore be excluded therefrom (an "Eligible Participant").

(c) Awards

An award of H Shares (the "Award Share(s)") pursuant to the 2021 H Share Incentive Scheme (the "Award(s)") granted by the Board to participants ("Selected Participant(s)") who are Eligible Participants. In determining the Selected Participants, the Board may take into consideration matters including the present and expected contribution of the relevant Selected Participant to the Group. A grant shall be made by an Award letter to each Selected Participant, specifying the Grant Date, the manner of acceptance of the Award, the value of the Award and/or number of Award Shares underlying the Award (with the basis on which the number of Award Shares underlying the Award is arrived at), the vesting criteria and conditions, and the Vesting Date and such other details as might be required. Any price to be paid in relation to the grant shall be determined by the Delegatee with the authorization of the Board at their discretion. The Selected Participants may be required to pay a specific per Award Share amount at the time of grant (or at such other time) as stipulated in the grant letter for each Award.

Management Discussion and Analysis (Continued)

(d) Term

Subject to any early termination of the 2021 H Share Incentive Scheme pursuant to its rules, the 2021 H Share Incentive Scheme shall be valid and effective for 10 years commencing from November 1, 2021 (after which no Awards shall be granted), and thereafter for so long as there are non-vested Award Shares granted under the 2021 H Share Incentive Scheme prior to the expiration of the 2021 H Share Incentive Scheme, in order to give effect to the vesting of such Award Shares. The remaining life of the scheme is approximately 6.5 years.

(e) Vesting

The Board or the Delegatee may determine the vesting criteria and conditions or periods for the Awards to be vested.

(A) Vesting Schedule

Unless otherwise specified in an Award letter, and subject to the vesting conditions set out in the 2021 H Share Incentive Scheme rules, two types of Awards may generally be granted, (i) 3-year Awards shall be vested in three installments commencing from June 30 of the following year (in relation to Awards of not more than 3,000,000 H Shares); and (ii) 1-year Awards shall be granted on or before June 30 of a year and vested by the end of the year (300,000 H Shares may be granted each year during the life of the 2021 H Share Incentive Scheme). The specific commencement and duration of each vesting period and the actual vesting amount of the Award granted to a Selected Participant for the respective vesting periods shall be specified in the Award Letter approved by the Board or the Delegatee.

The vesting periods of the Awards granted under the 2021 H Share Incentive Scheme or the Awards to be satisfied by the application of any Award Shares which were not vested and/or are lapsed, canceled or forfeited shall be determined by the Board or the Delegatee in its sole and absolute discretion, and shall in any event not extend beyond the then remaining term of the Award Period at the time of grant.

(B) Vesting Conditions

Vesting of the Award granted under the 2021 H Share Incentive Scheme is subject to the conditions of the performance indicators of the Company and any other applicable vesting conditions (such as payment of a vesting amount by the Selected Participant) as set out in the Award letter.

The details of the performance indicators of the Company (if any) shall be determined by the Board or the Delegatee from time to time with reference to the business performance and financial condition of the Company and the then market conditions and shall be set out in the Award letter. If the Selected Participant fails to fulfil the vesting conditions applicable to the relevant Awards, all the Award Shares underlying the relevant Awards which may otherwise be vested during the respective Vesting Periods shall not be vested and become immediately forfeited with respect to such Selected Participant.

The Trustee (as defined below) shall be instructed to release the Award Shares to a Selected Participant upon satisfaction of the conditions on the applicable vesting date.

Management Discussion and Analysis (Continued)

(f) Restriction on Grant of Awards

No grant of any Award Shares to any Selected Participant may be made and no directions or recommendations shall be given to the Trustee (as defined below) with respect to a grant of an Award under certain circumstances including:

- (i) where the requisite approval from any applicable regulatory authorities or Shareholders has not been granted;
- (ii) where any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Award or the 2021 H Share Incentive Scheme;
- (iii) where such Award would result in a breach by any member of the Group or its directors of any applicable securities laws, rules or regulations in any jurisdiction;
- (iv) where such grant of Award would result in a breach of the 2021 H Share Incentive Scheme Limit;
- (v) after the expiry of the Award period or after the earlier termination of the 2021 H Share Incentive Scheme;
- (vi) where any Director is in possession of unpublished inside information (as defined under the SFO) in relation to the Company or where any Director reasonably believes there is inside information which must be disclosed pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO or where dealings by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations;
- (vii) during the period of 60 days immediately preceding the publication date of the annual results of the Group or, if shorter, the period from the end of the relevant financial year up to the publication date of such results; and
- (viii) during the period of 30 days immediately preceding the publication date of the quarterly or half-year results of the Group or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of such results.

Management Discussion and Analysis (Continued)

(g) General and Maximum Limit

The maximum number of H Shares which may be granted under the 2021 H Share Incentive Scheme is 3,000,000 H Shares, representing approximately 9.5% and 7.7% of the Company's H Shares and total issued share capital as of the date of this report, respectively. As of January 1, 2025 and June 30, 2025, the total number of Shares available to be awarded under the 2021 H Share Incentive Scheme is 1,982,600 Shares and 1,937,700 Shares, respectively. Awards under the 2021 H Share Incentive Scheme shall be granted in accordance with the applicable Listing Rules and each Selected Participant shall not have unvested Awards exceeding 1% of the Company's issued share capital at the relevant time.

The 2021 H Share Incentive Scheme is administered by the Board, the management committee of the 2021 H Share Incentive Scheme or any other person or committee as the Board may delegate (a "Delegatee"). A trustee (the "Trustee") has been appointed by the Company for the purpose of administering the trust underlying the 2021 H Share Incentive Scheme, who shall, amongst other things, acquire H Shares to be granted to Selected Participants through on-market transactions at the prevailing market price in accordance with the instructions of the Company and the relevant provisions of the 2021 H Share Incentive Scheme rules. No new H Shares may be allotted and issued pursuant to the 2021 H Share Incentive Scheme. Neither the Selected Participant nor the Trustee may exercise any voting rights attached to any H Shares held by the Trustee under the Trust (including any Award Shares that have not yet vested).

Set for below are particulars of the Awards granted pursuant to the 2021 H Share Incentive Scheme:

	Date of grant	Number of awards					As of June 30, 2025
		As of January 1, 2025	Granted during the Reporting Period	Exercised and/ or vested during the Reporting Period	Cancelled during the Reporting Period	Forfeited/ lapsed during the Reporting Period	
Mr. Wei Jiawei	June 7, 2024 ⁽³⁾	240,000	—	—	—	—	240,000
Other employees of the Group	January 1, 2022 ⁽¹⁾	—	—	—	—	—	—
	June 30, 2023 ⁽²⁾	32,600	—	—	—	8,000	24,600
	June 7, 2024 ⁽³⁾	615,000	—	—	—	—	615,000
	June 30, 2025 ⁽⁴⁾	—	52,900	—	—	—	52,900
Sub-total		887,600	52,900	—	—	8,000	932,500
<i>Five highest paid employees (including Directors)</i>	June 7, 2024 ⁽³⁾	630,000	—	—	—	—	630,000

Notes:

- (1) Subject to vesting conditions including fulfilment of the grantee's individual performance target of achieving a B grading or above for all personal evaluations between the date of grant and vesting, 100% of Awards granted to each grantee have been vested and awarded on December 31, 2024.
- (2) The Awards were granted on June 30, 2023. Subject to vesting conditions including fulfilment of the grantee's individual performance target of achieving a B grading or above for all personal evaluations between the date of grant and vesting and each Grantee is required to pay RMB22 per Share at a time to be agreed with the Company, 100% of Awards granted to each grantee shall be vested and awarded on December 31, 2025.

