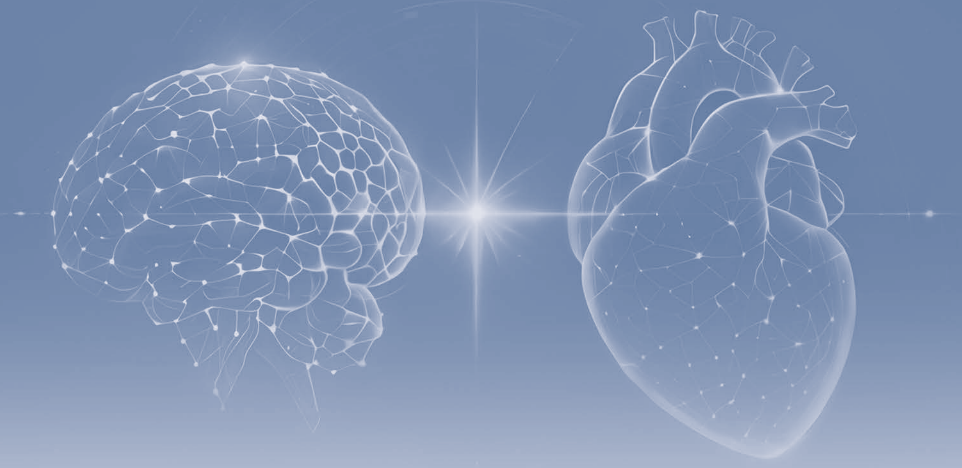
沛嘉医疗
PEIJIA MEDICAL

沛嘉醫療有限公司
Peijia Medical Limited

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 9996

2026
INTERIM REPORT

至善尽心 敬畏生命
Dedication with Passion, Devotion for Life



CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Dr. Yi ZHANG *(Chairman and Chief Executive Officer)*
Mrs. Ping Ye ZHANG
Ms. Hong YE

Non-executive Directors

Mr. Jifeng GUAN
Mr. Fei CHEN
Mr. Jun YANG

Independent Non-executive Directors

Dr. Stephen Newman OESTERLE
Mr. Robert Ralph PARKS
Mr. Wai Ming YIP
Mr. Huacheng WEI

AUDIT COMMITTEE

Mr. Wai Ming YIP *(Chairman)*
Mr. Jifeng GUAN
Mr. Robert Ralph PARKS
Mr. Huacheng WEI

REMUNERATION COMMITTEE

Mr. Robert Ralph PARKS *(Chairman)*
Dr. Stephen Newman OESTERLE
Mr. Huacheng WEI

NOMINATION COMMITTEE

Dr. Yi ZHANG *(Chairman)*
Ms. Hong YE
Dr. Stephen Newman OESTERLE
Mr. Wai Ming YIP
Mr. Huacheng WEI

REGISTERED OFFICE

Floor 4, Willow House
Cricket Square
Grand Cayman, KY1-9010
Cayman Islands

CORPORATE HEADQUARTERS

No. 18 Yangjiatian Road
Suzhou Industrial Park, Suzhou
Jiangsu Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1901, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

COMPANY SECRETARY

Ms. Hing Ling CHAU *(FCS, FCG)*

AUTHORIZED REPRESENTATIVES

Ms. Hong YE
Ms. Hing Ling CHAU *(FCS, FCG)*

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants and
Registered Public Interest Entity Auditor

LEGAL ADVISER

As to Hong Kong and United States laws:
O'Melveny & Myers

COMPLIANCE ADVISER

Maxa Capital Limited

PRINCIPAL SHARE REGISTRAR

Campbells Corporate Services Limited
Floor 4, Willow House
Cricket Square
Grand Cayman, KY1-9010
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

STOCK CODE

9996

COMPANY'S WEBSITE

www.peijiamedical.com

LISTING DATE

May 15, 2020

FINANCIAL HIGHLIGHTS

	Six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)	Change
Revenue	**424,502**	353,380	20.1%
Selling and distribution expenses	**(116,954)**	(145,070)	-19.4%
Administrative expenses	**(54,230)**	(62,745)	-13.6%
Research and development expenses	**(88,409)**	(115,636)	-23.5%
Segment profit/(loss)	**30,446**	(75,828)	Turned Positive
of which: segment profit of Neurointerventional Business	**73,197**	40,903	79.0%
EBITDA[1]	**47,434**	(34,203)	Turned Positive
Profit/(loss) before tax	**697**	(69,033)	Turned Positive
Loss and total comprehensive expense for the period	**(8,990)**	(71,178)	-87.4%
Net cash generated from operating activities	**49,407**	3,306	1,394.5%

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)	Change
Bank balances and cash, term deposits, restricted cash and debt instruments at FVTOCI	**811,121**	610,262	32.9%

Note:

1. EBITDA is calculated as profit before interest and tax, adding back depreciation of property, plant and equipment and right-of-use assets, and amortization of intangible assets.

BUSINESS HIGHLIGHTS

During the Reporting Period, the Group continued to consolidate its leading position in China's transfemoral TAVR market and strengthen its position in the neurointerventional market, while achieving significant improvement in financial performance with substantially narrowed losses.

THE GROUP STRENGTHENED ITS TAVR MARKET LEADERSHIP WITH TaurusTrio® DRIVING GROWTH AND VALIDATING COMMERCIAL PLATFORM SCALABILITY.

During the Reporting Period, the Group further consolidated its leading position in China's transfemoral TAVR market. Driven by the commercialization of its TAVR product portfolio, the Group's Transcatheter Valve Therapeutic Business recorded strong revenue growth of 28.3% as compared with the six months ended June 30, 2025. The Group completed approximately 2,830 TAVR implantations during the Reporting Period, with AR and AS TAVR products accounting for approximately 24.1% and 75.9%, respectively, of total implantations.

The commercialization of TaurusTrio® TAV System for on-label AR treatment addressed the unmet clinical needs of AR patients by providing a dedicated transfemoral TAVR solution for those who previously had limited treatment options. Following its NMPA approval in December 2025, TaurusTrio® was commercially launched during the Reporting Period and achieved rapid clinical adoption, supported by its differentiated product design, safety profile and standardized procedural approach. As of June 30, 2026, provincial listing across China had been substantially completed, while market access continued to advance. Implantations exceeded 660 cases in the Reporting Period, with monthly volume further accelerating to 330 cases in July 2026.

The commercialization of TaurusTrio® further validated the scalability of the Group's commercial platform, leveraging its existing sales and clinical promotion infrastructure to support future product launches and improve commercial efficiency.

Meanwhile, the Group continued to optimize its tiered pricing AS product portfolio to address diverse market needs. In particular, TaurusMax®, featuring advanced 3D-steerable technology, provides physicians with enhanced procedural flexibility in managing challenging anatomical structures. Supported by differentiated product offerings, the Group's AS portfolio maintained growth and reinforced its competitive position amid intensifying market competition.

THE GROUP DELIVERED SIGNIFICANT IMPROVEMENT IN FINANCIAL PERFORMANCE, WITH PROFIT BEFORE TAX TURNING POSITIVE.

During the Reporting Period, the Group delivered sustained revenue growth, with total revenue reaching RMB424.5 million, increasing by approximately 20.1% as compared with the six months ended June 30, 2025. Through continued optimization of its product mix, implementation of lean cost management initiatives and enhancement of operational efficiency, the Group partially mitigated the negative impact of TAVR pricing adjustments, higher initial manufacturing costs during the TaurusTrio® production ramp-up and VBP in the Neurointerventional Business, while maintaining a resilient gross profit margin of approximately 68.3%.

The Group continued to enhance operational efficiency and optimize its expense structure. Selling and distribution expenses decreased by 19.4% to RMB117.0 million as compared with the six months ended June 30, 2025, primarily due to expense reductions supported by improved patient affordability, lower conference expenses, organizational optimization and enhanced operational efficiency. Meanwhile, the selling and distribution expense ratio improved by 13.5 percentage points to 27.6%, mainly benefiting from the scalability of the Group's existing commercial infrastructure. Newly launched products were able to leverage existing sales and clinical promotion capabilities, generating synergies and improving sales productivity.

Administrative expenses decreased by 13.6% to RMB54.2 million as compared with the six months ended June 30, 2025, with the corresponding expense ratio improving by 5.0 percentage points to 12.8%, reflecting continued organizational optimization and disciplined cost control. Research and development expenses decreased by 23.5% to RMB88.4 million as compared with the six months ended June 30, 2025, with the corresponding expense ratio improving by 11.9 percentage points to 20.8%, primarily due to several key R&D programs entering later-stage development phases, resulting in lower direct development expenses. Meanwhile, the Group continued to advance its innovation pipeline in an orderly manner.

As a result, the Neurointerventional Business further improved its profitability, with segment profit increasing by 79.0% to RMB73.2 million as compared with the six months ended June 30, 2025, while the segment loss of the Transcatheter Valve Therapeutic Business narrowed significantly by 87.2% to RMB9.7 million. The Group's EBITDA and profit before tax both turned positive, reaching RMB47.4 million and RMB0.7 million, respectively. The Group's net loss for the period narrowed significantly by 87.4% to approximately RMB9.0 million, demonstrating a substantial improvement in the Group's overall profitability.

Meanwhile, the Group's cash generation capability improved significantly, with net cash generated from operating activities reaching RMB49.4 million during the period, representing an increase of 1,394.5% compared with the six months ended June 30, 2025.

THE GROUP EXPANDED ITS NEUROINTERVENTIONAL BUSINESS THROUGH SELF-DEVELOPED INNOVATION AND STRATEGIC PARTNERSHIPS.

The Group continued to strengthen its Neurointerventional Business through an integrated model combining proprietary innovation and strategic partnerships, further expanding its product portfolio and enhancing market competitiveness.

During the Reporting Period, the Group's self-developed neurointerventional products continued to gain market recognition, supported by differentiated product designs, clinical value and innovative procedural solutions. Through close collaboration between physicians and engineers, the Group has developed a series of innovative techniques and solutions. In particular, the BASIS technique based on Syphonet® Stent Retriever and the *Zero Exchange* technique based on Fastunnel® Delivery Balloon Dilatation Catheter have achieved broad clinical adoption, further driving market penetration of related products. DCwire® Micro Guidewire also continued to gain clinical recognition and contributed to the growth of the Group's self-developed neurointerventional portfolio.

Meanwhile, the Group continued to expand its neurointerventional product portfolio through strategic partnerships. During the Reporting Period, YonFlow® Flow Diverting Stent and QIDA® Disposable Neuro Introducer Sheath, for which the Group holds exclusive distribution rights in China, achieved commercial scale-up and contributed additional revenue growth. The Group also entered into a strategic cooperation agreement with B. Braun Medical (Shanghai) International Trading Co., Ltd. ("**B. Braun Medical**") for the exclusive distribution of SeQuent® Please CIS Paclitaxel Drug-Coated Intracranial Balloon Dilatation Catheter in the Chinese mainland, further enriching its neurointerventional pipeline and providing additional opportunities for future business growth following regulatory approval.

Looking ahead, the Group will continue to leverage its integrated model of proprietary innovation and strategic partnerships to expand its neurointerventional franchise. With potential opportunities arising from future VBP initiatives and continued enhancement of its product portfolio, the Group expects to further strengthen its market position and long-term growth potential in neurointervention.

THE GROUP ADVANCED ITS INNOVATION PIPELINE AND GLOBAL DEVELOPMENT INITIATIVES.

The Group continued to advance its innovation pipeline across all business segments while strengthening its global clinical, regulatory and technological capabilities. With multiple innovative products progressing through key development milestones, the Group is building a diversified pipeline to support long-term sustainable growth.

In China, subsequent to the Reporting Period, GeminiOne® TEER System received NMPA registration approval in September 2026. Meanwhile, TaurusNXT® *Non-glutaraldehyde Crosslinked* Dry-tissue TAVR System has entered the registration review stage, while clinical enrollment of ReachTact® TAVR Assistance System continued to progress.

Overseas, the Group continued to expand its global clinical and regulatory footprint. During the Reporting Period, the Group's DCwire® Micro Guidewire received FDA 510(k) clearance in the United States. GeminiOne® has submitted its EU MDR registration application and is undergoing an EFS in the United States. The global clinical study of the MonarQ TTVR® System continued to progress across Europe, the United States and Canada, with more than 30 patients enrolled as of the date of this interim report. In addition, favorable six-month follow-up results from the FIM study of the Group's Lithotripsy Valvuloplasty System for the MAC indication were presented at the 2026 New York Valves conference.

Meanwhile, the Group is actively advancing overseas commercialization efforts for selected self-developed products with differentiated product performance and favorable intellectual property profiles. The Group is implementing commercialization strategies across targeted overseas markets, including business model development, commercial partner selection and regulatory access initiatives, laying the foundation for future international commercialization and global market expansion.

MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS REVIEW

Overview

The Group has established a leading medical technology platform focused on addressing high-growth interventional procedural medical device markets in China and globally. The Group's products and product candidates target large, fast-growing and under-penetrated markets with high entry barriers, including the transcatheter valve therapeutic medical device market and neurointerventional procedural medical device market.

Products and Pipeline

As at the date of this interim report, the product portfolio of the Group's Transcatheter Valve Therapeutic Business comprises four registered TAVR products (TaurusOne®, TaurusElite®, TaurusMax® and TaurusTrio®), one registered TEER product (GeminiOne®), six registered transcatheter procedural accessories and multiple innovative product candidates under development. The development status of these products and product candidates is summarized in the chart below.

★ Product or product candidate that has been accepted by the Special Review and Approval Procedure for Innovative Medical Device of the NMPA.

▲ Product or product candidate that is exempted from clinical trial requirements in accordance with the Catalogue of Medical Device Exempted from Clinical Trials (免於臨床評價醫療器械目錄) promulgated by the NMPA, as amended.

● Product or product candidate that utilizes an internally developed platform technology. For more details, please see page 15 of this interim report.

As at the date of this interim report, the product portfolio of the Group's Future Technology Business, which was spun-off from the Transcatheter Valve Therapeutic Business, comprises three product candidates: the Lithotripsy Valvuloplasty System, MonarQ TTVR® System and ReachTact® TAVR Assistance System. The development status of these product candidates is summarized in the chart below.

I. BUSINESS REVIEW (CONT'D)

Products and Pipeline (Cont'd)

Products/Product Candidates		Pre-Clinical	Clinical	Registration
Lithotripsy Valvuloplasty System	★ ●	Research Clinical Study in Progress		
MonarQ TTVR® System (Global IP)		Global Clinical Study in Progress		
ReachTact® TAVR Assistance System	★ ●	China Registration Clinical Study in Progress		

★ Product or product candidate that has been accepted by the Special Review and Approval Procedure for Innovative Medical Device of the NMPA.

● Product or product candidate that utilizes an internally developed platform technology. For more details, please see page 15 of this interim report.

As at the date of this interim report, the Group has commercialized a neurointervention portfolio comprising fifteen internally developed products and four exclusively distributed products. Its pipeline includes one exclusively distributed product currently under regulatory review for registration, as well as several internally developed products. The development status of these products and product candidates is summarized in the chart below.

	Products / Product Candidates		Pre-Clinical	Clinical	Registration
Hemorrhagic	Jasper® Detachable Coil		NMPA Approval; Registered in Indonesia and Ecuador		
	Presgo® Detachable Coil		NMPA Approval; Registered in Brazil		
	Jasper® SS Detachable Coil		NMPA Approval		
	NRcoil® Detachable Coil		NMPA Approval		
	CereStellar® Intracranial Adjunctive Stent		Submitted NMPA Registration Application		
	YonFlow® Flow Diverting Stent (Exclusively Distributed)		NMPA Approval		
	Adjunctive Balloon		Design Stage		
Ischemic (AIS)	Fluxcap® Balloon Guide Catheter	▲	NMPA Approval		
	Tethys AS® Aspiration Catheter		NMPA Approval		
	Syphonet® Stent Retriever		NMPA Approval		
	New Stent Retriever		Design Stage		
Ischemic (ICAD)	Fastunnel® Delivery Balloon Dilatation Catheter	▲	NMPA Approval		
	SacSpeed® Balloon Dilatation Catheter		NMPA Approval		
	SeQuent® Please CIS Paclitaxel Drug-Coated Intracranial Balloon Dilatation Catheter (Exclusively Distributed)		Submitted NMPA Registration Application		
Vascular Access & Other	Presgo® Microcatheter	▲	NMPA Approval; Registered in Brazil and Ecuador		
	YonLeading® Microcatheter (Exclusively Distributed)	▲	NMPA Approval		
	Presgo® Micro Guidewire	▲	SHMPA Approval; Registered in Brazil and Ecuador		
	DCwire® Micro Guidewire	▲	NMPA Approval; Received FDA 510(k) Clearance		
	18/24 Micro Guidewire	▲	Design Stage		
	Heralder® Guide Catheter	▲	NMPA Approval		
	Tethys® Intermediate Catheter	▲	NMPA Approval		
	QIDA® Disposable Neuro Introducer Sheath (Exclusively Distributed)	▲	ZJMPA Approval		
	YonTrack® Distal Access Catheter (Exclusively Distributed)	▲	NMPA Approval		
	Jasper® Power Supply	▲	SHMPA Approval		
	NRcoil® Power Supply	▲	Design Stage		

▲ Product or product candidate that is exempted from clinical trial requirements in accordance with the Catalogue of Medical Device Exempted from Clinical Trials (免於臨床評價醫療器械目錄) promulgated by the NMPA, as amended.