Management Discussion and Analysis (Continued)

- (3) The Awards granted during the Reporting Period was granted on June 7, 2024, and the closing price of the Shares immediately before the grant date was HK\$18.0 per Share. No consideration is payable by the grantees for the acceptance of the Awards. The fair value representing the Award granted were approximately RMB13.3 million (RMB15.37 each) based on the accounting standards and policies as set for in the Company's annual report. There are two types of Awards, (i) 1-year period vesting Awards, granting 13,300 awarded Shares to the grantees, and (ii) 3-year period vesting Awards, granting 855,000 awarded Shares to the grantees. The vesting conditions of the two types of Awards are (i) for the 1-year period vesting Awards, fulfilment of the grantee's individual performance target of achieving an A grading or above for all personal evaluations in the assessment year immediately prior to the date of grant, 100% of Awards granted to each grantee have been vested and awarded on December 31, 2024; and (ii) for the 3-year period vesting Awards, fulfilment of the grantee's performance target of each year, up to 30% of the Awards shall be vested and awarded on June 30, 2026 and with the rest of the awards vested and awarded on June 30, 2027.
- (4) The Awards granted during the Reporting Period was granted on June 30, 2025, and the closing price of the Shares immediately before the grant date was HK\$37.55 per Share. No consideration is payable by the grantees for the acceptance of the Awards. The fair value representing the Award granted were approximately RMB1.9 million (RMB35.11 each) based on the accounting standards and policies as set for in the Company's annual report. There are two types of Awards, (i) 1-year period vesting Awards, granting 7,900 awarded Shares to the grantees, and (ii) 3-year period vesting Awards, granting 45,000 awarded Shares to the grantees. The vesting conditions of the two types of Awards are (i) for the 1-year period vesting Awards, fulfilment of the grantee's individual performance target of achieving an A grading or above for all personal evaluations in the assessment year immediately prior to the date of grant, 100% of Awards granted to each grantee shall be vested and awarded on December 31, 2025; and (ii) for the 3-year period vesting Awards, fulfilment of the grantee's performance target of each year, up to 20%, 30% and 50% of Awards granted to each grantee shall be vested and awarded on June 30, 2026, June 30, 2027 and June 30, 2028, respectively.

The 2025 H Share Incentive Scheme

The Shareholders have adopted the 2025 H Share Incentive Scheme by a special resolution on May 26, 2025. The 2025 H Share Incentive Scheme is subject to Chapter 17 of the Listing Rules. The following is a summary of the principal terms of the 2025 H Share Incentive Scheme. Please refer to the Company's announcement and circular, both dated May 7, 2025 for further information. Unless otherwise defined, capitalized terms used in this section shall have the meaning as prescribed in this section.

(a) Purpose of the 2025 H Share Incentive Scheme

The purposes of the 2025 H Share Incentive Scheme are (i) to attract and retain employees whose contributions are important to the long-term growth and success of the Group, to recognize and reward employees for their past contribution to the Group; (ii) to encourage employees to further contribute to the Company and work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole; (iii) to enhance the Company's long-term remuneration incentive strategy; and (iv) to align the interests of the employees with those of the Company and the Shareholders to promote the long-term performance (whether in financial, business and operational aspects) of the Group.

(b) Participants

Any individual who is a Director, Supervisor, employee (including full-time employees and part-time employees) of the Group; however, no individual who is resident in a place where the grant of an Award Share (as defined below) and/or the vesting and transfer of the Award Shares pursuant to the terms of the 2025 H Share Incentive Scheme is not permitted under the laws and regulations (including the relevant PRC laws and the Listing Rules) or where, in the view of the Board and/or its authorized persons, in compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the 2025 H Share Incentive Scheme and such individual shall therefore be excluded therefrom (an "Eligible Participant").

Management Discussion and Analysis (Continued)

(c) Awards

An award of H Shares (the “Award Share(s)”) pursuant to the 2025 H Share Incentive Scheme (the “Award(s)”) may, from time to time, be granted by the Board to participants (“Selected Participant(s)”) who are Eligible Participants. In determining the Selected Participants, the Board may take into consideration matters including the individual performance, time commitment, individual contribution to the Group, etc, subject to the terms and conditions of the 2025 H Share Incentive Scheme, in its absolute discretion, consider and select the Selected Participant. A grant shall be made by a letter of grant (“Letter of Grant”) to each Selected Participant, specifying the Grant Date, the manner of acceptance of the Award, the value of the Award and/or number of Award Shares underlying the Award (with the basis on which the number of Award Shares underlying the Award is arrived at), the vesting criteria and conditions, and the vesting schedule and such other details as might be required. Any price to be paid in relation to the grant shall be determined by the Board and/or its authorized persons with the authorization of the Board at their discretion. The Selected Participants may be required to pay a specific per Award Share amount at the time of grant (or at such other time) as stipulated in the Letter of Grant for each Award.

(d) Term

Subject to any early termination of the 2025 H Share Incentive Scheme pursuant to its rules, the 2025 H Share Incentive Scheme shall be valid and effective for 10 years commencing from May 26, 2025 (after which no Awards shall be granted), and thereafter for so long as there are non-vested Award Shares granted under the 2025 H Share Incentive Scheme prior to the expiration of the 2025 H Share Incentive Scheme, in order to give effect to the vesting of such Award Shares. The remaining life of the scheme is approximately 9.5 years.

(e) Vesting

The Board and/or its authorized persons may determine the vesting criteria and conditions or periods for the Awards to be vested.

(A) Vesting Schedule

Unless otherwise specified in an Letter of Grant, and subject to the vesting conditions set out in the 2025 H Share Incentive Scheme rules, two types of Awards may generally be granted, (i) 3-year Awards shall be vested in three installments after the conclusion of the year 2025, 2026 and 2027 (in relation to Awards of not more than 1,000,000 H Shares and 3.17% of the Company’s issued H shares (excluding any treasury shares) as at May 26, 2025); and (ii) 1-year Awards shall be granted before June 30 of the respective year and vested by the end of the fiscal year (in relation to Awards of not more than 1,000,000 H Shares and 3.17% of the Company’s issued H shares (excluding any treasury shares) as at May 26, 2025). The specific commencement and duration of each vesting period and the actual vesting amount of the Award granted to a Selected Participant for the respective vesting periods shall be specified in the Letter of Grant approved by the Board and/or its authorized persons.

Management Discussion and Analysis (Continued)

The vesting periods of the Awards granted under the 2025 H Share Incentive Scheme or the Awards to be satisfied by the application of any Award Shares which were not vested and/or are lapsed shall not vest and shall expire immediately. Any outstanding Award Shares and related income that have not yet vested shall be forfeited immediately and shall not be regarded as utilized for the purpose of calculating the scheme mandate limit. Award Shares canceled shall be deemed to have been utilized for the purpose of calculating the scheme mandate limit.