I. BUSINESS REVIEW (CONT'D)

Transcatheter Valve Therapeutic Products and Product Candidates

The Group's Transcatheter Valve Therapeutic Business focuses on the treatment of the most prevalent heart valve diseases, including AS, AR, MS, MR and TR, through transcatheter approaches.

The Group has established a comprehensive portfolio of commercialized products and pipeline candidates. During the Reporting Period, revenue generated from the sales of transcatheter valve therapeutic products amounted to RMB207.3 million, representing an increase of 28.3% from RMB161.6 million for the six months ended June 30, 2025.

Transcatheter Aortic Valve Replacement and Repair Products and Product Candidates

TaurusOne® — First-Generation TAVR System

TaurusOne® is the Group's internally developed first-generation TAVR system, designed to treat severe calcific AS using a catheter-based approach. The product consists of a PAV, a delivery catheter system and a loading system. The PAV incorporates bovine pericardial leaflets, a nitinol frame, and a sealing skirt to reduce paravalvular leakage. Compared with porcine pericardial leaflets, bovine pericardial leaflets generally demonstrate superior durability and improved hemodynamic performance.

The registration clinical trial of TaurusOne® was the first TAVR product registration clinical trial conducted entirely by Chinese physicians. It was also the first domestically developed TAVR product for which clinical results were published in a top-quartile peer-reviewed medical journal. The registration application for TaurusOne® was approved by the NMPA in April 2021, and the product was subsequently commercialized in May 2021.

In April 2024, the NMPA approved the TaurusOne® AV21 specification, which was designed to accommodate smaller annulus anatomy. In addition, the Group enhanced the delivery catheter system by incorporating a TAV marker to improve visualization and adding a retrieval and repositioning function to the handle. These enhancements were approved by the NMPA in December 2024.

TaurusElite® — Second-Generation Retrievable TAVR System

TaurusElite® is the Group's internally developed second-generation retrievable TAVR system. It adopts a valve design similar to that of TaurusOne® and incorporates an enhanced delivery catheter system that enables physicians to retrieve and reposition the PAV during deployment.

The delivery catheter system features a dual-tube (inner and outer tube) design, enhancing pushability and flexibility and facilitating navigation through complex anatomies, including the aortic arch and horizontal aorta. In addition, the TaurusElite® delivery catheter system is available in an inline sheath configuration to meet diverse clinical needs and to accommodate patients with complex vascular anatomy. As at the date of this interim report, TaurusElite® remains the fastest-approved domestically developed retrievable TAVR product.

The registration application for TaurusElite® was approved by the NMPA in June 2021, and the product was subsequently commercialized in July 2021. In April 2024, the NMPA approved the TaurusElite® AV21 specification, which was designed to accommodate the smaller annular anatomy.

I. BUSINESS REVIEW (CONT'D)

TaurusMax® — 3D-Steerable TAVR System

TaurusMax® is an iteration of TaurusElite®. Enhanced visualization, enabled by three radiopaque metal TAV markers, allows for more precise control of implantation depth and facilitates commissural alignment. The deflectable catheter design assists valve crossing through the aortic arch and heavily calcified leaflets in challenging anatomies, thereby improving valve coaxiality.

The registration application for TaurusMax® was approved by the NMPA in August 2024, and the product was subsequently commercialized in February 2025.

In addition to the products described above, the Group has obtained NMPA registration approval for various procedural accessories, including the TaurusAtlas® Transfemoral Balloon Catheter, TaurusAtlas Pro® Transfemoral Balloon Catheter, TaurusNavi® Introducer Sheath, TaurusExplora® Pre-shaped Guidewire and TaurusSurpass® Pre-shaped Guidewire.

TaurusNXT® — Third-Generation Non-glutaraldehyde Crosslinked Dry-tissue TAVR System

TaurusNXT® is the Group's internally developed third-generation TAVR system. It incorporates the Group's patented non-glutaraldehyde bio-tissue crosslinking technology, which is designed to eliminate a major source of valve calcification, a primary contributor to prosthetic valve degeneration. This technology is expected to enhance the durability and biocompatibility of the PAV.

In addition, compared with conventional glycerin-based dry tissue technology, TaurusNXT® utilizes an ultra-low-temperature vacuum freeze-drying process to preserve the physical integrity of the valve tissue while enabling the PAV to be pre-loaded onto the delivery catheter system. The TaurusNXT® delivery catheter system is both retrievable and steerable, facilitating more precise guidance of the PAV to the target position and further enhancing procedural safety.

The registration application for TaurusNXT® was accepted by the NMPA in December 2025. As at the date of this interim report, the product is pending NMPA registration approval.

THE GROUP MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET TaurusNXT® SUCCESSFULLY.

TaurusApex® — Polymeric Trileaflet TAVR System

TaurusApex® is the Group's internally developed fourth-generation TAVR system, featuring polymeric trileaflets in place of biological tissue. By replacing conventional biomaterials with high-strength, stable and soft polymer materials, the system is designed to further improve the durability and biocompatibility of the prosthetic valves.

The leaflets of TaurusApex® adopt a multi-layer bionic composite braided structure, which is designed to more closely replicate the structural characteristics and hemodynamic performance of native human heart valves. Compared with biological tissue, polymeric trileaflets are designed to offer advantages in durability, tear resistance and wear resistance.

As at the date of this interim report, the Group has completed animal studies and the associated long-term follow-up evaluations for TaurusApex®, with encouraging preliminary results.

THE GROUP MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET TaurusApex® SUCCESSFULLY.

I. BUSINESS REVIEW (CONT'D)

*TaurusTrio® — Licensed-in JenaValve Trilogy™ Transcatheter Heart Valve ("**THV**") System for AR Indication*

In December 2021, the Company entered into a collaboration and license agreement, a service agreement and a stock purchase agreement with JenaValve Technology, Inc. ("**JenaValve**"), a U.S.-based medical device company. Pursuant to these agreements, JenaValve granted the Company an exclusive license to develop, manufacture and commercialize the Trilogy™ THV System in the Greater China region. Further details are set out in the announcement of the Company dated January 14, 2022.

The Trilogy™ THV System is the first commercially available transfemoral TAVR system worldwide to have obtained CE Mark approval for the treatment of both symptomatic, severe AR and symptomatic, severe AS. In March 2026, the Trilogy™ THV System also received FDA Premarket Approval for the treatment of symptomatic, severe AR. The system incorporates a proprietary locator design, which enables anchoring without reliance on calcification while facilitating valve commissural alignment. In addition, the supra-annular valve design and large open-cell structure are intended to support favorable long-term hemodynamic performance and facilitate future percutaneous coronary intervention. The inflow end of the valve incorporates 24 high-density mesh openings to enhance annular compliance and sealing performance.

Following the completion of technology transfer, the Trilogy™ THV System has been localized and rebranded by the Group as the TaurusTrio® TAV System for the China market. The Group has established local manufacturing capabilities for TaurusTrio® in Suzhou, achieving technical consistency with the Trilogy™ THV System.

The registration application for TaurusTrio® was approved by the NMPA in December 2025. As at the date of this interim report, the commercialization of TaurusTrio® is being rapidly rolled out across China.

Transcatheter Mitral Valve Replacement and Repair Product Candidates

HighLife® — Licensed-in TSMVR Product

In December 2020, the Company entered into an exclusive license agreement with HighLife SAS ("**HighLife**"), a French-based medical device company focused on the development of a novel transseptal replacement system for the treatment of MR. Pursuant to the agreement, the Company is entitled, among other things, to develop, manufacture and commercialize the HighLife® TSMVR System in the Greater China region. Mr. Georg BÖRTLEIN, the founder of HighLife, is also the co-founder of CoreValve, Inc., a TAVR company that was acquired by Medtronic, Inc. in 2009.

The field of TMVR continues to face significant technical challenges, including access to the target site, secure anchoring, the risk of paravalvular leakage and LVOT obstruction. Most existing approaches adopt either a transapical access route or anchoring mechanisms relying on radial force. The HighLife® TSMVR System employs a proprietary "Valve-in-Ring" concept, which allows for self-centering and self-alignment. This system separates the valve from its anchoring ring and delivers the two components through the femoral artery and femoral vein, respectively, through a simple three-step procedure. This two-component design, which is tailored to mitral valve anatomy, is designed to mitigate the risk of paravalvular leakage while effectively reducing catheter size. The procedure can be performed with tele-proctoring support, and the learning curve is relatively short, as evidenced by a significant reduction in procedure time for the same physician over successive cases.

I. BUSINESS REVIEW (CONT'D)

Transcatheter Mitral Valve Replacement and Repair Product Candidates (Cont'd)

HighLife® — Licensed-in TSMVR Product (Cont'd)
The HighLife® TSMVR System obtained the CE Mark approval in January 2026. As at the date of this interim report, the Group is progressing patient enrollment for the multi-center registration clinical trial of HighLife® in China.

THE GROUP MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET HighLife® SUCCESSFULLY.

GeminiOne® — TEER System
GeminiOne® is the Group's internally developed TEER device, designed to treat mitral valve and tricuspid valve diseases. Its proprietary sliding groove mechanism enables a longer coaptation length while allowing for a smaller implant profile and delivery catheter system. Additional innovative features include an independent leaflet grasping function that enhances procedure precision, a U-shaped arm design that increases the leaflet clamping width, and a simple release procedure that does not require retracting the thread. These features enable the product to accommodate a wider range of anatomical structures and patient populations.

The registration application for GeminiOne® was approved by the NMPA in September 2026. In parallel, the Group is advancing the global development of GeminiOne®. As at the date of this interim report, the Group has submitted the EU MDR CE Mark registration application for GeminiOne®, details of which are set out in the announcement of the Company dated February 9, 2026. The Group is also conducting an FDA EFS in the United States, details of which are set out in the announcement of the Company dated April 9, 2026.

The Group is also exploring the application of GeminiOne® TEER technology in the treatment of tricuspid valve disease.

THE GROUP MAY NOT BE ABLE TO ULTIMATELY MARKET GeminiOne® SUCCESSFULLY.

Sutra Hemi-Valve TMVR System — Transcatheter Mitral Valve Coaptation Augmentation System
In April 2021, the Company entered into a stock purchase agreement with Sutra Medical Inc. ("**Sutra**"), a U.S.-based medical device company focused on the design and development of transcatheter solutions for the treatment of valvular heart diseases. The Company is the second-largest shareholder of Sutra, following its founder. Further details are set out in the announcement of the Company dated August 27, 2021.

Sutra's key product candidate, the Sutra Hemi-Valve, is a transcatheter mitral valve therapeutic device that adopts a hybrid approach combining valve replacement and repair technology. The device is designed to treat MR by utilizing a coaptation augmentation technology that targets only the posterior mitral valve leaflet.

As at the date of this interim report, Sutra has completed a FIM clinical trial of the Sutra Hemi-Valve TMVR System.

THE GROUP MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET SUTRA HEMI-VALVE TMVR SYSTEM SUCCESSFULLY.

Future Technology Product Candidates

The Group's Future Technology Business was established in 2024 as a spin-off from the Transcatheter Valve Therapeutic Business. It focuses on delivering globally cutting-edge therapeutic solutions addressing a comprehensive range of heart valve diseases. All projects are designed to target unmet clinical needs in markets where mature treatment options are lacking.

I. BUSINESS REVIEW (CONT'D)

Future Technology Product Candidates (Cont'd)

At present, the Future Technology Business has three product candidates, namely the Lithotripsy Valvuloplasty System, MonarQ TTVR® System, and ReachTact® TAVR Assistance System. Each project is managed by an independent team and is executed through dedicated subsidiaries within the Group, which operate with full autonomy in both operations and financing. As at the date of this interim report, two of these projects have independently secured external financing, while financing for the remaining project is progressing.

Lithotripsy Valvuloplasty System

The Lithotripsy Valvuloplasty System (formerly known as TaurusWave®) applies shockwave technology to remodel calcification on the valves. Following treatment, the mobility of the native valve is improved, resulting in enhanced hemodynamic performance. The system may be used as a stand-alone transcatheter valve therapy or as a pre-treatment prior to transcatheter valve replacement procedure to alleviate valve stenosis.

The FIM clinical study for AS, involving 10 patients, was successfully completed at the Second Affiliated Hospital Zhejiang University School of Medicine. The FIM clinical study for calcified MS, involving 10 patients, was successfully completed at Prince of Wales Hospital in Hong Kong. The six-month follow-up results from the FIM study for MAC were presented at the 2026 New York Valves conference, demonstrating procedural feasibility and sustained improvement in mitral valve area.

In January 2026, the Lithotripsy Valvuloplasty System was accepted into the Special Review and Approval Procedure for Innovative Medical Devices of the NMPA in recognition of its innovative merits. As at the date of this interim report, the Group is expanding its research clinical trials globally to accumulate additional clinical evidence to support broader clinical applications of the system.

THE GROUP MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET THE LITHOTRIPSY VALVULOPLASTY SYSTEM SUCCESSFULLY.

MonarQ TTVR® System — Acquired TTVR Product

In May 2021, the Company entered into an intellectual property ("**IP**") acquisition agreement, a service agreement and a stock purchase agreement with inQB8 Medical Technologies, LLC ("**inQB8**"), a U.S.-based medical technology incubator, to explore innovative solutions for the treatment of structural heart diseases. The transaction included the acquisition by the Company of a TTVR technology, namely the MonarQ TTVR® System, from inQB8, pursuant to which inQB8 continues to develop the device in partnership with the Company.

The MonarQ TTVR® System is an innovative therapeutic option for the treatment of TR. The system features a unique biodynamic attachment mechanism that utilizes and preserves the heart's natural motion to secure the implant to the native leaflets, distribute systolic loads, and minimize paravalvular leakage across a wide range of annulus sizes.

As at the date of this interim report, the Group is steadily advancing patient enrollment for the Global Clinical Study of the MonarQ TTVR® System in Europe, the United States and Canada.

THE GROUP MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET THE MonarQ TTVR® SYSTEM SUCCESSFULLY.

ReachTact® — Advancing TAVR Assistance System

ReachTact® is the Group's internally developed robotic TAVR assistance system, offering an innovative and cost-effective solution for transcatheter valve replacement or repair therapies. It targets the rapidly growing TAVR market in China and globally, addressing technical challenges during the procedure and the shortage of experienced cardiologists capable of performing transcatheter valve replacement or repair procedures.

I. BUSINESS REVIEW (CONT'D)

Future Technology Product Candidates (Cont'd)

ReachTact® — Advancing TAVR Assistance System (Cont'd)

The mobile and modular design of ReachTact® is compatible with conventional catheterization laboratories, enabling a single cardiologist to operate multiple devices with sub-millimeter precision. A force-sensing mechanism provides real-time tactile feedback to facilitate navigation in complex vascular conditions. The master unit-slave unit architecture enables cardiologists to reduce radiation exposure and occupational health risks. In addition, remote control capabilities via Ethernet support long-distance operation and training.

In December 2025, the ReachTact® TAVR Assistance System was accepted into the Special Review and Approval Procedure for Innovative Medical Devices of the NMPA in recognition of its innovative merits. As at the date of this interim report, the Group is progressing patient enrollment for the multi-center registration clinical trial of ReachTact® in China.

THE GROUP MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET THE ReachTact® TAVR ASSISTANCE SYSTEM SUCCESSFULLY.

Platform Technologies

The Group is committed to continuously exploring platform technologies that can be applied across a range of therapeutic areas. As at the date of this interim report, the Group has developed four patented platform technologies, namely *Non-glutaraldehyde Crosslinked* Dry-tissue Technology, Polymeric Trileaflet Technology, Lithotripsy Valvuloplasty Technology and Interventional Robotics Technology.

The *Non-glutaraldehyde Crosslinked* Dry-tissue Technology and Polymeric Trileaflet Technology are currently utilized in the Group's third-generation TAVR product, TaurusNXT®, and the fourth-generation TAVR product, TaurusApex®, respectively. These platform technologies may also be applied to other TAVR, TMVR or TTVR product candidates.

The Lithotripsy Valvuloplasty Technology, currently utilized in the Lithotripsy Valvuloplasty System, is a non-implant solution designed to treat AS or MS by remodeling the severe calcification. The research clinical trial of the Lithotripsy Valvuloplasty System is ongoing. The preliminary results have indicated favorable safety and efficacy profiles. The technology may be applied as a stand-alone therapy or as a pre-implantation step in transcatheter valve replacement procedures. Additional research clinical trials are being conducted to further expand the potential applications of this platform technology.

The Interventional Robotics Technology is currently utilized in the ReachTact® TAVR Assistance System. The platform is designed with strong versatility and scalability, enabling compatibility with a broad range of transcatheter valve intervention devices through interchangeable toolkits. This flexibility allows the platform to expand into additional structural heart procedures, such as TEER, addressing diverse clinical needs in valvular interventions.

Neurointerventional Products and Product Candidates

The Group has established a comprehensive portfolio of registered and pipeline products targeting both hemorrhagic and ischemic stroke markets. For the Reporting Period, revenue generated from the sales of the Group's neurointerventional products amounted to RMB217.2 million, representing an increase of 13.3% as compared with approximately RMB191.8 million for the six months ended June 30, 2025.

I. BUSINESS REVIEW (CONT'D)

Hemorrhagic Products and Product Candidates

For the Reporting Period, the Group generated total revenue of RMB71.1 million from hemorrhagic products, representing an increase of 18.6% as compared with approximately RMB59.9 million for the six months ended June 30, 2025, and accounting for 32.7% of the total revenue of the Group's Neurointerventional Business.

Detachable Coils: The Group has four registered detachable coil products with different detachment methods, namely Jasper® Detachable Coil, Presgo® Detachable Coil, Jasper® SS Detachable Coil and NRcoil® Detachable Coil. The registration application for Jasper® SS Detachable Coil was approved by the NMPA in June 2021. The detachment mechanism of Jasper® SS Detachable Coil is consistent with its predecessor, Jasper® Detachable Coil, while featuring enhanced softness to address specific clinical needs during the filling and finishing stages of endovascular coiling procedures for cerebral aneurysms. The registration application for NRcoil® Detachable Coil, the Group's latest-generation coil product with a thermal detachment mechanism, was approved by the NMPA in August 2023. The product is designed for framing, filling and finishing, providing physicians with an alternative detachment option within the Group's embolization coil portfolio.

CereStellar® Intracranial Adjunctive Stent: CereStellar® Intracranial Adjunctive Stent is indicated for use with neurovascular embolization coils in the endovascular treatment of intracranial aneurysms. Stent-assisted coil embolization facilitates the treatment of complex-shaped and wide-necked intracranial aneurysms. As at the date of this interim report, the registration application for CereStellar® Intracranial Adjunctive Stent has been submitted to the NMPA.

YonFlow® Flow Diverting Stent: YonFlow® Flow Diverting Stent is the first retrievable stent system that can be fully retrieved after complete deployment globally. On August 16, 2024, the Group entered into an exclusive distribution agreement with Jiangsu NowYon Medical Limited ("**NowYon Medical**") for the sale and distribution of YonFlow® Flow Diverting Stent in the Greater China region. Further details are set out in the announcement of the Company dated August 28, 2024. The registration application for YonFlow® Flow Diverting Stent was approved by the NMPA in April 2025.

Ischemic Products and Product Candidates

For the Reporting Period, the Group generated revenue of RMB82.6 million from ischemic products, representing an increase of 45.4% as compared with approximately RMB56.8 million for the six months ended June 30, 2025, and accounting for 38.0% of the total revenue of the Group's Neurointerventional Business.

Products Designed for the Treatment of AIS

Syphonet® Stent Retriever: Syphonet® Stent Retriever is designed for thrombus removal in intracranial vessels during mechanical thrombectomy procedures for patients with AIS. The product features a differentiated distal capture basket designed to reduce the risk of thrombus debris dislodging into the bloodstream, thereby enhancing clot retrieval efficiency. The stent is engineered with optimized radial force to help maintain lumen integrity, even in tortuous vessels. Radiopaque wires integrated into the stent and a radiopaque distal marker enable full-length visualization of the retriever, providing improved procedural guidance for physicians. Syphonet® Stent Retriever is available in various specifications, all compatible with 0.017-inch microcatheters, which facilitates deployment and may help reduce procedure time. The registration application for Syphonet® Stent Retriever was approved by the NMPA in February 2022.

I. BUSINESS REVIEW (CONT'D)

Ischemic Products and Product Candidates (Cont'd)

Products Designed for the Treatment of AIS (Cont'd)

Tethys AS® Aspiration Catheter: Tethys AS® Aspiration Catheter is designed for direct aspiration in mechanical thrombectomy procedures. The product features a 0.071-inch large lumen to enhance aspiration force. It incorporates a 20cm soft distal segment designed to conform to tortuous vessels and improve deliverability to distal vessels. The optimized transitional structure enhances the trackability of the catheter, facilitating delivery of the catheter to the target vessel. The device adopts a double-layer design comprising outer braids and inner coils, providing high compressive strength while helping to maintain lumen integrity. The registration application for Tethys AS® Aspiration Catheter was approved by the NMPA in May 2022.

Fluxcap® Balloon Guide Catheter: Fluxcap® Balloon Guide Catheter features a 0.087-inch large lumen and is compatible with 6F intermediate catheters or aspiration catheters. Its reinforced layer with transition zones is designed to balance proximal support and distal flexibility, providing stable access for intracranial devices. A 0.75mm non-radiopaque segment at the tip is intended to reduce blind spots during visualization and enhance procedure safety. The compliant balloon at the distal tip can block proximal flow and may help prevent thrombus from dislodging into distal vessels. The registration application for Fluxcap® Balloon Guide Catheter was approved by the NMPA in June 2022.

Products Designed for the Treatment of ICAD

SacSpeed® Balloon Dilatation Catheter: SacSpeed® Balloon Dilatation Catheter is indicated for the dilatation of stenotic lesions in the treatment of ICAD, with the aim of restoring and improving cerebral perfusion. The product adopts a rapid exchange system to streamline procedural workflow and improve operational efficiency. It offers a comprehensive range of specifications to accommodate lesions of varying lengths, enabling precise size selection. The extended delivery system is compatible with intermediate catheters up to 135 cm in length (5F and 6F). The balloon features a low crossing profile to facilitate passage through stenotic lesions. In addition, the PVP hydrophilic coating provides a smooth surface to enhance deliverability and trackability during navigation. The registration application for SacSpeed® Balloon Dilatation Catheter was approved by the NMPA in August 2020.

Fastunnel® Delivery Balloon Dilatation Catheter: Fastunnel® Delivery Balloon Dilatation Catheter is designed for the treatment of ICAD. As the first medical device in China to integrate balloon dilatation and stent delivery into a single device, its unique *Zero Exchange* technique represents an innovative approach to ICAD treatment. The product adopts an integrated design that combines the functions of a balloon dilatation catheter and a microcatheter, thereby reducing the number of device exchanges and enhancing procedural safety. The balloon is manufactured using Pebax® semi-compliant material to achieve stable morphology and controlled expansion. Meanwhile, the stainless-steel reinforcement structure enhances overall device support, improving catheter trackability and the deliverability of the intracranial stent system. In addition, the 150 cm delivery system is compatible with intermediate catheters of 135 cm or shorter. The registration application for Fastunnel® Delivery Balloon Dilatation Catheter was approved by the NMPA in May 2022.

I. BUSINESS REVIEW (CONT'D)

Ischemic Products and Product Candidates (Cont'd)

Products Designed for the Treatment of ICAD (Cont'd)

SeQuent® Please CIS Paclitaxel Drug-Coated Intracranial Balloon Dilatation Catheter: SeQuent® Please CIS is an intracranial paclitaxel drug-coated balloon dilatation catheter developed based on B. Braun Medical's mature drug-coated balloon technology. During balloon dilatation, the product is designed to precisely deliver paclitaxel to the diseased vascular wall, thereby reducing neointimal hyperplasia and lowering the long-term risk of restenosis. Specifically designed for narrow and tortuous intracranial vessels, SeQuent® Please CIS provides an innovative implant-free treatment option for intracranial vascular diseases. In June 2026, Achieva Medical entered into an exclusive distribution agreement with B. Braun Medical and obtained the exclusive distribution rights for SeQuent® Please CIS in the Chinese mainland. Further details are set out in the announcement of the Company dated June 1, 2026. As at the date of this interim report, the registration application for the product has been submitted to the NMPA.

The addition of SeQuent® Please CIS further strengthens the Group's product portfolio for ICAD and enhances its strategic positioning in neurovascular intervention, with the potential to support the continued evolution of ICAD treatment toward implant-free therapies.

Vascular Access Products and Product Candidates

For the Reporting Period, the Group generated total revenue of RMB63.4 million from vascular access products, representing a decrease of 15.4% as compared with approximately RMB75.0 million for the six months ended June 30, 2025, and accounting for 29.2% of the total revenue in the Group's Neurointerventional Business.

Tethys® Intermediate Catheter: Tethys® Intermediate Catheter is designed to facilitate the delivery of diagnostic devices and/or treatment devices to the neurovascular and peripheral vascular system during neurointerventional procedures. The catheter adopts a full-length braided and coiled reinforcement structure, providing flexibility, kink resistance and enhanced pushability. It features a 0.071-inch large inner lumen to support thrombus aspiration and compatibility with multiple devices. In addition, the 16 cm distal flexible segment is designed to conform to tortuous vessels and improve distal access capability. The registration application for Tethys® Intermediate Catheter was approved by the NMPA in October 2020.

DCwire® Micro Guidewire: DCwire® Micro Guidewire is designed based on the concept of microstructure, which refers to a multi-layered device constructed from multiple materials through precision manufacturing. The product combines high manufacturing precision with the distinctive material properties of such microstructure, enabling precise control and facilitating superselection of vessels, thereby assisting physicians in establishing vascular access during procedures. The registration application for DCwire® Micro Guidewire was approved by the NMPA in June 2023. As at the date of this interim report, the Group has received the 510(k) clearance from the FDA for DCwire® Micro Guidewire.

I. BUSINESS REVIEW (CONT'D)

Vascular Access Products and Product Candidates (Cont'd)

Other commercialized vascular access products include the Presgo® Microcatheter, Presgo® Micro Guidewire and Heralder® Guide Catheter. The Group has further expanded its vascular access portfolio through the exclusive distribution of the QIDA® Disposable Neuro Introducer Sheath from Yanqi Medical Devices (Hangzhou) Co., Ltd., as well as YonTrack® Distal Access Catheter and YonLeading® Microcatheter from NowYon Medical. In addition, the Group has been optimizing the performance of its existing products by developing next-generation products based on clinical feedback, and is actively advancing the development and registration of related iterative products.

THE GROUP MAY NOT BE ABLE TO ULTIMATELY DEVELOP OR MARKET THE ABOVE PRODUCTS OR PRODUCT CANDIDATES SUCCESSFULLY.

Research & Development

In-house innovation and business development opportunities are crucial to the Company's research and development pipeline. The core research and development team of the Company is now led by Dr. Yi ZHANG (Chairman and Chief Executive Officer), Dr. Jian Fong TAN (Chief Technology Officer) and Ms. Faye YI (Senior VP of R&D and Operations). All of them are industry veterans with distinguished academic and professional backgrounds, having previously held managerial positions at various leading companies in the medical device sector.

The Group has established extensive relationships with global leaders in both the transcatheter valve therapeutic and neurointerventional fields, including internationally recognized scientists, physicians and industry experts. In addition to licensing cutting-edge technologies, the Group has established overseas research and development capabilities through close collaboration with strategic partners.

With respect to Sutra, the Company is the second-largest shareholder after its founder and holds a right of first offer in the event that its founder proposes to offer or sell any new securities, subject to customary exceptions. The Group shares research and development facilities with Sutra in the United States, and Sutra has supported the Group in expanding its research and development presence in North America. The founding team of Sutra comprises professionals with extensive academic and industry experience.

With respect to inQB8, it is a medtech incubator in partnership with the Company. Under the partnership, the Group holds exclusive global privileges and rights to the technologies regarding the joint development of novel products and solutions for the treatment of structural heart disease. The founding team of inQB8 has a multidisciplinary background in medtech and engineering. Prior to founding inQB8, the team founded CardiAQ Valve Technologies, which developed the world's first TMVR system and was subsequently acquired by Edwards Lifesciences.

In addition to strengthening its innovation capabilities, the Group is also committed to fostering an open innovation ecosystem and promoting the development of the interventional medical device industry.

Suzhou SITRI Interventional Medtech Institute ("**IMI**"), an innovation incubation and investment platform dedicated to vascular interventional medical devices, was established in October 2021, jointly proposed and funded by the Company, the Suzhou Industrial Park Administrative Committee, Suzhou Industrial Technology Research Institute and the IMI management team. IMI supports the Group's innovation capabilities by facilitating access to emerging medical device technologies and promoting the incubation and commercialization of innovative solutions.

In 2023, the Group further led the establishment of the Suzhou Interventional Medical Technology Innovation Consortium, bringing together more than 20 members, including universities, hospitals, innovative enterprises and investment platforms. Recognized as a benchmark innovation consortium by the Suzhou government, the consortium integrates industry, academia, research, clinical practice and capital resources to accelerate innovation and foster the development of the interventional medical device ecosystem.

Intellectual Property

The Group remains committed to independent innovation to strengthen its core competitiveness. The Group currently adopts a dual intellectual property strategy that integrates both offensive and defensive measures. This approach is supported by enhanced compliance in trademark usage, the establishment of a preliminary trade secret management framework, and strengthened protection of core technologies. The Group first obtained the GB/T 29490–2013 Intellectual Property Management System Certificate in April 2022. In 2025, the Group completed the upgrade in accordance with the requirements of the GB/T 29490–2023 Enterprise Intellectual Property Compliance Management System and successfully passed third-party certification, marking an important milestone in the advancement of its standardized intellectual property management.

The Group has established a comprehensive intellectual property portfolio, comprising a total of 256 granted and valid patents, 155 patents under application and 159 registered trademarks. As at June 30, 2026, there were 160 granted and valid patents, 107 patents under application and 78 registered trademarks attributable to the Transcatheter Valve Therapeutic Business and Future Technology Business, and 96 granted and valid patents, 48 patents under application and 81 registered trademarks attributable to the Neurointerventional Business.

Manufacturing

For the Transcatheter Valve Therapeutic Business, the Group's new headquarters has a production area of approximately 10,000 sq.m., comprising a Class 10,000 cleanroom, general workshop, warehousing workshop and quality inspection workshop, among other functional areas. The Yangjiatian Road plant has been in commercial production for over two years. Sufficient production capacity has been established to support product commercialization and the continued growth of the business. A dedicated production line for the new TaurusTrio® TAV System was put into operation in 2025, further strengthening the Group's supply capabilities and providing solid support for future sales growth.

I. BUSINESS REVIEW (CONT'D)

Manufacturing (Cont'd)

For the Neurointerventional Business, the Group manufactures, assembles and inspects its products at an 18,843.9 sq.m. self-owned property at Zhongtian Road, Suzhou, Jiangsu Province. The renovation and expansion of the plant at Zhongtian Road, Suzhou, including the production workshop and laboratory, have been completed, thereby increasing production capacity to meet growing market demand. The Group has also established the *Risk Management and Control Procedures* (《風險管理控制程序》) to monitor compliance with its quality control system at every stage of the product life cycle, and applies scientific tools to identify, analyze, evaluate and control risks so as to ensure the safety and efficacy of medical devices.

The Group has established an advanced quality management system and is committed to developing products that enable patients to enjoy healthier lives, while strictly complying with the *Product Quality Law of the People's Republic of China* (《中華人民共和國產品質量法》), the Measures for the *Supervision and Administration of Medical Device Production* (《醫療器械生產監督管理辦法》), the *Good Manufacturing Practices for Medical Devices* (《醫療器械生產質量管理規範》) and other laws and regulations. The Group has implemented the *Non-Conforming Product Control Procedures* (《不合格品控制程序》) to standardize the identification, handling, and resolution of non-compliant products throughout the entire product lifecycle, from raw material procurement and production processes to final delivery, thereby ensuring systematic compliance and operational integrity. Its quality management system is aligned with relevant laws and international standards, including GMP standards and the ISO 13485:2016 Medical devices — Quality management systems.

Commercialization

The Group is committed to becoming physicians' most trusted product partner and service provider, underpinned by three core pillars: (i) precise product positioning and superior product performance; (ii) comprehensive sales and marketing support; and (iii) end-to-end engagement across the product lifecycle.

In respect of the Transcatheter Valve Therapeutic Business, during the Reporting Period, the Group's commercialized TAVR portfolio expanded into approximately 70 additional hospitals, bringing cumulative hospital coverage to over 850 hospitals across Greater China as at June 30, 2026. The Group recorded approximately 2,830 TAVR implantations during the Reporting Period, representing an increase of 36.5% as compared with the six months ended June 30, 2025. The growth was primarily driven by the launch and increasing adoption of TaurusTrio®, the Group's on-label product for the treatment of AR, which helped address previously unmet treatment needs and contributed to the continued expansion of the TAVR market in China.

Through structured internal training programs and talent development initiatives, the Group has cultivated a high-performance team with industry-leading expertise in medical education and commercial operations. As at June 30, 2026, the sales and marketing workforce for transcatheter valve therapeutic therapies stood at 168 professionals, supported by a medical department of more than 10 licensed physicians providing expert clinical support for patient evaluation, procedure planning, and other perioperative management.

I. BUSINESS REVIEW (CONT'D)

Commercialization (Cont'd)

Leveraging continuous product iterations and the broader clinical adoption of TAVR technologies, the Group has enhanced commercialization effectiveness through value-driven academic initiatives. The Group advances the transcatheter valve therapeutic technologies through multi-dimensional academic ecosystem development, including: (i) standardized procedure training and core technology mastery programs for TAVR; (ii) lifecycle management strategies for AS patients based on the features of Taurus series products; (iii) anatomical assessment and advanced techniques for the treatment of AR patients; and (iv) academic exchange and case-sharing focused on complex procedures and emerging clinical topics. These clinician-centric initiatives have facilitated the translation of iterative procedure innovations into tangible clinical benefits, strengthening long-term physician engagement and interaction.

Since its official launch in June 2022, the Group's proprietary *Yijia Institute* has developed into a recognized digital education platform in the field of transcatheter valve therapy, supported by its consistent delivery of high-quality content and innovative online professional education models. As at June 30, 2026, the number of followers on the platform exceeded 5,200, with more than 1,250 active certified physician users. During the Reporting Period, 47 articles were published on the platform, generating over 6,000 cumulative views.