(B) Vesting Conditions

Vesting of the Award granted under the 2025 H Share Incentive Scheme is subject to the conditions of the performance indicators of the Company and any other applicable vesting conditions (such as payment of a vesting amount by the Selected Participant) as set out in the Letter of Grant.

The details of the performance indicators of the Company (if any) shall be determined by the Board and/or its authorized persons from time to time with reference to the business performance and financial condition of the Company and the then market conditions and shall be set out in the Letter of Grant. If the Selected Participant fails to fulfil the vesting conditions applicable to the relevant Awards, all the Award Shares underlying the relevant Awards which may otherwise be vested during the respective Vesting Periods shall not be vested and become immediately forfeited with respect to such Selected Participant.

The Company will hold the treasury Shares in accordance with the Listing Rules and applicable PRC laws and regulations. Such treasury Shares will be transferred to the Selected Participant upon vesting of Award Shares, upon which the Shares transferred to the relevant Selected Participant will cease to be treasury Shares.

(f) Restriction on Grant of Awards

No grant of any Award Shares to any Selected Participant may be made with respect to a grant of an Award under certain circumstances including:

- (i) where the requisite approval from any applicable regulatory authorities or Shareholders has not been granted;
- (ii) where any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Award or the 2025 H Share Incentive Scheme;
- (iii) where such Award would result in a breach by any member of the Group or its directors of any applicable securities laws, rules or regulations in any jurisdiction;
- (iv) where such grant of Award would result in a breach of the 2025 H Share Incentive Scheme mandate limit;
- (v) after the expiry of the Award period or after the earlier termination of the 2025 H Share Incentive Scheme;

Management Discussion and Analysis (Continued)

- (vi) where any Director is in possession of unpublished inside information (as defined under the SFO) in relation to the Company or where any Director reasonably believes there is inside information which must be disclosed pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO or where dealings by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations;
- (vii) during the period of 30 days immediately preceding the publication date of the annual results of the Group or, if shorter, the period from the end of the relevant financial year up to the publication date of such results;
- (viii) during the period of 30 days immediately preceding the publication date of the quarterly or half-year results of the Group or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of such results; and
- (ix) (If the Selected Participant is a Director (other than an independent non-executive Director), Supervisor or principal executive of the Company, during a period of 60 days immediately prior to the publication date of the annual results of any financial period of the Company, during a period of 30 days immediately prior to the publication date of the interim results of any financial period of the Company, or, if shorter, the period from the end of the relevant financial period to the publication date of the results.

(g) General and Maximum Limit

The maximum number of H Shares which may be granted under the 2025 H Share Incentive Scheme is 1,000,000 H Shares, representing approximately 3.2% and 2.6% of the Company's H Shares and total issued share capital as of the date of this report, respectively. As of June 30, 2025, no Award Shares have been granted and the total number of Shares available to be awarded under the 2025 H Share Incentive Scheme is 1,000,000 Shares. Awards under the 2025 H Share Incentive Scheme shall be granted in accordance with the applicable Listing Rules and each Selected Participant shall not have unvested Awards exceeding 1% of the Company's issued share capital at the relevant time.

The 2025 H Share Incentive Scheme is administered by the Board and/or its authorized persons. No new H Shares may be allotted and issued pursuant to the 2025 H Share Incentive Scheme. Only treasury Shares are utilized as Award Shares, and there will be no on-market or off-market purchase of existing H Shares for the 2025 H Share Incentive Scheme. For any Award Shares that have not yet vested (treasury Shares deposited with CCASS), neither the Selected Participant nor the broker may exercise any voting rights attached to any H Shares.

Since May 26, 2025 and as at June 30, 2025, under the 2025 H Share Incentive Scheme, no Award has been granted and no Award has been lapsed, canceled or exercised.

Corporate Governance and Other Information

INTERIM DIVIDEND

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

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding dealings in the securities of the Company by the Directors, Supervisors and the Group's senior management who, because of their office or employment, are likely to possess inside information in relation to the Company or its securities.

Upon specific enquiry, all Directors and Supervisors confirmed that they have complied with the Model Code during the Reporting Period. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group during the Reporting Period.

CORPORATE GOVERNANCE PRACTICES

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the shareholders of the Company as a whole. The Company has adopted the code provisions as set out in the CG Code as its own code to govern its corporate governance practices. Except for code provision C.2.1 set out below, in the opinion of the Directors, the Company has complied with all the code provisions as set out in Part 2 of the CG Code during the Reporting Period.

Under code provision C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Wang Guohui is the chairman of the Board and chief executive officer of the Company. With extensive experience in the medical devices industry and having served in the Company as the general manager since the very early stage of our Company, Mr. Wang is in charge of overall management of the Company. Despite the fact that the roles of our chairman of the Board and our chief executive officer are both performed by Mr. Wang which constitutes a deviation from code provision C.2.1 of Part 2 of the CG Code, the Board considers that vesting the roles of both chairman of the Board and chief executive officer all in Mr. Wang has the benefit of ensuring consistent leadership and more effective and efficient overall strategic planning of the Company. The balance of power and authority is ensured by the operation of our Board, which comprises experienced and diverse individuals. The Board currently comprises three non-executive Directors and three independent non-executive Directors as compared to three executive Directors. Therefore, the Board possesses a strong independent element in its composition. The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

Corporate Governance and Other Information (Continued)

USE OF PROCEEDS FROM LISTING

The H Shares of the Company were first listed on the Main Board of the Stock Exchange on August 20, 2021. Net proceeds received from our Global Offering aggregated approximately HK\$1,014.8 million. Reference is made to the Company's prospectus dated August 10, 2021.

Details of the planned applications of net proceeds from the Listing were disclosed in the Prospectus. As at June 30, 2025, the utilization of the net proceeds from the Global Offering are as follows:

Use of proceeds	Planned applications (HK\$ million)	Actual utilization as at December 31, 2024 (HK\$ million)	Balance as at January 1, 2025 (HK\$ million)	Utilization during the Reporting Period (HK\$ million)	Actual utilization as at June 30, 2025 (HK\$ million)	Balance as at June 30, 2025 (HK\$ million)	Expected timeline for full utilization of the unutilized net proceeds ⁽¹⁾
R&D, manufacturing and marketing of our core products	459.7	351.7	108.0	41.5	393.2	66.5	December 31, 2026
R&D, product registration, manufacturing and marketing of other product candidates in our pipeline	404.9	270.5	134.4	15.5	286.0	118.9	December 31, 2026
Improvements to our R&D capacities and our continued expansion of product portfolio through internal research	48.7	48.7	—	—	48.7	—	—
Working capital and general corporate purposes	101.5	101.5	—	—	101.5	—	—
Total	1,014.8	772.4	242.4	57.0	829.4	185.4	

Note:

- The expected timeline to use the remaining proceeds is prepared based on the best estimate made by the Group, which is subject to change according to the current and future development of the market condition.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company, or the laws of the PRC, which would oblige the Company to offer new shares of the Company on a pro-rata basis to its existing shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) during the six months ended June 30, 2025.

As of June 30, 2025, there are no treasury shares as defined under Listing Rules held by the Company. Treasury shares presented notes to the interim condensed consolidated financial information includes shares acquired by trustees of trusts set up in connection with share incentive schemes of the Group, and does not fall within the meaning of "treasury shares" under the Listing Rules.

Corporate Governance and Other Information (Continued)

REVIEW OF INTERIM RESULTS AND INTERIM REPORT

The Audit Committee currently has three members comprising two independent non-executive Directors, being Mr. Gong Ping (chairman) and Mr. Feng Xiangqian, and one non-executive Director, being Mr. Ding Kui, with terms of reference in compliance with Rule 3.21 of the Listing Rules. The Audit Committee has considered and reviewed the accounting principles and practices adopted by the Group and has discussed matters in relation to internal controls, risk management and financial reporting with the management, including the review of the unaudited condensed consolidated interim financial results and the interim report of the Group for the six months ended June 30, 2025.

The Audit Committee, together with the management of the Company, considers that the interim financial results for the six months ended June 30, 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

CHANGES IN THE BOARD AND THE DIRECTORS & SUPERVISORS' INFORMATION

Changes in the Board and the information of Directors and Supervisors up to the date of this interim report are as follows:

Mr. Wang Guohui ceased to be a member of the Nomination Committee with effect from March 27, 2025.

Ms. Zhang Kun ceased to serve as the deputy general manager of the Company with effect from March 27, 2025; and was appointed as a member of the Nomination Committee on the same date.

Mr. Xue Zongyu ceased to serve as an employee representative supervisor with effect from March 27, 2025.

Mr. Liu Baiwei was appointed to serve as an employee representative supervisor with effect from March 27, 2025; and ceased to serve as an employee representative supervisor with effect from July 25, 2025.

Ms. Jiang Xue was appointed as the chairwoman of the Supervisory Committee with effect from July 25, 2025.

Mr. Liu Hongbao was appointed to serve as an employee representative supervisor with effect from July 25, 2025.

Mr. Chen Gang no longer serves as a non-executive director of Beijing Angeen Biotechnology Co., Ltd. (北京安智因生物技术有限公司) since September 2024 and MediLink Therapeutics (Suzhou) Co., Ltd. (蘇州宜聯生物醫藥有限公司) since July 2025.

In addition, reference is made to the Company's announcement dated March 6, 2025 in connection to an regulatory announcement made by the Stock Exchange in connection with Mr. Guo Shaomu in his capacity as an independent non-executive director of another company listed on the Main Board of the Stock Exchange. For further details, please refer to the announcement of the Company dated March 6, 2025.

Save as disclosed above, there was no change in the Board and the information of Directors and Supervisors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Corporate Governance and Other Information (Continued)

CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE LISTING RULES

As at the date of this interim report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at June 30, 2025, the interests and short positions of the Directors, the Supervisors and chief executive 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) (i) which were 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 were taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register maintained by the Company, or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Interests of directors, supervisors and chief executive in the Company

Name of Director/ Supervisor/Chief Executive	Class of Shares	Capacity	Number of Securities/ Nature of Shares Held	Approximate Percentage of Shareholding in Total Issued Share Capital of the Company	Approximate Percentage of Shareholding in Relevant Class of Shares
Wang Guohui ⁽¹⁾	Unlisted Shares	Beneficial Owner and Interest in controlled corporation	3,188,110/ Long Position	8.21%	43.86%
	H Shares		6,712,254/ Long Position	17.28%	21.26%
Ding Kui ⁽²⁾	Unlisted Shares	Beneficial Owner and Interest of Spouse	782,908/ Long Position	2.02%	10.77%
	H Shares		3,636,813/ Long Position	9.36%	11.52%
Zhang Kun ⁽³⁾	Unlisted Shares	Beneficial owner and Interest of Spouse	1,566,488/ Long Position	4.03%	21.55%
	H Shares		1,566,488/ Long Position	4.03%	4.96%
Wei Jiawei ⁽⁴⁾	H Shares	Beneficial Owner	240,000/ Long Position	0.62%	0.76%
Jiang Xue ⁽⁵⁾	H Shares	Beneficial Owner	5,000/ Long Position	0.01%	0.02%

Notes:

- (1) Mr. Wang Guohui directly holds 1,915,690 Unlisted Shares and 1,915,690 H Shares. Mr. Wang acts as the general partner of Ningbo Weizheng Self-Owned Capital Investment Partnership (LP) (寧波瑋鉦自有資金投資合夥企業(有限合夥)) ("Weizheng Investment") and Shanghai Zandaqian Enterprise Management Consulting Center (上海贊大乾企業管理諮詢中心) ("Shanghai Zandaqian") acts as the general partner of Ningbo Meishan Bonded Port Area Kaiyuan Investment Management Partnership (LP) (寧波梅山保稅港區楷遠投資管理合夥企業(有限合夥)) ("Kaiyuan Investment"), Ningbo Weiyun Self-Owned Capital Investment Partnership (LP) (寧波瑋鉦自有資金投資合夥企業(有限合夥)) ("Weiyun Investment") and Ningbo Weiyu Self-Owned Capital Investment Partnership (LP) (寧波瑋鉦自有資金投資合夥企業(有限合夥)) ("Weiyu Investment"). Shanghai Zandaqian is a sole proprietorship wholly owned by Mr. Wang. By virtue of the SFO, Mr. Wang Guohui is deemed to be interested in the Shares in which Weizheng Investment, Kaiyuan Investment, Weiyu Investment and Weiyun Investment are interested in and Shanghai Zandaqian is deemed to be interested in the Shares in which Kaiyuan Investment, Weiyu Investment and Weiyun Investment are interested in.

Corporate Governance and Other Information (Continued)

- (2) Mr. Ding Kui directly holds 782,908 Unlisted Shares and 782,908 H Shares. Mr. Ding is also deemed to be interested in the 2,853,905 H Shares held by Wisary Limited, an entity controlled by his spouse, Ms. Li Jun.
- (3) Ningbo Tongchuangsuwei Investment Partnership (LP) (寧波同創速維投資合夥企業(有限合夥)) (“Tongchuangsuwei”) directly holds 869,330 Unlisted Shares and 869,330 H Shares. Ms. Zhang Kun directly holds 697,158 Unlisted Shares and 697,158 H Shares. Mr. Chai Yanpeng, as the general partner of Tongchuangsuwei, is the spouse of Ms. Zhang Kun. By virtue of the SFO, Mr. Chai Yanpeng is deemed to be interested in the Shares in which Ms. Zhang Kun and Tongchuangsuwei is interested in and Ms. Zhang Kun is deemed to be interested in the Shares in which Mr. Chai Yanpeng is interested in.
- (4) Mr. Wei Jiawei is interested in 240,000 award shares granted to him pursuant to the Company’s 2021 H Share Incentive Scheme which shall be vested in accordance with the terms of the grant between June 30, 2026 to June 30, 2027.
- (5) Ms. Jiang Xue is interested in 5,000 award shares granted to her pursuant to the Company’s 2021 H Share Incentive Scheme which shall be vested in accordance with the terms of the grant on December 31, 2025.