In addition, the Group places strong emphasis on the accumulation of high-quality clinical evidence and clinical research for its proprietary innovative products, including the Taurus series products, GeminiOne® TEER System and robotic-assisted systems. Relevant findings were published in leading international academic journals, such as *European Heart Journal*, *JACC: Cardiovascular Interventions*, *JACC: Case Reports and Circulation: Cardiovascular Interventions*, *JACC: Asia*, as well as other internationally recognized journals, and have been presented at internationally recognized cardiovascular conferences such as TCT and PCR. To date, more than 20 papers have been published, further enhancing the Group's academic recognition and influence in the field of structural heart disease.

In respect of the Neurointerventional Business, as at June 30, 2026, the Group had 87 employees dedicated to the sales and marketing of its neurointerventional products, and its distributor network covered over 3,000 hospitals across China. Leveraging its established commercialization capabilities, professional sales team and nationwide distribution network, the Group adopted a dual-driven commercialization strategy combining differentiated promotion of proprietary products with strategic collaborations with external partners, with the aim of continuously enriching its neurointerventional product portfolio and driving sustained growth.

I. BUSINESS REVIEW (CONT'D)

Commercialization (Cont'd)

For proprietary products, the Group leveraged differentiated product designs and technological advantages, and collaborated with physicians through a physician-engineering collaboration model to develop a series of innovative procedural techniques addressing unmet clinical needs. Over the years, the Group has developed more than ten innovative techniques, among which the BASIS technique based on the Syphonet® Stent Retriever and the *Zero Exchange* technique based on the Fastunnel® Delivery Balloon Dilatation Catheter have received strong clinical recognition and adoption. During the Reporting Period, the promotion and application of these representative techniques further enhanced the market penetration of the related products and contributed to significant market share gains.

For external collaborations, the Group continued to expand its product portfolio through strategic partnerships. During the Reporting Period, its exclusively distributed products, including YonFlow® Flow Diverting Stent and QIDA® Disposable Neuro Introducer Sheath, achieved strong commercial scale-up and contributed incremental revenue growth. The Group also entered into a strategic cooperation agreement with B. Braun for the exclusive distribution of its SeQuent® Please CIS Paclitaxel Drug-Coated Intracranial Balloon Dilatation Catheter, which is currently under registration application in China, further strengthening the Group's product pipeline and creating additional growth opportunities.

The Group's neurointerventional products have been gradually included in VBP programs. In response to the evolving procurement environment, the Group actively implemented strategic bidding initiatives to secure market access, maintain product competitiveness and support sustainable growth.

Future Outlook

Looking ahead, the Group will continue to advance toward its strategic objective of joining the leading international tier in interventional therapies for structural heart and neurovascular diseases by 2030. Building on its established research and development capabilities, product portfolio and commercialization model, the Group will continue to enhance its global competitiveness and expand its international presence in a structured and sustainable manner.

In the Transcatheter Valve Therapeutic Business, the Group will seek to maintain its leadership position in China's transfemoral TAVR market. Following the NMPA approval, TaurusTrio® TAV System has been launched nationwide, representing a significant milestone in the Group's portfolio enhancement and commercialization strategy. Leveraging its sales and marketing infrastructure, the Group will continue to promote professional education and accelerate the adoption of on-label pure AR indications, addressing the unmet clinical needs of AR patients and driving the evolution of the interventional treatment paradigm for both AS and AR in China.

I. BUSINESS REVIEW (CONT'D)

Future Outlook (Cont'd)

Meanwhile, following the regulatory approval of the GeminiOne® TEER System in China in September 2026, the Group will continue to advance its commercialization, progress the registration of the TaurusNXT® *Non-glutaraldehyde Crosslinked* Dry-tissue TAVR System, and advance the registration clinical trial of the HighLife® TSMVR System. Through ongoing product development and execution excellence, the Group aims to further enrich its product portfolio and address unmet clinical needs, supporting its long-term development in structural heart therapies.

In the Future Technology Business, the Group will continue to advance globally leading technological platforms and expand the international application of its breakthrough innovations. The Group will explore appropriate global financing opportunities and continue the research and development of cutting-edge therapeutic solutions, aiming to broaden worldwide access to its advanced technologies and reinforce its position at the forefront of structural heart innovation.

In respect of the Neurointerventional Business, the Group will continue to drive revenue and profit growth. Supported by industry development trends and policy environment, the Group will leverage its product portfolio and commercialization network to further expand market coverage. During the Reporting Period, the Group has advanced its global expansion initiatives in the Neurointerventional Business, including overseas regulatory registrations, market access initiatives and commercialization planning. These efforts are expected to lay a solid foundation for future international growth and diversified development.

II. FINANCIAL REVIEW

Revenue

For the Reporting Period, the Group's revenue was RMB424.5 million, representing an increase of 20.1% as compared with RMB353.4 million for the six months ended June 30, 2025. Revenue from the Transcatheter Valve Therapeutic Business and Neurointerventional Business were RMB207.3 million and RMB217.2 million, representing an increase of 28.3% and 13.3% as compared with RMB161.6 million and RMB191.8 million for the six months ended June 30, 2025, respectively.

The increase in revenue was primarily attributable to: (i) the continued expansion of the Transcatheter Valve Therapeutic Business, driven by the successful commercialization of new indication products, which enabled the Group to capture the new on-label AR market opportunity by leveraging the Group's established TAVR commercialization capabilities; and (ii) the continued growth of the Group's Neurointerventional Business, driven by the sustained market penetration of its self-developed products and the expansion of its product portfolio through strategic collaborations.

The following table sets forth a breakdown of revenue generated from Neurointerventional Business for the periods indicated:

	Six months ended June 30,			
	2026		2025	
	RMB'000	**%**	RMB'000	%
Ischemic	**82,595**	**38.0**	56,813	29.6
Hemorrhagic	**71,063**	**32.7**	59,920	31.3
Vascular Access	**63,400**	**29.2**	74,978	39.1
Other	**162**	**0.1**	63	—*
Total	**217,220**	**100.0**	191,774	100.0

* The proportion is less than 0.1%.

II. FINANCIAL REVIEW (CONT'D)

Cost of Sales

For the six months ended June 30, 2026, the Group's cost of sales was RMB134.5 million, representing an increase of 27.1% as compared with RMB105.8 million for the six months ended June 30, 2025. The increase was primarily attributable to the increase in material costs, labor costs and manufacturing overhead as a result of the increased sales volume of the Transcatheter Valve Therapeutic Business and Neurointerventional Business.

Gross Profit and Gross Profit Margin

As a result of the aforementioned factors, the Group's gross profit increased by 17.1%, from RMB247.6 million for the six months ended June 30, 2025 to RMB290.0 million for the Reporting Period, in line with the increase in sales revenue. Gross profit margin is calculated by dividing gross profit by revenue and multiplying the result by 100%. The Group's gross profit margin was 68.3% for the Reporting Period, as compared with 70.1% for the six months ended June 30, 2025. The decrease in gross profit margin was mainly attributable to the price adjustment of TAVR systems, relatively higher production costs of TaurusTrio® during its initial production ramp-up, and the ongoing impact of VBP on the Neurointerventional Business. Such impact was partially offset by continued product mix optimization and cost-reduction and efficiency-enhancement initiatives, resulting in an overall decrease in gross profit margin of 1.8 percentage points.

Selling and Distribution Expenses

Selling and distribution expenses decreased by 19.4% from RMB145.1 million for the six months ended June 30, 2025 to RMB117.0 million for the Reporting Period. The decrease was primarily attributable to lower expenses following improved patient affordability, reduced conference expenses, organizational optimization and enhanced operational efficiency.

Administrative Expenses

Administrative expenses decreased by 13.6% from RMB62.7 million for the six months ended June 30, 2025 to RMB54.2 million for the Reporting Period. The decrease was primarily attributable to lower personnel costs following organizational and departmental optimization, together with disciplined cost control across administrative functions.

Research and Development Expenses

Research and development expenses decreased by 23.5% from RMB115.6 million for the six months ended June 30, 2025 to RMB88.4 million for the Reporting Period. The decrease was primarily attributable to several key R&D programs progressing into later-stage development phases, which led to lower direct development expenses and related external R&D service fees.

For the Reporting Period, research and development expenses incurred from the Transcatheter Valve Therapeutic Business, Future Technology Business and Neurointerventional Business amounted to RMB33.6 million, RMB30.9 million and RMB23.9 million, respectively. The following table sets forth the components of research and development expenses for the periods indicated:

II. FINANCIAL REVIEW (CONT'D)

Research and Development Expenses (Cont'd)

	Six months ended June 30,			
	2026		2025	
	RMB'000	**%**	RMB'000	%
Employee benefits expenses	**42,796**	**48.4**	43,967	38.0
Service expenses for research and development	**19,303**	**21.8**	23,571	20.4
Raw materials and consumables used	**15,890**	**18.0**	21,116	18.3
Depreciation and amortization	**4,779**	**5.4**	6,125	5.3
Professional service fees	**1,111**	**1.3**	17,613	15.2
Other	**4,530**	**5.1**	3,244	2.8
Total	**88,409**	**100.0**	115,636	100.0

Other gains and losses

Other gains and losses changed from other losses of RMB2.4 million for the six months ended June 30, 2025 to other losses of RMB25.0 million for the Reporting Period. This increase was primarily attributable to higher exchange losses, which increased from RMB3.4 million for the six months ended June 30, 2025 to RMB13.1 million for the Reporting Period. Meanwhile, the Group recorded a fair value loss of RMB12.0 million in the Reporting Period as compared with nil in the six months ended June 30, 2025.

Finance costs — net

Finance costs — net increased from RMB0.7 million for the six months ended June 30, 2025 to RMB8.2 million for the Reporting Period. The increase was primarily attributable to higher interest expenses arising from approximately RMB220.5 million of new short-term and long-term borrowings obtained by the Group during the Reporting Period.

II. FINANCIAL REVIEW (CONT'D)

Gearing Ratio

Gearing Ratio is calculated by dividing total liabilities by total equity and multiplying the result by 100%. As at June 30, 2026, the gearing ratio of the Group increased to 57.2% from 43.0% as at December 31, 2025. The increase was primarily attributable to higher borrowings during the Reporting Period.

Net Current Assets

As at June 30, 2026, the Group's net current assets were RMB396.7 million, representing an increase of RMB253.6 million from RMB143.1 million as at December 31, 2025. The increase was primarily attributable to higher trade and other receivables and cash balances.

Borrowings

As at June 30, 2026, the Group's total borrowings amounted to RMB649.1 million, representing an increase of approximately 51.4% from RMB428.6 million as at December 31, 2025. The borrowings comprised current borrowings of RMB388.4 million and non-current borrowings of RMB260.7 million, and bore interest rates ranging from 2.26% to 3.0%. The non-current borrowings were principally used to finance the construction of the new headquarters, while the current borrowings were obtained to manage the Group's funding costs by securing more favorable interest rates.

Capital Management

The primary goal of the Group's capital management is to maintain the Group's stability and growth, safeguard its normal operations and maximize shareholders' value. The Group reviews and manages its capital structure on a regular basis. Timely adjustments are made in light of changes in operating and market conditions.

Liquidity and Financial Resources

As at June 30, 2026, the Group's total cash, cash equivalents, bank bills, restricted cash and term deposits amounted to approximately RMB811.1 million, representing an increase of 32.9% as compared with RMB610.3 million as at December 31, 2025. The Group continues to maintain a strong financial position and is confident that it has sufficient funds to meet its daily business operation requirements.

The Group relies on capital contributions by the shareholders, bank borrowings and cash generated from operating activities as its major sources of liquidity. As the Group's business develops and expands, the Group expects to generate more net cash inflow from operating activities through increasing sales volumes of existing commercialized products, launching new products, broadening market acceptance, continuing promotion and market expansion, and improving cost control and operating efficiency.

II. FINANCIAL REVIEW (CONT'D)

Liquidity and Financial Resources (Cont'd)

The Group adopts conservative treasury policies in cash and financial management. To achieve better risk control and minimize the cost of funds, the Group's treasury is centralized. Cash is generally placed in deposits mostly denominated in U.S. Dollars, Hong Kong dollars and RMB. The Group's liquidity and financing requirements are reviewed regularly.

Capital Expenditure

For the Reporting Period, the Group's total capital expenditure amounted to approximately RMB67.6 million, of which RMB45.6 million was attributable to property, plant and equipment construction and procurement, and RMB22.0 million to acquisition of intangible assets.

Significant Investment

As at June 30, 2026, the Group did not have any significant investment.

Contingent Liabilities

As at June 30, 2026, the Group did not have any significant contingent liabilities.

Material Acquisitions and Disposals

As at June 30, 2026, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

Future Plans for Material Investments or Capital Assets

As at the date of this interim report, the Group had not authorized and does not have any specific plan for any material investments or acquisitions of capital assets.

Charge on Assets

As at June 30, 2026, a land use right and property, plant and equipment of the Group, with carrying amounts of RMB32.5 million and RMB332.3 million respectively, have been mortgaged to secure a long-term bank borrowing.

Foreign Exchange Exposure

During the Reporting Period, the Group primarily operated in China and the majority of its transactions were settled in RMB, the functional currency of the Company. As at June 30, 2026, certain cash and cash equivalents as well as financial assets at fair value through profit or loss were denominated in foreign currencies and were exposed to foreign currency risk. The Group currently does not use any hedging instruments to manage this foreign currency exposure. However, management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

HUMAN RESOURCES

As at June 30, 2026, the Group had 1,033 employees, all of whom were based in China. Total employee benefits of the Group for the Reporting Period were approximately RMB162.4 million, comprising (i) wages, salaries and bonuses; (ii) social security costs and housing benefits; (iii) employee welfare; and (iv) share-based compensation expenses.

The Group recruits employees based on a number of factors, including work experience, educational background and the requirements of a relevant position. The Group invests in continuing education programs for its management staff and other employees to continuously upgrade their skills and knowledge. Regular performance feedback is provided, together with internal and external training in various areas, such as product knowledge, project development and team building. Employees are assessed based on their performance for the purpose of determining remuneration adjustments, promotions and career development.

In compliance with the relevant PRC labor laws and regulations, the Group enters into individual employment contracts with its employees covering matters such as employment terms, wages, bonuses, employee benefits, workplace safety, confidentiality obligations, non-competition and grounds for termination.

In addition, pursuant to applicable PRC laws and regulations, the Group is required to make contributions to statutory employee benefit plans (including pension plans, medical insurance, work-related injury insurance, unemployment insurance, maternity insurance and housing provident funds) at specified percentages of employees' salaries, including bonus and allowances, subject to the maximum contribution base prescribed by the local authorities.

SUPPLEMENTARY INFORMATION

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Reporting Period (six months ended June 30, 2025: nil).

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 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.

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Under the current organization structure of the Company, Dr. ZHANG 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 since its establishment, Dr. ZHANG is in charge of overall management, business, strategic development and scientific R&D of our Group. The Board considers that vesting the roles of the chairman of the Board and the chief executive officer in the same person is beneficial to the management of our Group. The balance of power and authority is ensured by the operation of the Board, which comprises experienced and diverse individuals. The Board currently comprises three executive Directors (including Dr. ZHANG), three non-executive Directors and four independent non-executive Directors, and therefore has a strong independent element in its composition.

Save as disclosed above, in the opinion of the Directors, the Company has complied with the relevant code provisions contained in the CG Code during the Reporting Period. The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

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 and the Company's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company's securities.

Having made specific enquiries with all Directors, each of them has confirmed that he/she has complied with the Model Code during the six months ended June 30, 2026. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of our Group during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY OR SALE OF TREASURY SHARES

From September 1, 2020 to June 30, 2026, the trustee of the RSU Scheme has purchased an aggregate of 5,859,000 Shares (representing approximately 0.8683% of the total issued share capital of the Company as of June 30, 2026) under the RSU Scheme.

Save as disclosed above, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities or sold any treasury shares (as defined under the Listing Rules) during the Reporting Period. As of June 30, 2026, the Company did not hold any treasury shares.

REVIEW OF FINANCIAL INFORMATION

The Company has established an Audit Committee with written terms of reference in accordance with the Listing Rules. As of the date of this interim report, the Audit Committee comprises one non-executive Director, namely Mr. Jifeng GUAN, and three independent non-executive Directors, namely, Mr. Robert Ralph PARKS, Mr. Wai Ming YIP and Mr. Huacheng WEI. Mr. Wai Ming YIP is the chairman of the Audit Committee.