Save as disclosed above and to the best knowledge of the Directors, the Supervisors and chief executive of the Company, as at June 30, 2025, none of the Directors, the Supervisors or chief executive of the Company has any interests and/or short positions in the shares, underlying shares or debentures of the Company or its associated corporations, which were 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 are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

Corporate Governance and Other Information (Continued)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND OR/SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

As at June 30, 2025, to the best knowledge of the Directors, the following persons (not being a Director, a Supervisor, or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company, which would be required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Shareholders	Class of Shares	Capacity	Number of Securities/ Nature of Shares Held	Approximate Percentage of Shareholding in Total Issued Share Capital of the Company	Approximate Percentage of Shareholding in Relevant Class of Shares
Ms. Zhang Yanxia ⁽¹⁾	Unlisted Shares	Interest of spouse	3,188,110/ Long Position	8.21%	43.86%
	H Shares		6,712,254/ Long Position	17.28%	21.26%
Shanghai Zandaqian Enterprise Management Consulting Center ⁽²⁾	Unlisted Shares	Interest in controlled corporation	496,183/ Long Position	1.28%	6.83%
	H Shares		4,087,370/ Long Position	10.53%	12.95%
Ningbo Weizheng Self-Owned Capital Investment Partnership (LP) ⁽²⁾	Unlisted Shares	Beneficial owner	776,237/ Long Position	2.00%	10.68%
	H Shares		709,194/ Long Position	1.83%	2.25%
Ningbo Meishan Bonded Port Area Kaiyuan Investment Management Partnership (LP) ⁽²⁾	H Shares	Beneficial owner	1,277,192/ Long Position	3.29%	4.05%
Ningbo Weiyu Self-Owned Capital Investment Partnership (LP) ⁽²⁾	Unlisted Shares	Beneficial owner	496,183/ Long Position	1.28%	6.83%
	H Shares		486,178/ Long Position	1.25%	1.54%
Ningbo Weiyun Self-Owned Capital Investment Partnership (LP) ⁽²⁾	H Shares	Beneficial owner	2,324,000/ Long Position	5.98%	7.36%
Mr. Chai Yanpeng ⁽³⁾	Unlisted Shares	Interest in controlled corporation	1,566,488/ Long Position	4.03%	21.55%
	H Shares	and Interest of spouse	1,566,488/ Long Position	4.03%	4.96%
Ningbo Tongchuangsuwei Investment Partnership (LP) ⁽³⁾	Unlisted Shares	Beneficial owner	869,330/ Long Position	2.24%	11.96%
	H Shares		869,330/ Long Position	2.24%	2.75%

Corporate Governance and Other Information (Continued)

Name of Shareholders	Class of Shares	Capacity	Number of Securities/ Nature of Shares Held	Approximate Percentage of Shareholding in Total Issued Share Capital of the Company	Approximate Percentage of Shareholding in Relevant Class of Shares
SDIC Unity Capital	Unlisted Shares	Beneficial owner	906,220/ Long Position	2.33%	12.47%
National Emerging Industry Venture Capital Guiding Fund (LP) ⁽⁴⁾	H Shares		906,220/ Long Position	2.33%	2.87%
Temasek Life Sciences Private Limited ⁽⁵⁾	H Shares	Interest in controlled corporation	1,627,907/ Long Position	4.19%	5.16%
Fullerton Management Pte Ltd. ⁽⁵⁾	H Shares	Interest in controlled corporation	1,627,907/ Long Position	4.19%	5.16%
Temasek Holdings (Private) Limited ⁽⁵⁾	H Shares	Interest in controlled corporation	1,767,907/ Long Position	4.55%	5.60%
LYFE Columbia River Limited ⁽⁶⁾	Unlisted Shares	Beneficial owner	152,599/ Long Position	0.39%	2.10%
	H Shares		2,899,373/ Long Position	7.47%	9.19%
LYFE Ohio River Limited ⁽⁶⁾	Unlisted Shares	Beneficial owner	49,147/ Long Position	0.13%	0.68%
	H Shares		933,784/ Long Position	2.40%	2.96%
Raritan River Limited ⁽⁶⁾	Unlisted Shares	Beneficial owner	65,116/ Long Position	0.17%	0.90%
	H Shares		1,237,210/ Long Position	3.19%	3.92%
LYFE Capital Fund III (Dragon), L.P. ⁽⁶⁾	Unlisted Shares	Beneficial owner and Interest	201,746/ Long Position	0.52%	2.77%
	H Shares	in controlled corporation	4,060,457/ Long Position	10.46%	12.86%
LYFE Capital Management Limited ⁽⁶⁾	Unlisted Shares	Interest in controlled corporation	266,862/ Long Position	0.69%	3.67%
	H Shares		5,297,667/ Long Position	13.64%	16.78%
Wisary Limited ⁽⁷⁾	H Shares	Beneficial owner	2,853,905/ Long Position	7.35%	9.04%

Corporate Governance and Other Information (Continued)

Notes:

- (1) Ms. Zhang Yanxia is the spouse of Mr. Wang. By virtue of the SFO, Ms. Zhang Yanxia is deemed to be interested in the Shares in which Mr. Wang is interested in.
- (2) Mr. Wang Guohui directly holds 1,915,690 Unlisted Shares and 1,915,690 H Shares. Mr. Wang Guohui acts as the general partner of Weizheng Investment and Shanghai Zandaqian acts as the general partner of Kaiyuan Investment, Weiyun Investment and Weiyu Investment. Shanghai Zandaqian is a sole proprietorship wholly owned by Mr. Wang. By virtue of the SFO, Mr. Wang is deemed to be interested in the Shares in which Weizheng Investment, Kaiyuan Investment, Weiyu Investment and Weiyun Investment are interested in and Shanghai Zandaqian is deemed to be interested in the Shares in which Kaiyuan Investment, Weiyu Investment and Weiyun Investment are interested in.
- (3) Tongchuangsuwei directly holds 869,330 Unlisted Shares and 869,330 H Shares. Ms. Zhang Kun directly holds 697,158 Unlisted Shares and 697,158 H Shares. Mr. Chai Yanpeng, as the general partner of Tongchuangsuwei, is the spouse of Ms. Zhang Kun. By virtue of the SFO, Mr. Chai Yanpeng is deemed to be interested in the Shares in which Ms. Zhang Kun and Tongchuangsuwei is interested in and Ms. Zhang Kun is deemed to be interested in the Shares in which Mr. Chai Yanpeng is interested in.
- (4) SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (LP) (國投創合國家新興產業創業投資引導基金(有限合夥)) ("SDIC Unity Capital") directly holds 906,220 Unlisted Shares and 906,220 H Shares. SDIC Unity Capital is a limited partnership incorporated in the PRC, whose general partner is SDIC Unity Capital Corporation Limited (國投創合基金管理有限公司). State Development and Hi-tech Investment Corp. (國投高科技投資有限公司), a wholly-owned subsidiary of China SDIC Gaoxin Industrial Investment Corp., Ltd. (中國國投高新產業投資有限公司), which is in turn controlled by State Development & Investment Corporation (國家開發投資集團有限公司) is a substantial shareholder of SDIC Unity Capital.
- (5) Elbrus Investments Pte. Ltd. ("Elbrus") directly holds 1,627,907 H Shares. Elbrus is a wholly-owned subsidiary of Temasek Life Sciences Private Limited, which is in turn a wholly-owned subsidiary of Fullerton Management Pte Ltd, which is a wholly-owned subsidiary of Temasek Holdings (Private) Limited. By virtue of the SFO, Temasek Life Sciences Private Limited, Fullerton Management Pte Ltd and Temasek Holdings (Private) Limited are deemed to be interested in the 1,627,907 H Shares held by Elbrus. Aranda Investments Pte. Ltd. holds 140,000 H shares, which is controlled by Seletar Investments Pte Ltd. Seletar Investments Pte Ltd is controlled by Temasek Capital (Private) Limited. By virtue of the SFO, Temasek Capital (Private) Limited is deemed to be interested in the 140,000 H shares held by Aranda Investments Pte. Ltd.
- (6) LYFE Columbia River Limited ("LYFE Columbia") directly holds 152,599 Unlisted Shares and 2,899,373 H Shares. LYFE Ohio River Limited ("LYFE Ohio") directly holds 49,147 Unlisted Shares and 933,784 H Shares. Raritan River directly holds 65,116 Unlisted Shares and 1,237,210 H Shares. LYFE Capital Fund III (Dragon), L.P. directly holds 227,300 H shares. LYFE Columbia and LYFE Ohio are controlled by LYFE Capital Fund III (Dragon), L.P., which was in turn controlled by LYFE Capital Management Limited. Raritan River Limited ("Raritan River") is controlled by LYFE Capital Management Limited, which is ultimately controlled by Mr. Zhao Jin (趙晉), an Independent Third Party. By virtue of the SFO, LYFE Capital Fund III (Dragon), L.P., is deemed to be interested in the Shares held by LYFE Columbia and LYFE Ohio while LYFE Capital Management Limited is deemed to be interested in the Shares held by LYFE Columbia, LYFE Ohio and Raritan River.
- (7) Wisary Limited is controlled by Ms. Li Jun, the spouse of Mr. Ding Kui (an non-executive Director).

Save as disclosed above, as of June 30, 2025, the Directors were not aware of any persons (other than the Directors, the Supervisors or chief executive of the Company) who had interests and/or short positions in the shares or underlying Shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which are required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Corporate Governance and Other Information (Continued)

SUBSEQUENT EVENT AFTER THE REPORTING PERIOD

The Company proposes to apply RMB575,082,245.74 in its capital reserve to offset its accumulated loss, which is subject to approval at the second extraordinary general meeting to be held on August 29, 2025. For further details, please refer to the circular of the Company dated August 1, 2025.

Save as disclosed above, there is no material subsequent event undertaken by the Company or by the Group after the Reporting Period and up to the date of this interim report.

By Order of the Board

Shanghai HeartCare Medical Technology Corporation Limited

Mr. WANG Guohui

Chairman and executive Director

Shanghai, the People's Republic of China, August 29, 2025

Independent Review Report



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To the board of directors of Shanghai Heartcare Medical Technology Corporation Limited

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

Introduction

We have reviewed the interim financial information set out on pages 33 to 49, which comprises the condensed consolidated statement of financial position of Shanghai Heartcare Medical Technology Corporation Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2025 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young

Certified Public Accountants

Hong Kong

29 August 2025

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
REVENUE	5	185,522	128,484
Cost of sales		(58,923)	(46,203)
Gross profit		126,599	82,281
Other income and gains	5	28,439	9,036
Other expenses		(15,542)	(4,348)
Research and development costs		(20,618)	(31,752)
Administrative expenses		(28,231)	(27,005)
Selling and distribution expenses		(40,498)	(30,515)
Finance costs	6	(1,138)	(895)
PROFIT/(LOSS) BEFORE TAX	7	49,011	(3,198)
Income tax credit/(expense)	8	1,927	(1,921)
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD		50,938	(5,119)
Attributable to:			
Owners of the parent		50,938	(5,119)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	10		
Basic			
— For profit/(loss) for the period (RMB)		1.34	(0.14)
Diluted			
— For profit/(loss) for the period (RMB)		1.32	(0.14)

Interim Condensed Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT ASSETS			
Plant and equipment	11	50,443	52,568
Right-of-use assets		35,898	65,190
Goodwill		9,711	9,711
Other intangible assets		32,494	33,566
Prepayments, other receivables and other assets, non-current		7,263	9,986
Financial assets at fair value through profit or loss, non-current	13	66,928	9,474
Deferred tax assets		4,115	1,956
Investment in an associate		—	—
Total non-current assets		206,852	182,451
CURRENT ASSETS			
Inventories		154,917	171,114
Trade receivables	12	104,069	94,713
Prepayments, other receivables and other assets, current		65,199	35,785
Financial assets at fair value through profit or loss ("FVTPL")	13	172,986	111,815
Restricted cash		3,214	8,466
Cash and bank balances		545,218	601,905
Total current assets		1,045,603	1,023,798
CURRENT LIABILITIES			
Trade and other payables	14	58,407	74,441
Lease liabilities, current		7,195	7,669
Contract liabilities		2,076	315
Total current liabilities		67,678	82,425
NET CURRENT ASSETS		977,925	941,373
TOTAL ASSETS LESS CURRENT LIABILITIES		1,184,777	1,123,824

Interim Condensed Consolidated Statement of Financial Position (Continued)

30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Lease liabilities, non-current		38,715	28,079
Government grants		27,925	29,459
Deferred tax liabilities		3,460	4,038
Total non-current liabilities		70,100	61,576
Net assets		1,114,677	1,062,248
EQUITY			
Equity attributable to owners of the parent			
Share capital		38,834	38,834
Treasury shares	15	(45,452)	(45,452)
Reserves		1,121,295	1,068,866
Total equity		1,114,677	1,062,248

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Share capital RMB'000	Share premium RMB'000	Treasury shares RMB'000	Other reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2025 (audited)	38,834	1,549,727	(45,452)	173,941	(654,802)	1,062,248
Profit and total comprehensive income for the period (unaudited)	—	—	—	—	50,938	50,938
Equity-settled share award expense (unaudited)	—	—	—	1,491	—	1,491
At 30 June 2025 (unaudited)	38,834	1,549,727	(45,452)	175,432	(603,864)	1,114,677

	Share capital RMB'000	Share premium RMB'000	Treasury shares RMB'000	Other reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2024 (audited)	38,834	1,546,492	(48,999)	180,497	(641,180)	1,075,644
Loss and total comprehensive loss for the period (unaudited)	—	—	—	—	(5,119)	(5,119)
Equity-settled share award expense (unaudited)	—	—	—	1,784	—	1,784
Shares purchased under 2021 H Share Incentive Scheme (unaudited)	—	—	(2,329)	—	—	(2,329)
At 30 June 2024 (unaudited)	38,834	1,546,492	(51,328)	182,281	(646,299)	1,069,980