The Audit Committee has held relevant discussions with the Company's management, and reviewed the unaudited interim financial statements of the Group for the Reporting Period. The Audit Committee considered that the interim results of the Group for the Reporting Period are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

In addition, the Company's external auditor, Deloitte Touche Tohmatsu, has performed an independent review of the Group's interim financial information for the Reporting Period in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity". Based on their review, Deloitte Touche Tohmatsu confirmed that nothing has come to their attention that causes them to believe that the interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

CHANGES IN THE BOARD AND THE DIRECTORS' INFORMATION

There was no change in the Board and the information of Directors since the date of 2025 annual report of the Company which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of June 30, 2026, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO), which (a) 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 he/she was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Long positions in the Shares, underlying Shares and debentures of the Company

Name of Director	Capacity/nature of interest	Number of Shares interested (1)	Approximate percentage of the Company's issued share capital (2)
Dr. ZHANG	Beneficial owner (3)	9,890,440	1.47%
	Trustee (4)	32,917,560	4.88%
	Interest of controlled corporation (5)	95,239,640	14.12%
	Interest held jointly with other persons (6)	19,342,299	2.87%
	Interest of spouse (7)	1,021,500	0.15%
Mrs. Ping Ye ZHANG	Beneficial owner	1,021,500	0.15%
	Trustee (4)	32,917,560	4.88%
	Interest held jointly with other persons (6)	114,581,939	16.98%
	Interest of spouse (7)	9,890,440	1.47%
Ms. Hong YE	Beneficial owner (8)	19,342,299	2.87%
	Interest of controlled corporation (5)	95,239,640	14.12%
	Interest held jointly with other persons (6)	43,829,500	6.50%
Mr. Fei CHEN	Interest of controlled corporation (9)	19,952,740	2.96%
Dr. Stephen Newman OESTERLE	Beneficial owner (10)	698,991	0.10%
Mr. Robert Ralph PARKS	Beneficial owner (11)	701,826	0.10%

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONT'D)

Long positions in the Shares, underlying Shares and debentures of the Company (cont'd)

Notes:

(1) All interests stated are long position.

(2) The calculation is based on the total number of 674,736,912 ordinary shares of the Company in issue as of June 30, 2026.

(3) Dr. ZHANG beneficially owns 5,232,720 Shares, and is also interested in options to 4,657,720 Shares pursuant to outstanding options granted under the Share Option Plan.

(4) Jinnius Drive Trust, Hanlindale Trust and THE ZHANG LIVING TRUST were respectively established by Dr. ZHANG and Mrs. Ping Ye ZHANG as grantor. Both Dr. ZHANG and Mrs. Ping Ye ZHANG are trustees of Jinnius Drive Trust, Hanlindale Trust and THE ZHANG LIVING TRUST. Therefore, under the SFO, each of Dr. ZHANG and Mrs. Ping Ye ZHANG is deemed to be interested in an aggregate 32,917,560 Shares held by the three trusts, including 15,713,560 Shares held by Jinnius Drive Trust, 17,094,000 Shares held by Hanlindale Trust and 110,000 Shares held by THE ZHANG LIVING TRUST.

(5) XinYue International Limited was owned as to 65% by Dr. ZHANG and 35% by Ms. Hong YE as of June 30, 2026. Therefore, under the SFO, each of Dr. ZHANG and Ms. Hong YE is deemed to be interested in 95,239,640 Shares held by XinYue International Limited.

(6) Dr. ZHANG, Jinnius Drive Trust, Mrs. Ping Ye ZHANG, Hanlindale Trust, Ms. Hong YE and XinYue International Limited are Concert Parties based on the Concert Party Agreement. Therefore, under the SFO, each of Dr. ZHANG, Jinnius Drive Trust, Mrs. Ping Ye ZHANG, Hanlindale Trust, Ms. Hong YE and XinYue International Limited is deemed to be interested in the aggregate equity interests of all the Concert Parties.

(7) Dr. ZHANG and Mrs. Ping Ye ZHANG are spouses. Therefore, Dr. ZHANG and Mrs. Ping Ye ZHANG are deemed to be interested in the equity interests held by each other under the SFO.

(8) Ms. Hong YE beneficially owns 13,651,960 Shares, and is also interested in options to 5,690,339 Shares pursuant to outstanding options granted under the Share Option Plan.

(9) Shanghai Liyi Biotech, L.P. holds 19,952,740 Shares directly. Shanghai Liyao Investment Management Co., Ltd. is 100% owned by Mr. Fei CHEN, and is the general partner of Shanghai Liyi Investment Management Partnership (Limited Partnership). In addition, Shanghai Liyi Investment Management Partnership (Limited Partnership) is the general partner of Shanghai Liyi Biotech, L.P.. Therefore, under the SFO, each of Mr. Fei CHEN, Shanghai Liyao Investment Management Co., Ltd. and Shanghai Liyi Investment Management Partnership (Limited Partnership) is deemed to be interested in 19,952,740 Shares held by Shanghai Liyi Biotech, L.P..

(10) As of June 30, 2026, a total of 698,991 Shares have been granted to Dr. Stephen Newman OESTERLE under the RSU Scheme, pursuant to his service contract with the Company. Please refer to the announcement of the Company dated October 5, 2020 for further details.

(11) As of June 30, 2026, a total of 701,826 Shares have been granted to Mr. Robert Ralph PARKS under the RSU Scheme, pursuant to his service contract with the Company. Please refer to the announcement of the Company dated October 5, 2020 for further details.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONT'D)

Long positions in the Shares, underlying Shares and debentures of the Company (cont'd)

Save as disclosed above and to the best knowledge of the Directors, as of June 30, 2026, none of the Directors or the 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 (within the meaning of Part XV of the SFO) 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.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

So far as is known to any Director or chief executive of the Company, as of June 30, 2026, the following corporations/persons (other than the Directors or the chief executive of the Company) had interests of 5% or more in the issued shares of the Company according to the register of interests required to be kept by the Company under section 336 of the SFO:

Name	Capacity/nature of interest	Number of Shares interested (1)	Approximate percentage of the Company's issued share capital (2)
Jinnius Drive Trust (3)	Beneficial owner	15,713,560 (L)	2.33% (L)
	Interest held jointly with other persons (5)	142,697,879 (L)	21.15% (L)
Hanlindale Trust (3)	Beneficial owner	17,094,000 (L)	2.53% (L)
	Interest held jointly with other persons (5)	141,317,439 (L)	20.94% (L)
XinYue International Limited (4)	Beneficial owner	95,239,640 (L)	14.12% (L)
	Interest held jointly with other persons (5)	63,171,799 (L)	9.36% (L)
LAV Aero Limited	Beneficial owner	42,428,460 (L)	6.29% (L)
LAV Biosciences Fund IV, L.P.	Interest of controlled corporation (6)	42,428,460 (L)	6.29% (L)
LAV GP IV, L.P.	Interest of controlled corporation (6)	42,428,460 (L)	6.29% (L)
LAV Corporate IV GP, Ltd.	Interest of controlled corporation (6)	42,428,460 (L)	6.29% (L)
LAV Asset Management (Hong Kong) Limited	Investment manager	47,906,460 (L)	7.10% (L)
Mr. Yi SHI	Interest of controlled corporation (6)	46,845,460 (L)	6.94% (L)
HH SUM-XXIV Holdings Limited	Beneficial owner	40,738,980 (L)	6.04% (L)
HH IMV Holdings, L.P.	Interest of controlled corporation	40,738,980 (L)	6.04% (L)
Hillhouse Investment Management, Ltd.	Investment manager	40,738,980 (L)	6.04% (L)
Hillhouse Fund IV, L.P.	Interest of controlled corporation	40,738,980 (L)	6.04% (L)

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES (CONT'D)

Notes:

(1) All interests stated are long position; (P) denotes lending pool.

(2) The calculation is based on the total number of 674,736,912 ordinary shares of the Company in issue as of June 30, 2026.

(3) Jinnius Drive Trust and Hanlindale Trust were discretionary trusts and respectively established by Dr. ZHANG and Mrs. Ping Ye ZHANG as grantor. Both Dr. ZHANG and Mrs. Ping Ye ZHANG are trustees of Jinnius Drive Trust and Hanlindale Trust. Therefore, under the SFO, each of Dr. ZHANG and Mrs. Ping Ye ZHANG is deemed to be interested in an aggregate 32,807,560 Shares held by the two trusts, including 15,713,560 Shares held by Jinnius Drive Trust and 17,094,000 Shares held by Hanlindale Trust.

(4) XinYue International Limited was owned as to 65% by Dr. ZHANG and 35% by Ms. Hong YE as of June 30, 2026. Therefore, under the SFO, each of Dr. ZHANG and Ms. Hong YE is deemed to be interested in 95,239,640 Shares held by XinYue International Limited.

(5) Dr. ZHANG, Jinnius Drive Trust, Mrs. Ping Ye ZHANG, Hanlindale Trust, Ms. Hong YE and XinYue International Limited are Concert Parties based on the Concert Party Agreement. Therefore, under the SFO, each of Dr. ZHANG, Jinnius Drive Trust, Mrs. Ping Ye ZHANG, Hanlindale Trust, Ms. Hong YE and XinYue International Limited is deemed to be interested in the aggregate equity interests of all the Concert Parties.

(6) To the best of the Directors' knowledge, LAV Aero Limited is wholly-owned by LAV Biosciences Fund IV, L.P., a Cayman exempted limited partnership fund. The general partner of LAV Biosciences Fund IV, L.P. is LAV GP IV, L.P., whose general partner is LAV Corporate IV GP, Ltd., a Cayman company owned by Mr. Yi SHI. Therefore, under the SFO, each of LAV Biosciences Fund IV, L.P., LAV GP IV, L.P., LAV Corporate IV GP, Ltd. and Mr. Yi SHI is deemed to be interested in 42,428,460 Shares held by LAV Aero Limited.

In addition, to the best of the Directors' knowledge, upon completion of the Global Offering and taking into account the 2,523,000 Shares to be subscribed for by LAV Aero Limited at the Offer Price of HK$15.36 pursuant to the cornerstone investment agreement as further described under the section headed "Cornerstone Placing" in the Prospectus, LAV, which collectively refers to LAV Aero Limited and Shanghai Liyi Biotech, L.P., controls the exercise of 9.86% of the voting power at the general meeting of the Company. Shanghai Liyi Biotech, L.P. holds 19,952,740 Shares directly.

Save as disclosed above and to the best knowledge of the Directors, as of June 30, 2026, no person had registered an interest or a short position in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE INCENTIVE SCHEMES

1. Share Option Plan

The Company has approved and adopted a Share Option Plan on December 27, 2019, a summary of the principal terms of which are set out in the section headed "D. Share Incentive Schemes — 1. Share Option Plan" in Appendix IV to the Prospectus.

(a) Purpose and Principal Terms

The purpose of the Share Option Plan is to enable the Group to grant options or awards to qualified persons (as determined by the sole opinion of the Board) including any director, employee, adviser and consultant of the Company or any of its associated companies as incentives, attraction, motivation or rewards by reason of their contribution or potential contribution to the Company and/or any of our associated companies. The principal terms of the Share Option Plan are as follows:

1) Subject to any alterations set out under the Share Option Plan in the event of any capitalization issue, rights issue, open offer, sub-division, consolidation of shares, or reduction of capital of the Company that may take place after the Listing, the maximum number of Shares in respect of which options or awards may be granted under the Share Option Plan shall be 2,911,989 Shares (or 58,239,780 as adjusted after Capitalization Issue), representing approximately 12.7% of the total issued share capital of the Company immediately before completion of the Global Offering.

2) An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when a copy of the Grant Letter has been duly signed by the grantee, and a non-refundable payment of HK$0.10 or its RMB equivalent has been made in favour of the Company by way of consideration for the grant and is received by the Company on or before the relevant acceptance date.

3) No option or award under the Share Option Plan will be granted after the Listing Date, although provisions of the Share Option Plan will in all other respects remain in full force and effect to the extent necessary to give effect to the exercise of any options granted pursuant to the Share Option Plan ("**Option**") on or prior to the Listing Date or otherwise as may be required in accordance with the provisions of the Share Option Plan and Options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with this Scheme.

4) A grantee may subscribe for the Shares on the exercise of an Option at the price approved by the Board in its absolute discretion with reference to factors which may include business performance and value of the Company and individual performance of the relevant grantee, and in any case, shall not be less than the par value of the Shares.

SHARE INCENTIVE SCHEMES (CONT'D)

1. Share Option Plan (cont'd)

(a) Purpose and Principal Terms (cont'd)

5) An Option is personal to the grantee and is not assignable and no grantee is permitted in any way to sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option or attempt to do so (with the exception that the grantee may transfer the Options to a trust in which he/she is a beneficiary thereof or the grantee may nominate a nominee in whose name the Shares issued pursuant to the Share Option Plan may be registered). Any breach of the foregoing shall entitle the Company to cancel any outstanding Options or any part thereof granted to such Grantee without compensation.

6) The Shares to be allotted upon the exercise of an Option is subject to the constitutional documents of the Company for the time being in force and, once issued, ranks pari passu in all respects with and has the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company as attached to the fully-paid Shares in issue on the date of issue.

7) Each grantee to whom a share award has been granted shall be entitled to the Shares they are awarded in accordance with the terms (including any restrictions and vesting requirement that may be imposed) of the Share Option Plan and the Grant Letter. However, in any case, a grantee is not entitled to exercise any Option until the Listing Date.

8) The maximum number of Shares issued and to be issued upon exercise of the share options granted and to be granted pursuant to the Share Option Scheme and any other share option scheme(s) of the Company to each participant in any 12-month period up to and including the date of grant of the options must not exceed 1% of the total number of Shares in issue. Any further grant of options which would result in the number of the Shares issued as aforesaid exceeding the said 1% limit must be approved by the Shareholders in general meeting at which such participant and his or her associates must abstain from voting.

9) In terms of rights on death or termination of employment:

   (i) If the grantee ceases to be an eligible participant of the Share Option Plan as a result of death, ill-health, injury or disability (including permanent disability), provided that the grantee's relationship with the Group had not been otherwise terminated by the occurrence of events which would have caused his Option(s) to lapse (as defined in the Share Option Plan), the grantee or his personal representatives is entitled within 12 months from the date of cessation of being an eligible participant or death to exercise his Option in full (to the extent not already exercised);

SHARE INCENTIVE SCHEMES (CONT'D)

1. Share Option Plan (cont'd)

(a) Purpose and Principal Terms (cont'd)

(ii) If the grantee ceases to be an eligible participant of the Share Option Plan as a result of termination of his relationship with the Group due to the occurrence of events which would have caused his Option(s) to lapse (as defined in the Share Option Plan), the grantee's Options will terminate on the date of such cessation without compensation, regardless of whether the Options are exercisable or not;

(iii) If the grantee ceases to be an eligible participant of the Share Option Plan as a result of termination of his relationship with the Group for any reason other than those referred to in (i) and (ii) above, the grantee may exercise his Option up to his entitlement at the date of cessation of being an eligible participant (to the extent not already exercised) within 60 days following the date of such cessation.

10) The Board may, at any time, alter in any respect the terms and conditions of the Share Option Plan and the regulations for the Share Option Plan's administration and operation, provided that such alteration does not adversely affect the terms of issue of any Option granted or agreed to be granted prior to such alteration or to reduce the proportion of the equity capital to which any person was entitled pursuant to such Option prior to such alteration except with the Grantee's written consent or by special resolution passed at a meeting of the grantees.

11) The Company by ordinary resolution of the Board may at any time resolve to terminate the operation of the Share Option Plan and in such event no further Options shall be offered but the provisions of the Share Option Plan shall remain in force to the extent necessary to give effect to the exercise of any Option granted prior to the termination or otherwise as may be required in accordance with the provisions of the Share Option Plan and Options granted prior to such termination shall continue to be valid and exercisable in accordance with this Scheme.

(b) Establishment of Employee Trust

On December 31, 2019, the Company entered into a trust deed with Trident Trust Company (HK) Limited (the "**Trustee**"), pursuant to which the Trustee has agreed to act as the trustee to administer the Share Option Plan and to hold the Shares underlying the options granted under the Share Option Plan.

To the extent permitted under the Scheme and applicable law and regulations, the Trustee shall follow the instruction of Dr. ZHANG in respect of the exercise of voting rights (if any) and powers in relation to the Shares underlying the Options until the Shares underlying the Options have been transferred outside of the Trust to the relevant Grantee(s) or their designated nominee(s).

The trust deed will terminate automatically upon the expiry of the trust period as stipulated in the Trust Deed provided that the Trustee has received all fees, costs, expenses and other amounts payable to it under or in connection with the terms of this Deed.

SHARE INCENTIVE SCHEMES (CONT'D)

1. Share Option Plan (cont'd)

(c) Outstanding Grants

No option or award under the Share Option Plan has been granted after the Listing Date. As of June 30, 2026, outstanding options to subscribe for an aggregate of 26,752,667 Shares have been granted to a total of 109 eligible participants by the Company under the Share Option Plan. The total number of Shares available for issue under the Share Option Plan as of the date of this interim report is 26,752,667, which represents 3.96% of the issued Shares (excluding treasury shares) as of the date of this interim report. The Share Option Plan will expire on December 26, 2029, and the remaining life of the Share Option Plan is approximately three years as at the date of this interim report.

A summary of the grantees who have been granted options under the Share Option Plan is set forth below:

		Number of Shares under outstanding options granted						
Grantee	Position/Relationship	As at January 1, 2026	Granted during the Reporting Period	Exercised during the Reporting Period	Lapsed during the Reporting Period	As at June 30, 2026	Weighted average closing price of Shares immediately before the options were exercised (HK$)	Note(s)
Directors								
Dr. Yi ZHANG	Executive Director; Chairman; Chief Executive Officer	4,657,720	0	0	0	4,657,720	—	1, 2, 3, 4, 5
Hong YE	Executive Director; Board Secretary	5,650,339	0	0	0	5,650,339	—	6, 7, 8, 13, 16
Other Grantees								
Other option holders including former and current employees, chief management and consultants of the Group	Not applicable	19,120,861	0	2,676,253	0	16,444,608	5.45	7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26
		29,428,920	0	2,676,253	0	26,752,667		

SHARE INCENTIVE SCHEMES (CONT'D)

1. Share Option Plan (cont'd)

(c) Outstanding Grants (cont'd)

Notes:

1. With vesting commencement date on July 5, 2017 and on July 31, 2017 and exercisable at an exercise price of US$0.25 (equivalent to approximately HK$1.94), and US$0.65 (equivalent to approximately HK$5.06), respectively.

2. With vesting commencement date on July 5, 2017 and on July 31, 2017 and exercisable when a qualified initial public offering ("**IPO**") is achieved (which this Offering qualifies for) at an exercise price of US$0.25 (equivalent to approximately HK$1.94), and US$0.65 (equivalent to approximately HK$5.06), respectively.

3. With vesting commencement date on July 5, 2017 and on July 31, 2017 and exercisable when certain product candidate obtains relevant regulatory approvals and has commenced sales for one year at an exercise price of US$0.25 (equivalent to approximately HK$1.94), and US$0.65 (equivalent to approximately HK$5.06), respectively.

4. With vesting commencement date on July 5, 2017 and on July 31, 2017 and exercisable when certain product candidate obtains relevant regulatory approvals at an exercise price of US$0.25 (equivalent to approximately HK$1.94), and US$0.65 (equivalent to approximately HK$5.06), respectively.

5. With vesting commencement date on July 5, 2017 and on July 31, 2017 and exercisable when certain product candidates commence their corresponding clinical trials at an exercise price of US$0.25 (equivalent to approximately HK$1.94), and US$0.65 (equivalent to approximately HK$5.06), respectively.

6. With vesting commencement date on August 24, 2011 and exercisable when a qualified IPO is achieved (which this IPO qualifies for) at an exercise price of US$0.03 (equivalent to approximately HK$0.23).

7. With vesting commencement date on December 31, 2019 and in accordance with a vesting schedule, the Shares subject to the corresponding options will be vested in equal proportions in yearly intervals, but in any event not later than the fourth anniversary of the vesting commencement date, and exercisable upon the satisfaction of certain performance conditions as determined by the Board at its discretion, at an exercise price of, where applicable, US$0.25 (equivalent to approximately HK$1.94), US$0.39 (equivalent to approximately HK$3.04), or US$0.55 (equivalent to approximately HK$4.27), respectively.

8. With vesting commencement date on December 27, 2019 and exercisable when a qualified IPO is achieved (which this IPO qualifies for), at an exercise price of US$0.73 (equivalent to approximately HK$5.69).

9. With vesting commencement date on December 27, 2019 and exercisable when a qualified IPO is achieved (which this Offering qualifies for), at an exercise price of, where applicable, US$0.25 (equivalent to approximately HK$1.94), or US$0.65 (equivalent to approximately HK$5.06), respectively.

10. With vesting commencement date on April 7, 2020 and in accordance with a vesting schedule, 9.09% of the Shares subject to the corresponding options will be vested on the vesting commencement date, 18.18% of the Shares on the first anniversary, 27.27% of the Shares on the second anniversary, and 45.45% on the third anniversary, and are exercisable at an exercise price of US$0.65 (equivalent to approximately HK$5.06).

11. With vesting commencement date on January 1, 2017 and exercisable immediately and in yearly intervals, in equal proportions on the last day of each calendar year, when certain long service condition is satisfied, but in any event before the fifth anniversary of the vesting commencement date, at an exercise price of US$0.25 (equivalent to approximately HK$1.94).

SHARE INCENTIVE SCHEMES (CONT'D)

1. Share Option Plan (cont'd)

(c) Outstanding Grants (cont'd)

Notes: (cont'd)

12. With vesting commencement date on August 31, 2020 and in accordance with a vesting schedule, 20% of the Shares subject to the corresponding options will be vested on the vesting commencement date, 50% of the Shares on the first anniversary, and 30% of the Shares on the second anniversary, and each exercisable when certain long service condition is satisfied, at an exercise price of US$0.65 (equivalent to approximately HK$5.06).

13. For one eligible participant, with vesting commencement date on December 31, 2020 and in accordance with a vesting schedule, 50% of the Shares subject to the corresponding options will be vested on the vesting commencement date and the remainder on the first anniversary, and each exercisable upon the satisfaction of certain performance conditions as determined by the Board at its discretion, at an exercise price of US$0.03 (equivalent to approximately HK$0.23).

14. For one eligible participant, with vesting commencement date on September 1, 2016 and exercisable in yearly intervals, in equal proportions, when certain performance condition is satisfied, but in any event not later than the fourth anniversary of the vesting commencement date, at an exercise price of US$0.03 (equivalent to approximately HK$0.23).

15. For one eligible participant, with vesting commencement date on June 30, 2021 and in accordance with a vesting schedule, 20% of the Shares subject to the corresponding options will be vested on the vesting commencement date, 20% of the Shares on the first anniversary, 20% of the Shares on the second anniversary, and 40% of the Shares on the third anniversary, and each exercisable when certain long service condition is satisfied, at an exercise price of, where applicable, US$0.25 (equivalent to approximately HK$1.94), or US$0.39 (equivalent to approximately HK$3.04), respectively.

16. With vesting commencement date on August 18, 2020 and in accordance with a vesting schedule for the eligible participants, 20% of the Shares subject to the corresponding options will be vested on the vesting commencement date, 50% of the Shares on the second anniversary, and 30% of the Shares on the third anniversary, and are exercisable at an exercise price of, where applicable, US$0.25 (equivalent to approximately HK$1.94), or US$0.39 (equivalent to approximately HK$3.04), respectively.

17. For 47 eligible participants, with vesting commencement dates falling on either the December 31 of 2019, 2020, 2021, 2022, or 2023 and in accordance with a vesting schedule for each of the eligible participants, the Shares subject to the corresponding options will be vested at annual intervals, but in any case not later than the fourth anniversary of the vesting commencement date, upon the satisfaction of certain performance conditions as determined by the Board at its discretion, and exercisable at an exercise price of, where applicable, US$0.03 (equivalent to approximately HK$0.23), or US$0.39 (equivalent to approximately HK$3.04), respectively.

18. For one eligible participant, with vesting commencement date on January 1, 2015 and exercisable when certain sales target is satisfied as determined by the Board at its discretion, at an exercise price of US$0.03 (equivalent to approximately HK$0.23).

19. For one eligible participant, with vesting commencement date on December 31, 2020, the Shares subject to the corresponding options will be vested on the vesting commencement date, and exercisable upon the satisfaction of certain performance conditions as determined by the Board at its discretion, at an exercise price of US$0.03 (equivalent to approximately HK$0.23).

20. For one eligible participant, with vesting commencement date on April 30, 2010 and on October 25, 2018 and exercisable 12 months after a qualified IPO is achieved (which this Offering qualifies for), at an exercise price of US$0.029 (equivalent to approximately HK$0.23), and US$0.18 (equivalent to approximately HK$1.38), respectively.

SHARE INCENTIVE SCHEMES (CONT'D)

1. Share Option Plan (cont'd)

(c) Outstanding Grants (cont'd)

Notes: (cont'd)

21. For two eligible participants, with vesting commencement date on February 28, 2018 and exercisable if certain employment condition is satisfied, at an exercise price of US$0.03 (equivalent to approximately HK$0.23).

22. For one eligible participant, with vesting commencement date on December 31, 2020 and exercisable when certain product candidates obtain registration certificates and production permits, at an exercise price of US$0.39 (equivalent to approximately HK$3.03); with vesting commencement date on December 31, 2021, the Shares subject to the corresponding options will be vested on the vesting commencement date, and exercisable upon the satisfaction of certain performance conditions as determined by the Board at its discretion, at an exercise price of US$0.39 (equivalent to approximately HK$3.03).

23. For one eligible participant, with vesting commencement date on December 31, 2019 and exercisable when certain sales target is satisfied as determined by the Board at its discretion, at an exercise price of US$0.39 (equivalent to approximately HK$3.04).

24. For 11 eligible participants, with vesting commencement date on December 31, 2021 and in accordance with their respective vesting schedules, the Shares subject to the corresponding options will be vested in equal proportions at annual intervals, upon the satisfaction of certain performance conditions as determined by the Board at its discretion, but in any event not later than the fourth anniversary of the vesting commencement date, and are exercisable at an exercise price of US$0.39 (equivalent to approximately HK$3.04).

25. For one eligible participant, with vesting commencement date on July 31, 2019, and exercisable when certain product candidate successfully completes a clinical trial, at an exercise price of US$0.65 (equivalent to approximately HK$5.06).

26. For 13 eligible participants, with vesting commencement date on December 27, 2019 and exercisable when a qualified IPO is achieved (which this Offering qualifies for), at an exercise price of US$0.73 (equivalent to approximately HK$5.69).

27. The exercise price has been adjusted to give effect to the Capitalization Issue and rounded to two decimal places.

Please refer to Note 23 to the condensed consolidated financial statements for further details.

As of June 30, 2026, no other options have been granted or agreed to be granted by our Company under the Share Option Plan.

SHARE INCENTIVE SCHEMES (CONT'D)

2. RSU Scheme

The Company has conditionally approved and adopted an RSU scheme on April 28, 2020. The principal terms of which are set out in the section headed "D. Share Incentive Schemes — 2. RSU Scheme" in Appendix IV to the Prospectus.

(a) Term

Subject to the termination provision of the RSU Scheme, it shall be valid and effective for a period of 10 years commencing on the Listing Date. As such, the remaining life of the RSU Scheme is approximately 5.5 years as of the date of this interim report. Upon the expiry of the RSU Scheme, no further Awards (as defined below) will be granted, but the provisions of the RSU Scheme shall in all other respects remain in full force and effect and Awards that are granted during the Term of the RSU Scheme may continue to be exercisable in accordance with their terms of issue.

The Company by ordinary resolution in general meeting or the Board may at any time terminate the operation of the RSU Scheme and in such event no further Awards will be granted but in all other respects the provisions of the RSU Scheme shall remain in full force and effect in respect of RSU which are granted during the life of the RSU Scheme and which remain unvested immediately prior to the termination of the operation of the scheme.

(b) Purpose

The purpose of the RSU Scheme is to incentivize eligible participants in the RSU Scheme for their contribution to the Group, 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.

(c) Who may join

The Directors may, at their absolute discretion, invite any person belonging to any of the following categories of participants, who the Board considers, in its sole discretion, have contributed or will contribute to the Group, to take up the Awards (as defined below):

(i) the employees or officers (including executive, non-executive and independent non-executive Directors);

(ii) any person or entity that provides research, development, consultancy and other technical or operational or administrative support to the Group; and

(iii) any other persons who, in the sole opinion of the Board, have contributed or will contribute to the Company and/or any of its Subsidiaries.

SHARE INCENTIVE SCHEMES (CONT'D)

2. RSU Scheme (cont'd)

(d) Awards

An award pursuant to the RSU Scheme (an "**Award(s)**") gives a RSU Participant a conditional right when the relevant restricted share unit (an "**RSU(s)**") vests to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of exercise of the RSU, less any tax, stamp duty and other charges applicable, as determined by the Board in its absolute discretion. Each RSU represents one underlying Share.

(e) Grant and Acceptance of Awards

On and subject to the terms of the RSU Scheme and the terms and conditions that the Board imposes pursuant thereto, the Board shall be entitled at any time during the life of the RSU Scheme to make a grant to any RSU Participant, as the Board may in its absolute discretion determine. For the avoidance of doubt, "grant" used in this "Supplemental Information — Shares Incentive Schemes — 2. RSU Scheme" section has the meaning as defined under Chapter 17 of the Listing Rules, and such meaning only applies to this section of this interim report.

Awards may be granted on such terms and conditions (e.g. by linking the vesting of their RSU to the attainment or performance of milestones by any member of the Group, the grantee or any group of RSU Participants) as the Board may determine, provided such terms and conditions shall not be inconsistent with any other terms and conditions of the RSU Scheme.

A grant shall be made to a RSU Participant in such form as the Board may from time to time determine (the "**Notice of Grant**") and such grant shall be subject to the terms as specified in the RSU Scheme. The RSU Participant shall undertake to hold the Award on the terms on which it is granted and be bound by the provisions of the RSU Scheme. Such Award shall remain open for acceptance by the RSU Participant to whom a grant is made for a period to be determined by the Board, provided that no such grant shall be open for acceptance after May 15, 2030 or after the RSU Scheme has been terminated in accordance with the provisions hereof. To the extent that the Award is not accepted within the period determined by the Board, it will be deemed to have been irrevocably declined and shall immediately lapse.

If the RSU Participant accepts the offer of grant of RSU(s) by signing the Notice of Grant, he is required to sign an acceptance notice and return it to the Company within the period specified and in a manner prescribed in the Notice of Grant. Upon the receipt from the RSU Participant of a duly executed acceptance notice, the RSU(s) is deemed granted to such RSU Participant from the date of the Notice of Grant, and the RSU Participant becomes a grantee (the "**Grantee**") in the RSU Scheme.

(f) Vesting

The Board has the sole discretion to determine the vesting criteria, conditions and the time for any grant of Award(s) to any Grantee (including, if applicable, a purchase price of shares awarded), which may also be adjusted and re-determined by the Board from time to time. If the vesting conditions are not satisfied or waived by the Board, the RSU shall be cancelled automatically on the date on which such conditions are not satisfied, as determined by the Board in its absolute discretion. The Grantee may obtain either Shares or an equivalent value in cash when the Award vests.

SHARE INCENTIVE SCHEMES (CONT'D)

2. RSU Scheme (cont'd)

(g) Restriction on Grant of Awards

The Board may not grant any Awards where (a) the requisite approvals for that grant from any applicable regulatory authorities have not been obtained; (b) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of the Awards or in respect the RSU Scheme, unless the Board determines otherwise; (c) where granting the Award would result in a breach by the Company, its subsidiaries or any of the directors of any applicable securities laws, rules or regulations; or where such grant of Award would result in a breach of the limits of the RSU Scheme.

Any Awards granted under the RSU Scheme and any other share scheme (as defined under the Listing Rules) to a specific participant (excluding any options and awards lapsed in accordance with the terms of such scheme) in a 12 month period up to and including the date of an Award shall not exceed 1% of the total issued share capital of the Company unless such Award is approved by the shareholders of the Company (with the Participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting).

Further, no grant shall be made to, nor shall any grant be capable of acceptance by, any RSU Participant at a time when the RSU Participant would or might be prohibited from dealing in the Shares by any applicable rules, regulations or laws. In particular, where any Award is proposed to be granted to a director of any members of the Group, it shall not be granted on any day on which the financial results of the Company are published and during the period of:

(i) 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(ii) 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

Any grant of an Award to any connected person (as defined in the Listing Rules), or any of their respective associates (as defined in the Listing Rules), shall be subject to the prior approval of the independent non-executive directors (excluding the independent non-executive director who is the proposed Grantee of the Awards in question) and shall otherwise be subject to compliance with the requirements of the Listing Rules. Notwithstanding the foregoing, any grant of an Award to a director pursuant to Rule 14A.73(6) of the Listing Rules will be exempted from reporting, announcement and independent Shareholders' approval requirements if the Award forms part of the relevant director's remuneration under his/her service contract.

SHARE INCENTIVE SCHEMES (CONT'D)

2. RSU Scheme (cont'd)

(h) General and Maximum Limit

The maximum number of Shares which may be granted under the RSU Scheme is 6,100,420, representing approximately 0.9% of the number of issued Shares capital of the Company (excluding treasury shares) as of June 30, 2026. All of the Shares were held by Trident Trust Company (HK) Limited, a trust established for the administration of the RSU Scheme. No new Shares may be allotted pursuant to the RSU Scheme.