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before tax		49,011	(3,198)
Adjustments for:			
Finance costs	6	1,138	895
Impairment of trade receivables	7	75	587
Impairment of inventories	7	10,445	3,761
Interest income	5	(3,330)	(4,349)
Fair value gains on financial assets at FVTPL	5	(19,021)	(1,645)
Loss on disposal of plant and equipment	7	4,181	—
Gain on disposal of land use right	5	(726)	—
Depreciation of plant and equipment	7	8,047	10,071
Depreciation of right-of-use assets	7	3,464	3,503
Amortisation of other intangible assets	7	2,727	2,614
Income from government grants for plant and equipment		(1,535)	(2,268)
Equity-settled share award expense	7	1,491	1,784
Foreign exchange differences, net		442	(501)
		56,409	11,254
Decrease/(increase) in inventories		5,752	(8,227)
Increase in trade receivables		(9,430)	(8,707)
Decrease in prepayments, other receivables and other assets		2,517	13,451
Decrease in restricted cash		5,252	—
(Decrease)/increase in trade and other payables		(8,072)	2,838
Increase/(decrease) in contract liabilities		1,761	(1,386)
Cash generated from operations		54,189	9,223
Income tax paid		(551)	(424)
Net cash flows from operating activities		53,638	8,799

Interim Condensed Consolidated Statement of Cash Flows (Continued)

For the six months ended 30 June 2025

	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Placement of financial assets at FVTPL		(301,967)	(88,715)
Withdrawal of financial assets at FVTPL		202,363	73,326
Purchase of items of plant and equipment		(8,027)	(1,020)
Purchase of items of other intangible assets		(1,141)	(364)
Placement of time deposits		(95,000)	—
Withdrawal of time deposits		—	16,358
Interest received		3,110	4,621
Net cash flows (used in)/from investing activities		(200,662)	4,206
CASH FLOWS FROM FINANCING ACTIVITIES			
Shares purchased under 2021 H Share Incentive Scheme		—	(2,329)
Refund of advance payments for subscription of share awards granted		(176)	(768)
Rental deposits received/(paid)		300	(40)
Repayment of lease liabilities		(4,592)	(2,559)
Net cash flows used in financing activities		(4,468)	(5,696)
NET DECREASE/(INCREASE) IN CASH AND CASH EQUIVALENTS			
		(151,492)	7,309
Cash and cash equivalents at beginning of period		601,905	605,583
Effect of foreign exchange rate changes, net		(442)	454
CASH AND CASH EQUIVALENTS AT END OF PERIOD		449,971	613,346

Notes to Interim Condensed Consolidated Financial Information

June 30, 2025

1. CORPORATE INFORMATION

Shanghai Heartcare Medical Technology Corporation Limited (the “Company”) was incorporated in the People’s Republic of China (the “PRC”) on 16 June 2016 as a limited liability company. On 3 December 2020, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 20 August 2021. The registered office and the principal place of the Company is located at Building 38, No. 356, Zhengbo Road, Lingang New District, Pilot Free Trade Zone, Shanghai, the PRC.

The Company and its subsidiaries (the “Group”) are principally engaged in the research, development, manufacturing and sale of innovative medical devices.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

This interim condensed consolidated financial information is presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to IAS 21	<i>Lack of Exchangeability</i>
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The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2025

4. OPERATING SEGMENT INFORMATION

Segment information

For management purposes, the Group is not organised into business units based on their products and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

During the reporting period, most of the Group's revenue was derived from customers located in Mainland China and nearly all of the Group's non-current assets were located in Mainland China, and therefore no geographical segment information is presented in accordance with IFRS 8 *Operation Segments*.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<i>Revenue from contracts with customers</i>		
Sale of medical devices	185,307	128,484
Revenue from services provided	215	—
Total	185,522	128,484

Revenue from contracts with customers

Disaggregated revenue information

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Geographical markets		
Mainland China	180,864	125,081
Others	4,658	3,403
Total	185,522	128,484
Timing of revenue recognition		
Goods transferred at a point in time	185,307	128,484
Service provided at a point in time	215	—
Total	185,522	128,484

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2025

5. REVENUE, OTHER INCOME AND GAINS (Continued)

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Other income		
Interest income	3,330	4,349
Government grants	5,362	2,636
Total other income	8,692	6,985
Gains		
Foreign exchange gains, net	—	406
Gain on disposal of land use right	726	—
Fair value gains on financial assets at FVTPL	19,021	1,645
Total gains	19,747	2,051
Total other income and gains	28,439	9,036

6. FINANCE COSTS

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Interest on lease liabilities	1,138	895

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2025

7. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	Notes	For the six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cost of inventories sold		58,923	46,203
Research and development costs		20,618	31,752
Write-down of inventories to net realisable value		10,445	3,761
Impairment of trade receivables		75	587
Depreciation of plant and equipment		8,047	10,071
Depreciation of right-of-use assets		3,464	3,503
Amortisation of other intangible assets		2,727	2,614
Government grants	5	(5,362)	(2,636)
Interest income	5	(3,330)	(4,349)
Fair value gains on financial assets at FVTPL	5	(19,021)	(1,645)
Loss on disposal of plant and equipment		4,181	—
Gain on disposal of land use right	5	(726)	—
Lease payments not included in the measurement of lease liabilities		101	475
Auditors' remuneration		1,000	1,000
Employee benefit expenses			
— Independent non-executive directors' fees		320	317
— Wages, salaries and allowances		55,155	43,720
— Pension scheme contributions		5,164	4,379
— Staff welfare expenses		1,648	1,923
— Equity-settled share award expenses		1,491	1,784
		63,778	52,123
Foreign exchange loss/(gains), net	5	536	(406)

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2025

8. INCOME TAX

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current — Mainland China		
Charge for the period	810	—
Deferred	(2,737)	1,921
Total	(1,927)	1,921

Deferred tax assets have not been fully recognised in respect of these losses and temporary differences as it is not considered probable that taxable profits will be available against which the tax losses can be utilised in the foreseeable future.

9. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the six months ended 30 June 2025, nor has any dividend been proposed since the end of the reporting period (during the six months ended 30 June 2024: Nil).

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares outstanding for the six months ended 30 June 2025 and 2024.

No adjustment has been made to the basic loss per share amounts presented for the six months ended 30 June 2024 in respect of a dilution as the impact of the share award scheme had an anti-dilutive effect on the basic loss per share amounts presented.

The calculation of the diluted earnings per share amounts for the six months ended 30 June 2025 is based on the profit for the period attributable to ordinary equity holders of the parent, adjusted to reflect the share award scheme. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue outstanding during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed conversion of all dilutive potential ordinary shares into ordinary shares.

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2025

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Continued)

The calculations of basic and diluted earnings/(loss) per share are based on:

	For the six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Earnings/(Loss)		
Profit/(Loss) attributable to ordinary equity holders of the parent, used in the basic profit/(loss) per share calculation (RMB'000)	50,938	(5,119)
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings/(loss) per share calculation	37,881,408	37,771,501
Effect of dilution — weighted average number of ordinary shares: Share award scheme	682,471	—
Total	38,563,879	37,771,501

11. PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets at a cost of RMB10,616,885 (unaudited) (30 June 2024: RMB641,000 (unaudited)).

No asset was disposed of by the Group during the six months ended 30 June 2025. No asset was disposed of by the Group during the six months ended 30 June 2024.

12. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of each reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 6 months	104,069	94,713

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2025

13. FINANCIAL ASSETS AT FVTPL

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Current		
Financial products	172,986	111,815
Non-current		
Unlisted investments, at fair value	66,928	9,474
Total	239,914	121,289

The financial products represented wealth management products issued by banks in Mainland China with expected return rates ranged from 1.7% to 2.3% (2024: 2.7% to 4.7%) per annum.

The unlisted investments were mainly composed of an investment in an unlisted funds, an investment in the equity of an unlisted company and the derivative financial instruments containing the right to obtain shares of a company under certain conditions.

14. TRADE AND OTHER PAYABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade payables	14,070	16,916
Payroll payable	14,949	19,623
Accrued expenses	11,573	12,348
Advance payments received for subscription of share awards	541	717
Other tax payables	9,014	9,896
Other payables	8,260	14,941
Total	58,407	74,441

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2025

14. TRADE AND OTHER PAYABLES (Continued)

An ageing analysis of the trade payables as at the end of each reporting period, based on the invoice date, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 3 months	11,884	14,747
3 to 6 months	1,346	1,008
6 to 12 months	426	276
1 to 2 years	245	501
More than 2 years	169	384
Total	14,070	16,916

15. TREASURY SHARES

On 1 November 2021, shareholders of the Group approved the adoption of the 2021 H share incentive scheme (the "2021 H Share Incentive Scheme"). Pursuant to the 2021 H Share Incentive Scheme, no shares (30 June 2024: 98,100 shares) were purchased on the Hong Kong Stock Exchange by the trustee under the scheme during the six months ended 30 June 2025 (30 June 2024: at a total consideration of RMB2,329,000).

16. COMMITMENTS

The Group had the following capital commitments at the end of each reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Contracted, but not provided for:		
Construction in progress	2,005	124
Plant and machinery	98	557
Intangible assets	—	86
Total	2,103	767

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2025

17. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Wages, salaries and allowances	3,591	3,231
Pension scheme contributions	256	216
Independent non-executive directors' fees	320	317
Equity-settled share award expenses	1,436	357
Total	5,603	4,121

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair value

Management has assessed that the fair values of cash and bank balances, restricted cash, trade receivables, financial assets included in prepayments, other receivables and other assets (in the current portion), interest-bearing bank borrowing, financial liabilities included in trade and other payables and lease liabilities (in the current portion) approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the chief financial officer is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department reports directly to the chief financial officer. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the finance controller. The valuation process and results are discussed with the directors of the Company periodically for financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of financial assets included in prepayments, other receivables and other assets have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2025

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value (continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all required significant inputs to fair value of an instrument are observable, the instruments are included in Level 2. If one or more of the significant inputs are not based on observable market data, the instruments are included in Level 3.

The fair values of unlisted investments designated at fair value through profit or loss and derivative financial instruments are determined using market approach.

The Group invests in wealth management products issued by banks in Mainland China. The Group has estimated the fair value of these wealth management product by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2025

	Fair value measurement using			Total RMB'000 (Unaudited)
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	
Equity investments designated at fair value through profit or loss	—	—	10,566	10,566
Derivative financial instruments	—	—	9,601	9,601
Investments in unlisted funds	—	—	46,761	46,761
Financial products	—	172,986	—	172,986
Total	—	172,986	66,928	239,914

Notes to Interim Condensed Consolidated Financial Information (Continued)

30 June 2025

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (continued)

As at 31 December 2024

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1) RMB'000 (Audited)	Significant Observable Inputs (Level 2) RMB'000 (Audited)	Significant Unobservable Inputs (Level 3) RMB'000 (Audited)	
Equity investments designated at fair value through profit or loss	—	—	400	400
Derivative financial instruments	—	—	9,074	9,074
Financial products	—	111,815	—	111,815
Total	—	111,815	9,474	121,289

The Group did not have any financial liabilities measured at fair value as at 30 June 2025 and 31 December 2024.

For the six months ended 30 June 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (for the six months ended 30 June 2024: nil).

19. EVENTS AFTER THE REPORTING PERIOD

According to the circular released by the Company on 1 August 2025, the Company proposes to apply RMB575,082,245.74 in its capital reserve to offset its accumulated loss, which is subject to approval at the second extraordinary general meeting to be held on 29 August 2025.

20. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 29 August 2025.

Definitions

In this interim report, unless the context otherwise requires, the following expressions shall have the following meanings:

“2021 H Share Incentive Scheme”	the 2021 H Share Incentive Scheme adopted by the Company on November 1, 2021
“2025 H Share Incentive Scheme”	the 2025 H Share Incentive Scheme adopted by the Company on May 26, 2025
“Audit Committee”	the audit committee of the Board
“Board”	the board of directors of the Company
“CG Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“China” or “PRC”	the People’s Republic of China, but for the purpose of this annual report and for geographical reference only and except where the context requires, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Company”, “our Company” or “HeartCare Medical”	Shanghai HeartCare Medical Technology Corporation Limited (上海心瑋醫療科技股份有限公司), a joint stock limited liability company incorporated in the PRC, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 6609)
“Company Law” or “PRC Company Law”	the Company Law of the People’s Republic of China, as amended, supplemented or otherwise modified from time to time
“Director(s)”	the director(s) of the Company
“FDA”	the U.S. Food and Drug Administration
“Global Offering”	has the meaning as ascribed to it under the Prospectus
“Group”, “our Group”, “our”, “we” or “us”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange and subscribed for and traded in Hong Kong dollars
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars”, “HKD” or “HK\$”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong

Definitions (Continued)

"IFRS"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"Independent Third Party(ies)"	a person or entity who is not a connected person of our Company under the Listing Rules
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Date"	the date, Friday, August 20, 2021, on which the Shares were listed and dealings in the H Shares first commence on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"NMPA"	the 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) or the CFDA
"Nomination Committee"	the nomination committee of the Board
"PRC Law"	the laws of the People's Republic of China, as amended, supplemented or otherwise modified from time to time
"Prospectus"	the prospectus of the Company dated August 10, 2021, in relation to the Global Offering
"R&D"	research and development
"Reporting Period"	the six months period ended June 30, 2025
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"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)"	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising the Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)

Definitions (Continued)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“Supervisor(s)”	the member(s) of the supervisory committee of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Trustee”	the trustee appointed by the Company for the purpose of the Trust, and initially, Maples Trustee Services (Cayman) Limited, a company incorporated in the Cayman Islands and having its registered office at Boundary Hall, Cricket Square, George Town, Grand Cayman, Cayman Islands
“United States” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“Unlisted Share(s)”	the ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed and credited as fully paid up in Renminbi
“U.S. dollars”, “USD” or “US\$”	United States dollars, the lawful currency of the United States
“%”	per cent



上海心瑋醫療科技股份有限公司
Shanghai HeartCare Medical Technology Corporation Limited