The voting rights attached to the Shares underlying the Award shall at all times be exercised by the enforcer or adviser of Trident Trust Company (HK) Limited in accordance with the terms of the relevant trust deed, provided that in accordance with the Listing Rules, the trustee of Trident Trust Company (HK) Limited holding unvested Shares shall abstain from voting on matters that require shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

A summary of the Awards granted to Directors and service providers under the RSU Scheme as of June 30, 2026 are as follows:

Participant	Date of grant	Number of RSU granted	Vesting period	Closing price of Shares immediately before the date of grant (HK$)	Value of award as at the date of grant[7]	Number of RSUs				Weighted average closing price of Shares immediately before the RSUs were vested (HK$)
						As of January 1, 2026	Vested during the Reporting Period	Cancelled or Lapsed during the Reporting Period[4]	Granted but not vested balance as of June 30, 2026	
Directors										
Robert Ralph PARKS	October 30, 2020	2,835	(1)	24.65	US$12,842	—	—	—	—	4.91
	September 30, 2020	7,056	(1)	26.85	US$25,000	—	—	—	—	
	December 31, 2020	6,871	(1)	28.35	US$25,000	—	—	—	—	
	March 31, 2021	7,828	(1)	24.7	US$25,000	—	—	—	—	
	June 30, 2021	5,359	(1)	35.9	US$25,000	—	—	—	—	
	September 30, 2021	9,129	(1)	20.05	US$25,000	—	—	—	—	
	December 31, 2021	14,586	(1)	12.54	US$25,000	—	—	—	—	
	April 1, 2022	25,709	(1)	7.1	US$25,000	—	—	—	—	
	June 30, 2022	25,012	(1)	7.69	US$25,000	—	—	—	—	
	September 30, 2022	31,755	(1)	5.85	US$25,000	—	—	—	—	
	December 31, 2022	20,020	(1)	9.56	US$25,000	—	—	—	—	
	April 1, 2023	19,907	(1)	9.83	US$25,000	3,981	3,981	—	—	
	June 30, 2023	31,852	(1)	5.86	US$25,035	6,370	6,370	—	—	
	September 29, 2023	27,419	(1)	7.25	US$25,000	5,484	—	—	5,484	
	December 31, 2023	26,440	(1)	7.39	US$25,000	5,288	—	—	5,288	
	June 21, 2024	50,203	(1)	2.87	US$25,000	20,081	10,041	—	10,040	
	June 30, 2024	74,738	(1)	2.28	US$25,000	29,896	14,948	—	14,948	
	September 30,2024	53,077	(1)	3.42	US$25,000	21,230	—	—	21,230	
	December 31,2024	48,760	(1)	4.06	US$25,000	19,504	—	—	19,504	
	March 31,2025	38,970	(1)	5.13	US$25,000	23,382	7,794	—	15,588	
	June 30,2025	30,331	(1)	6.39	US$25,000	18,198	6,066	—	12,132	
	September 30,2025	30,307	(1)	6.32	US$25,000	18,183	—	—	18,183	
	December 31,2025	31,188	(1)	6.12	US$25,000	18,714	—	—	18,714	
	March 31,2026	33,365	(1)	6.05	US$25,000	—	13,346	—	20,019	
	June 30,2026	49,109	(1)	4.13	US$25,000	—	19,643	—	29,466	

SHARE INCENTIVE SCHEMES (CONT'D)

2. RSU Scheme (cont'd)

(h) General and Maximum Limit (cont'd)

Participant	Date of grant	Number of RSU granted	Vesting period	Closing price of Shares immediately before the date of grant (HK$)	Value of award as at the date of grant[7]	Number of RSUs: As of January 1, 2026	Number of RSUs: Vested during the Reporting Period	Number of RSUs: Cancelled or Lapsed during the Reporting Period[4]	Number of RSUs: Granted but not vested balance as of June 30, 2026	Weighted average closing price of Shares immediately before the RSUs were vested (HK$)
Stephen Newman OESTERLE	September 30, 2020	7,056	(1)	26.85	US$25,000	–	–	–	–	4.91
	June 30, 2020	2,835	(3)	35.8	US$12,842	–	–	–	–	
	December 31, 2020	6,871	(1)	28.35	US$25,000	–	–	–	–	
	March 31, 2021	7,828	(1)	24.7	US$25,000	–	–	–	–	
	June 30, 2021	5,359	(1)	35.9	US$25,000	–	–	–	–	
	September 30, 2021	9,129	(1)	20.05	US$25,000	–	–	–	–	
	December 31, 2021	14,586	(1)	12.54	US$25,000	–	–	–	–	
	April 1, 2022	25,709	(1)	7.1	US$25,000	–	–	–	–	
	June 30, 2022	25,012	(1)	7.69	US$25,000	–	–	–	–	
	September 30, 2022	31,755	(1)	5.85	US$25,000	–	–	–	–	
	December 31, 2022	20,020	(1)	9.56	US$25,000	–	–	–	–	
	1 April 2023	19,907	(1)	9.83	US$25,000	3,981	3,981	–	–	
	30 June 2023	31,852	(1)	5.86	US$25,035	6,370	6,370	–	–	
	September 29, 2023	27,419	(1)	7.25	US$25,000	5,484	–	–	5,484	
	December 31, 2023	26,440	(1)	7.39	US$25,000	5,288	–	–	5,288	
	June 21, 2024	50,203	(1)	2.87	US$25,000	20,081	10,041	–	10,040	
	June 30, 2024	74,738	(1)	2.28	US$25,000	29,896	14,948	–	14,948	
	September 30,2024	53,077	(1)	3.42	US$25,000	21,230	–	–	21,230	
	December 31,2024	48,760	(1)	4.06	US$25,000	19,504	–	–	19,504	
	March 31,2025	38,970	(1)	5.13	US$25,000	23,382	7,794	–	15,588	
	June 30,2025	30,331	(1)	6.39	US$25,000	18,198	6,066	–	12,132	
	September 30, 2025	30,307	(1)	6.32	US$25,000	18,183	–	–	18,183	
	December 31, 2025	31,188	(1)	6.12	US$25,000	18,714	–	–	18,714	
	March 31, 2026	33,365	(1)	6.05	US$25,000	–	13,346	–	20,019	
	June 30, 2026	49,109	(1)	4.13	US$25,000	–	19,643	–	29,466	
Service Providers[5][8]										
	June 1, 2020	10,844	(2)	25.35	US$37,500	–	–	–	–	4.25
	September 1, 2020	10,693	(2)	25.8	US$37,500	–	–	–	–	
	December 1, 2020	14,067	(2)	20.6	US$37,500	–	–	–	–	
	March 1, 2021	11,766	(2)	23.8	US$37,500	–	–	–	–	
	June 1, 2021	10,034	(2)	28.95	US$37,500	–	–	–	–	
	September 1, 2021	12,802	(2)	22.85	US$37,500	–	–	–	–	
	October 14, 2021	50,000	(2)	20.6	US$131,213	–	–	–	–	
	December 1, 2021	16,228	(2)	16.78	US$37,500	–	–	–	–	
	March 1, 2022	22,593	(2)	12.3	US$37,500	–	–	–	–	
	May 31, 2022	43,283	(2)	6.48	US$37,500	–	–	–	–	
	August 31, 2022	46,721	(2)	6.25	US$37,500	–	–	–	–	
	December 1, 2022	49,186	(2)	7.73	US$50,000	–	–	–	–	
	September 21, 2020	60,133[9]	(10)	28.6	RMB1,500,000	–	–	–	–	

SHARE INCENTIVE SCHEMES (CONT'D)

2. RSU Scheme (cont'd)

(h) General and Maximum Limit (cont'd)

Participant	Date of grant	Number of RSU granted	Vesting period	Closing price of Shares immediately before the date of grant (HK$)	Value of award as at the date of grant[7]	Number of RSUs				Weighted average closing price of Shares immediately before the RSUs were vested (HK$)
						As of January 1, 2026	Vested during the Reporting Period	Cancelled or Lapsed during the Reporting Period[4]	Granted but not vested balance as of June 30, 2026	
	March 1, 2023	17,064	[2]	11.38	US$25,000	–	–	–	–	
	June 1, 2023	27,281	[3]	6.82	US$25,000	–	–	–	–	
	September 1, 2023	27,002	[3]	7.26	US$25,000	–	–	–	–	
	December 1, 2023	24,351	[3]	8.01	US$25,000	–	–	–	–	
	March 1, 2024	38,001	[3]	5.08	US$25,000	–	–	–	–	
	June 1, 2024	53,403	[3]	3.66	US$25,000	–	–	–	–	

Notes:

1. RSUs were granted on a quarterly basis on March 31, June 30, September 30 and December 31 unless otherwise agreed. 40% of the RSUs granted shall vest immediately upon granting, 20%, 20% and 20% of the RSUs granted shall vest on the first, second and third anniversary of the respective grant dates. The RSUs are granted with the purchase price of zero.

2. The Award vests immediately upon grant. The RSUs are granted with the purchase price of zero.

3. The Award vests immediately upon grant.

4. No RSUs granted to Directors or service providers were cancelled or lapsed during the Reporting Period.

5. One of the service providers is a consultant, who is a former employee of Peijia Medical. He had resigned from Peijia Medical on December 31, 2021 and became a consultant of Peijia Medical immediately upon his resignation. Pursuant to a contract entered into on January 1, 2022 between the Company, Suzhou Peijia, and the consultant, the RSUs held by the consultant continue to remain valid.

6. Number of RSUs under the award as of January 1, 2026 and June 30, 2026 are indicative only, and are based on an illustrative exchange rate of HK$1:RMB0.89327 and an illustrative closing price of HK$9.56 per Share (being the closing price of the Shares on December 30, 2022). The number of RSUs eventually received by the participant may be greater or smaller than the indicated amount, as the number of RSUs to be vested is determined at each vesting date.

7. Awards granted to Directors and service providers were granted with reference to a fixed monetary value. Therefore, no valuation on the fair value of the award as of the date of grant was made on the RSUs granted.

8. No service providers were granted RSUs in any 12-month period exceeding 0.1% of the issued Shares.

9. The award was granted at an absolute monetary value of RMB1,500,000. Number of RSUs under the award is indicative only, and is based on the exchange rate of HK$1:RMB0.87219 and the closing price of the Shares on September 21, 2020, being HK$28.6 per Shares. The number of RSUs eventually received by the participant may be greater or smaller than the indicated amount, as the number of RSUs to be vested is determined at each vesting date.

10. The Award has a vesting term of 5 years from the grant date. The Award shall be vested according to the vesting schedule: RSUs worth 20% of the monetary value of the Award (calculated at each vesting date) shall be vested on each of the first, second, third, fourth and fifth anniversary of the grant date respectively.

SHARE INCENTIVE SCHEMES (CONT'D)

2. RSU Scheme (cont'd)

(h) General and Maximum Limit (cont'd)

A summary of the Awards granted to employees (excluding Directors) under the RSU Scheme as of June 30, 2026 are as follows:

Date of grant	Monetary value of the Award[1] (RMB)	Vesting Period	Closing price of Shares immediately before the date of grant (HK$)	Indicative number of RSUs under the unvested Award as of January 1, 2026[4]	Monetary value of the unvested Award as of January 1, 2026 (RMB)	Number of RSUs vested during the Reporting Period[17]	Number of RSUs lapsed during the Reporting Period[3]	Indicative number of RSUs under the unvested Award as of June 30, 2026[4]	Monetary value of the unvested Award as of June 30, 2026 (RMB)
Employees (excluding Directors)[5]									
October 12, 2020	2,000,000	(7)	28	—	—	—	—	—	—
December 21, 2020	7,000,000	(8)	24.4	—	—	—	—	—	—
April 1, 2022	3,000,000	(13)	7.1	70,260	600,000	—	—	70,260	600,000
March 1, 2021	5,000,000	(6)	23.8	234,201	2,000,000	—	234,201	—	—
April 1, 2021	1,050,000	(10)	24.75	—	—	—	—	—	—
March 1, 2021	350,000	(18)	23.8	16,394	140,000	13,207	—	8,197	70,000
November 4, 2021	750,000	(16)	17.28	87,825	750,000	—	87,825	—	—
November 4, 2021	426,023[15]	(12)	17.28	14,966	127,807	25,885	—	—	—
November 4, 2021	1,789,296[15]	(12)	17.28	167,622	1,431,438	382,328	—	—	—
November 4, 2021	1,278,069[15]	(12)	17.28	44,899	383,421	77,655	—	—	—
January 1, 2023	1,250,000	(9)	7.31	58,550	500,000	40,151	—	29,275	250,000
May 25, 2023	1,000,000	(11)	7.46	—	—	—	—	—	—
May 25, 2023	5,660,404	(11)	7.46	—	—	—	—	—	—
September 25, 2023	1,140,000	(14)	6.96	106,796	912,000	105,004	—	40,048	342,000
March 31,2024	331,907	(11)	3.66	—	—	—	—	—	—
April 1, 2025	970,544	(11)	4.99	—	—	—	—	—	—
Including: top five highest paid employees[5]									
December 21, 2020	7,000,000	(8)	24.4	—	—	—	—	—	—
April 1, 2022	3,000,000	(13)	7.1	70,260	600,000	—	—	70,260	600,000
November 4, 2021	1,789,296[15]	(12)	17.28	167,622	1,431,438	382,328	—	—	—
September 25, 2023	1,140,000	(14)	6.96	106,796	912,000	105,004	—	40,048	342,000

Notes:

1. Awards granted to employees (other than directors) were in an absolute monetary amount as at the date of grant. The number of RSUs to be vested is determined at each vesting date. Therefore, no valuation on the fair value of the award as of the date of grant was made on the RSU granted.

2. The RSUs were granted with the purchase price of zero.

3. No RSUs were cancelled during the Reporting Period.

4. The number of RSUs under the award as of January 1, 2026 and June 30, 2026 are indicative only, and are based on an illustrative exchange rate of HK$1:RMB0.89327 and an illustrative closing price of the Shares of HK$9.56 per Share (being the closing price of the Shares on December 30, 2022). The number of RSUs eventually received by the participant may be greater or smaller than the indicated amount, as the number of RSUs to be vested is determined at each vesting date.

SHARE INCENTIVE SCHEMES (CONT'D)

2. RSU Scheme (cont'd)

(h) General and Maximum Limit (cont'd)

5. The weighted average closing price of Shares immediately before the RSUs were vested during the Reporting Period for employees (excluding Directors) was HK$15.11. The weighted average closing price of Shares immediately before the RSUs were vested during the Reporting Period for the top five highest paid employees is HK$15.06.

6. The Award has a vesting term of 5 years from the grant date. The Award shall be vested according to the vesting schedule: RSUs worth 20% of the monetary value of the Award (calculated at each vesting date) shall be vested on each of the first, second, third, fourth and fifth anniversary of the grant date respectively.

7. The Award has a vesting term of 5 years from the grant date. The Award shall be vested according to the vesting schedule: RSUs worth 15% of the monetary value of the Award (calculated at each vesting date) shall be vested on each of the first and second anniversary of the grant date respectively; RSUs worth 20% of the monetary value of the Award (calculated at each vesting date) shall be vested on the third and fourth anniversary of the grant date respectively; RSUs worth 30% of the monetary value of the Award (calculated at each vesting date) shall be vested on the fifth anniversary of the grant date.

8. The Award has a vesting term of 5 years from the grant date. The Award shall be vested according to the vesting schedule: RSUs worth 12.9% of the monetary value of the Award (calculated at vesting date) shall be vested on the first anniversary of the grant date; RSUs worth 15.7% of the monetary value of the Award (calculated at vesting date) shall be vested on the second anniversary of the grant date; RSUs worth 19.3% of the monetary value of the Award (calculated at vesting date) shall be vested on the third anniversary of the grant date; RSUs worth 23.6% of the monetary value of the Award (calculated at vesting date) shall be vested on the fourth anniversary of the grant date; RSUs worth 28.5% of the monetary value of the Award (calculated at vesting date) shall be vested on the fifth anniversary of the grant date.

9. The Award has a vesting term of 5 years. The Award shall be vested according to the vesting schedule: RSUs worth 20% of the monetary value of the Award (calculated at each vesting date) shall be vested on April 17, 2023, April 17, 2024, April 17, 2025, April 17, 2026, and April 17, 2027 respectively.

10. The Award has a vesting term of 3 years from the grant date. The RSUs shall be vested according to the vesting schedule: RSU worth one-third of the monetary value of the Award (calculated at each vesting date) shall be vested on each of the first, second and third anniversary of the grant date respectively.

11. The Award vests immediately upon grant.

12. The Award has a vesting term of 5 years from January 1, 2021. The Award shall be vested according to the vesting schedule: RSUs worth 20% of the monetary value of the Award (calculated at the vesting date) shall be vested on December 31, 2022; RSUs worth 50% of the monetary value of the Award (calculated at the vesting date) shall be vested on December 31, 2024; RSUs worth 30% of the monetary value of the Award (calculated at the vesting date) shall be vested on December 31, 2025.

13. The Award has a vesting term of 5 years from December 21, 2021. The Award shall be vested according to the vesting schedule: RSUs worth 20% of the monetary value of the Award (calculated at each vesting date) shall be vested on each of the first, second, third, fourth and fifth anniversary of December 21, 2021 respectively.

14. The Award has a vesting term of 4 years from January 1, 2023. The Award shall be vested according to the vesting schedule: RSUs worth 20% of the monetary value of the Award (calculated at the vesting date) shall be vested on December 31, 2023; RSUs worth 50% of the monetary value of the Award (calculated at the vesting date) shall be vested on December 31,2025; RSUs worth 30% of the monetary value of the Award (calculated at the vesting date) shall be vested on December 31, 2026.

15. The remuneration under the relevant employee contracts were denominated in Hong Kong dollars. The monetary value of the award was based on the exchange rate on November 4, 2021 of HK$1:RMB0.82155.

16. The Award has a vesting term of 5 years from January 1, 2022. The Award shall be vested according to the vesting schedule: RSUs worth 20% of the monetary value of the Award (calculated at the vesting date) shall be vested on December 31, 2023; RSUs worth 50% of the monetary value of the Award (calculated at the vesting date) shall be vested on December 31, 2025; RSUs worth 30% of the monetary value of the Award (calculated at the vesting date) shall be vested on December 31, 2026.

17. At the sole discretion of the Board, the Grantees may obtain either Shares or an equivalent value in cash, with reference to the market value of the Shares on or about the vesting date.

18. The Award has a vesting term of 5 years from March 1, 2022. The Award shall be vested according to the vesting schedule: RSUs worth 20% of the monetary value of the Award (calculated at each vesting date) shall be vested on each of the first, second, third, fourth and fifth anniversary of March 1, 2022 respectively.

SHARE INCENTIVE SCHEMES (CONT'D)

2. RSU Scheme (cont'd)

(h) General and Maximum Limit (cont'd)

None of the grantees were chief executive or substantial shareholders of the Company, or their respective associates during the Reporting Period.

Please refer to Note 22 and 23 to the condensed consolidated financial statements for further details.

3. Share Option Scheme

The Company has conditionally approved and adopted a Share Option Scheme on April 28, 2020.

A summary of the principal terms of which are set out in the section headed "D. Share Incentive Schemes – 3. Share Option Scheme" in Appendix IV to the Prospectus.

(a) Term

Subject to the termination provision of the Share Option Scheme, it shall be valid and effective for a period of 10 years commencing on the Listing Date. As such, the remaining life of the Share Option Scheme is approximately 3.7 years as of the date of this interim report. Upon the expiry of the Share Option Scheme, no further Options will be granted, but the provisions of the Share Option Scheme shall in all other respects remain in full force and effect and Options that are granted during the Term of the Share Option Scheme may continue to be valid and exercisable in accordance with the Share Option Scheme.

The Company by ordinary resolution of the Board may at any time resolve to terminate the operation of the Share Option Scheme and in such event no further Options shall be offered but the provisions of this Scheme shall remain in force to the extent necessary to give effect to the exercise of any Option granted prior to the termination or otherwise as may be required in accordance with the provisions of the Share Option Scheme and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(b) Purpose

The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group. The Directors consider the Share Option Scheme, with its broadened basis of participation, will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. Given that the Directors are entitled to determine the performance targets to be achieved as well as the vesting period and exercise period of an option on a case by case basis, and that the exercise price of an option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalize on the benefits of the options granted.

SHARE INCENTIVE SCHEMES (CONT'D)

3. Share Option Scheme (cont'd)

(c) Who may join

The Directors may, at their absolute discretion, invite any person belonging to any of the following classes of participants, who the Board considers, in its sole discretion, have contributed or will contribute to the Group, to take up options to subscribe for Shares:

(i) any directors (including executive Directors, non-executive Directors and independent non-executive Directors) and employees of any member of the Group; and

(ii) any advisers, consultants, distributors, contractors, customers, suppliers, agents, business partners, joint venture business partners, service providers of any member of the Group.

For the purposes of the Share Option Scheme, the options may be granted to any company wholly-owned by one or more persons belonging to any of these classes of participants. For the avoidance of doubt, the grant of any options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of these classes of participants shall not, by itself, unless the Directors otherwise so determine, be construed as a grant of option under the Share Option Scheme.

The eligibility of any of these class of participants to the grant of any option shall be determined by the Directors from time to time on the basis of the Directors' opinion as to the participant's contribution to the development and growth of the Group.

(d) Maximum number of Shares

(i) The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group shall not in aggregate exceed 10% of the Shares in issue on the day on which trading of the Shares commence on the Stock Exchange, such 10% limit represents 61,004,200 (the "**General Scheme Limit**"), but excluding any Shares which may be issued upon the exercise of the Over-allotment Option, which represents approximately 9.04% of issued shares as at the date of this report.

(ii) Without prejudice to paragraph (iii) below, the Company may issue a circular to its Shareholders and seek approval of its Shareholders in a general meeting to extend the General Scheme Limit provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group shall not exceed 10% of the Shares in issue as of the date of approval of the limit and, for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option scheme of the Group) previously granted under the Share Option Scheme and any other share option scheme of the Group will not be counted. The circular sent by the Company to its Shareholders shall contain, among other information, the information required under Rule 17.03C(2) of the Listing Rules.

SHARE INCENTIVE SCHEMES (CONT'D)

3. Share Option Scheme (cont'd)

(d) Maximum number of Shares (cont'd)

(iii) Without prejudice to paragraph (ii) above, the Company may seek separate Shareholders' approval in a general meeting to grant options beyond the General Scheme Limit or, if applicable, the extended limit referred to in paragraph (ii) above to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to its Shareholders containing a general description of the specified participants, the number and terms of options to be granted, the purpose of granting options to the specified participants with an explanation as to how the terms of the options serve such purpose and such other information required under Rule 17.03C(3) of the Listing Rules.

(e) Maximum entitlement of each participant

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of the Company (including both exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being (the "**Individual Limit**"). Any further grant of options in aggregate in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to the Shareholders and the Shareholders' approval in general meeting of the Company with such participant and his close associates (or his associates if the participant is a connected person) abstaining from voting. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before Shareholders' approval and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under Rule 17.03(9) and Rule 17.03E of the Listing Rules.

(f) Grant of options to connected persons

(i) Any grant of options under the Share Option Scheme to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee of the options).

(ii) Where any grant of options to a substantial Shareholder of the Company or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

1. representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue; and

2. having an aggregate value, based on the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet the date of the offer of grant, in excess of HK$5 million (or such other higher amount as may from time to time be specified by the Stock Exchange);

SHARE INCENTIVE SCHEMES (CONT'D)

3. Share Option Scheme (cont'd)

(f) Grant of options to connected persons (cont'd)

such further grant of options must be approved by the Shareholders in a general meeting. The Company must send a circular to its Shareholders. The grantee, his associates and all core connected persons of the Company must abstain from voting in favor of the relevant resolution at such general meeting. Any vote taken at the general meeting to approve the grant of such options must be taken on a poll. Any change in the terms of options granted to a substantial shareholder or an independent non-executive Director or any of their respective associates must be approved by the Shareholders in a general meeting.

(g) Subscription price for Shares and consideration for the option

The subscription price per Share under the Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a Business Day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations for the five Business Days immediately preceding the date of the offer of grant (provided that in the event that any option is proposed to be granted within a period of less than five Business Days after the trading of the Shares first commences on the Stock Exchange, the new issue price of the Shares for the Global Offering shall be used as the closing price for any Business Day falling within the period before Listing); and (iii) the nominal value of a Share on the date of grant. The amount payable per Share on subscription or acceptance of the underlying options under the Share Option Scheme is HK$1.00, and the period within which payments must be made is five business days from the date on which the letter containing the offer to the underlying options under the Share Option Scheme is delivered to the eligible participant.

Please refer to Note 23 to the condensed consolidated financial statements for further details.

SHARE INCENTIVE SCHEMES (CONT'D)

3. Share Option Scheme (cont'd)

(g) Subscription price for Shares and consideration for the option (cont'd)

A summary of the options granted under the Share Option Scheme that were still outstanding as of June 30, 2026 are as follows:

Grantee	Position/ Relationship	Date of Grant[(2)(3)(4)]	Vesting Period	Exercise Period	Exercise Price[(5)] (HK$)	As of January 1, 2026	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period[(1)]	As of June 30, 2026
195 Employees	Other employee participants	2021/12/7	2021/1/1–2025/12/31	2021/12/7–2031/12/6	15.97	1,124,134	—	—	141,706	29,078	953,350
		2021/12/7	2021/7/1–2026/6/30	2021/12/7–2031/12/6	15.97	28,672	—	—	18,902	6,620	3,150
		2021/12/7	2022/1/1–2024/12/31	2021/12/7–2031/12/6	15.97	100,000	—	—	—	—	100,000
		2021/12/7	2022/1/1–2026/12/31	2021/12/7–2031/12/6	15.97	1,135,142	—	—	33,738	44,260	1,057,144
70 employees	Other employee participants	2023/01/19	2023/01/19–2027/01/18	2023/01/19–2033/01/18	11.44	405,048	—	—	—	—	405,048
		2023/01/19	2023/01/19–2028/01/18	2023/01/19–2033/01/18	11.44	400,068	—	—	—	—	400,068
159 employees	Other employee participants	2025/5/13	2026/5/13–2028/5/12	2026/5/13–2035/5/12	5.70	1,378,098	—	—	—	166,528	1,211,570
160 employees	Other employee participants	2026/6/26	2026/6/26–2029/6/25	2026/6/26–2036/6/25	4.028	—	2,332,800	—	—	—	2,332,800
						4,571,162	2,332,800	—	194,346	246,486	6,463,130

Notes:

(1) During the Reporting Period, a total of 246,486 share options lapsed due to 25 employees resigning from the Group.

(2) The closing price per Share immediately on the date of grant (December 7, 2021) was HK$15.26. The closing price per Share immediately on the date of grant (January 19, 2023) was HK$10.96. The closing price per Share immediately on the date of grant (May 13, 2025) was HK$5.70. The closing price per Share immediately on the date of grant (June 25, 2026) was HK$4.02.

(3) Performance targets: the Grantees must (i) achieve Grade B or above in their respective performance appraisals; and (ii) remain as employees of the Company when the relevant Share Options are vested.

(4) The fair value of the share options granted on December 7, 2021 was approximately HK$53,117,000. The fair value of the share options granted on January 19, 2023 was approximately HK$10,140,000. The fair value of the option granted on May 13, 2025 was approximately HK$3,822,000. The fair value of the share options granted on June 26, 2026 was approximately HK$3,742,000. The accounting standard and policy adopted to estimate the fair value of the awards at the date of grant per Share is set out in note 23 of the Notes to Financial Statements.

SHARE INCENTIVE SCHEMES (CONT'D)

3. Share Option Scheme (cont'd)

(g) Subscription price for Shares and consideration for the option (cont'd)

Notes: (cont'd)

(5) The exercise price of the options was the average of the closing prices of the Shares as stated in the daily quotations sheet by the Stock Exchange for the five business days immediately preceding the date of grant.

As of June 30, 2026, assuming that all outstanding options to subscribe for aggregate of 6,463,130 Shares are exercised, the remaining total number of Shares available for issue under the Share Option Scheme is 54,048,098 Shares, representing approximately 8.01% of the issued share capital of the Company (excluding treasury shares) as at the date of this interim report.

As of January 1, 2026, the number of options available for grant under the scheme mandate was 56,433,038. 54,048,098 options were available for grant under the scheme mandate as of June 30, 2026.

As no options or award may be granted under the Share Option Plan after the Listing Date, and 2,332,800 were granted during the Reporting Period under the Share Option Scheme, the calculation under Rule 17.07(3) (being the number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the Reporting Period, divided by the weighted average number of Shares in issue (excluding treasury Shares) for the Reporting Period) is 0.35%.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The emoluments of the Directors and senior management of the Group are decided by the Board with reference to the recommendation given by the Remuneration Committee, having regard to the individual performance and comparable market statistics.

For the six months ended June 30, 2026, no emoluments were paid by the Group to any Director or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors has waived or agreed to waive any emoluments for the six months ended June 30, 2026.

Except as disclosed above, a total of 164,948 Shares have been granted and paid to two independent non-executive Directors, namely Dr. Stephen Newman OESTERLE and Mr. Robert Ralph PARKS, under the RSU Scheme, for the six months ended June 30, 2026, by the Group to or on behalf of any of the Directors.

CONTRACTS WITH CONTROLLING SHAREHOLDERS

No contract of significance has been entered into among the Company or any of its subsidiaries and the Controlling Shareholders during the six months ended June 30, 2026 or subsisted at the end of the Reporting Period.

MANAGEMENT CONTRACTS

No contract, concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the six months ended June 30, 2026.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

Net proceeds from the Global Offering and the Listing on the Listing Date, and the full exercise of the Over-allotment Option, after deduction of the underwriting fees and commissions and expenses of the Company in connection with the Global Offering was approximately HK$2,587.98 million. Our Group would apply such proceeds in a manner consistent with the intended use of proceeds as disclosed in the Prospectus.

The table below sets forth the utilization of the net proceeds from the Global Offering and the expected timeline of the unutilized amount as of June 30, 2026:

Business objective as stated in the Prospectus	Percentage to total amount %	Net proceeds HK$ million	Unutilized amount as of December 31, 2025 HK$ million	Utilized amount during the Reporting Period HK$ million	Unutilized amount as of June 30, 2026 HK$ million	Expected timeline for unutilized amount[1]
Development and commercialization of our Core Product and other major product candidates	65	1,682.18	199.27	40.55	158.72	Yr 2028[2]
Ongoing pre-clinical studies and planned clinical trials, preparation for registration filings and potential commercial launches (including sales and marketing) of our other product candidates in our pipeline	10	258.80	0	0	0	—
Strengthen our research and development capabilities to enrich our product pipeline	8	207.04	0	0	0	—
Expand our product portfolio or intellectual property portfolio through potential strategic acquisitions, investments, partnerships and licensing opportunities	10	258.80	0	0	0	—
Working capital and other general corporate purposes	7	181.16	0	0	0	—
Total	100	2,587.98	199.27	40.55	158.72	

Notes:

(1) The expected timeline for utilization of the unutilized net proceeds above is based on the Company's best estimation and is subject to change based on the future development of market conditions.

(2) After evaluating the Group's current R&D plans, the expected timeline for the development and commercialization of our Core Product and other major product candidates have been extended from 2025 to 2028. The Board is of the view that extension of timeline will not have any material adverse impact on the operation of the Company and is in the best interests of the Company and its shareholders as a whole.

As of June 30, 2026, net proceeds from the Global Offering not yet utilized were deposited with certain licensed banks in Hong Kong or the PRC.

USE OF PROCEEDS FROM THE PLACING

On January 22, 2021, the Company entered into the Placing Agreement with Morgan Stanley & Co. International plc, pursuant to which the Company appointed Morgan Stanley & Co. International plc as its placing agent to procure not less than six Placees who are Independent Third Parties to subscribe up to 33,800,000 Placing Shares at the placing price of HK$29.38 per Placing Share in accordance with the terms and conditions of the Placing Agreement. The net placing price per Placing Share after deducting related fees and expenses is approximately HK$28.74 per Share. The Placing Shares had a market value of approximately HK$1,012.31 million based on the closing price of HK$29.95 per Share as of January 21, 2021 and an aggregate nominal value of US$3,380.

The Placing Shares represented approximately 5.3% of the existing issued share capital of the Company as of the Placing Agreement date, and approximately 5.1% of the enlarged issued share capital of the Company immediately following the completion of the Placing.

The Placing was completed on January 29, 2021. An aggregate of 33,800,000 Placing Shares have been successfully placed to no less than six Placees. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placees and their respective ultimate beneficial owners are professional, institutional, or other investors who are Independent Third Parties. The net proceeds from the Placing were approximately HK$971.48 million, of which the intended use was set out in the announcement of the Company dated January 22, 2021. The Placing was being undertaken to strengthen the Group's financial position and for the long term funding of its business, expansion and growth plan. For details of the Placing, please refer to the Company's announcements dated January 22, 2021 and January 29, 2021.

The table below sets forth the utilization of the net proceeds from the Placing and the expected timeline of the unutilized amount as of June 30, 2026:

Business objective as stated in the announcement of the Company dated January 22, 2021	Percentage to total amount	Net proceeds	Unutilized amount as of December 31, 2025	Utilized amount during the Reporting Period	Unutilized amount as of June 30, 2026	Expected timeline for unutilized amount[1]
	%	HK$ million	HK$ million	HK$ million	HK$ million	
To fund potential product licensing and possible merger and acquisition opportunities in the area of mitral valve replacement and repair treatment, including a collaboration and license agreement for transeptal mitral valve replacement with HighLife SAS dated December 18, 2020 (for further details, please refer to the voluntary announcement of the Company, published on December 21, 2020)	30	291.44	25.31	0	25.31	Yr 2028[2]
To fund potential product licensing and possible merger and acquisition opportunities in other areas including tricuspid valve replacement and repair treatment	40	388.59	0	0	0	—
To fund ongoing technology transfer, product development, and research and development, across the Group	25	242.87	0	0	0	—
For other general corporate purposes	5	48.58	0	0	0	—
Total	100	971.48	25.31	0.00	25.31	

USE OF PROCEEDS FROM THE PLACING (CONT'D)

Notes:

(1) The expected timeline for utilization of the unutilized net proceeds from the Placing above is based on the Company's best estimation and is subject to change based on the future development of market conditions.

(2) The Company has extended the timeline for utilizing proceeds from the Placing for the performance of the license agreement with HighLife SAS from 2025 to 2028 to align with the expected achievement of the major milestone around 2028. The Board is of the view that extension of timeline will not have any material adverse impact on the operation of the Company and is in the best interests of the Company and its shareholders as a whole.

As of June 30, 2026, net proceeds from the Placing not yet utilized were deposited with certain licensed banks in Hong Kong or the PRC.

SUBSEQUENT EVENT AFTER THE REPORTING PERIOD

Save as disclosed in this report, 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 report.

By order of the Board
Peijia Medical Limited
Dr. Yi ZHANG
Chairman and Executive Director

Hong Kong, August 21, 2026

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF PEIJIA MEDICAL LIMITED
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Peijia Medical Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 62 to 96, which comprise the condensed consolidated statement of financial position as of June 30, 2026, and the related condensed consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. 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**") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion 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 International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. A review of these condensed consolidated financial statements 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 International 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
August 21, 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2026

	Notes	Six months ended June 30, **2026** RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	*5*	**424,502**	353,380
Cost of sales	*8*	**(134,463)**	(105,757)
Gross profit		**290,039**	247,623
Other income	*6*	**3,492**	9,898
Other gains and losses	*7*	**(25,025)**	(2,394)
Selling and distribution expenses	*8*	**(116,954)**	(145,070)
Administrative expenses	*8*	**(54,230)**	(62,745)
Research and development expenses	*8*	**(88,409)**	(115,636)
		8,913	(68,324)
Finance income		**726**	5,106
Finance costs		**(8,942)**	(5,815)
Finance costs — net	*9*	**(8,216)**	(709)
Profit (loss) before tax		**697**	(69,033)
Income tax expense	*10*	**(9,687)**	(2,145)
Loss and total comprehensive expense for the period		**(8,990)**	(71,178)
Loss and total comprehensive expense for the period attributable to:			
Owners of the Company		**(7,586)**	(69,880)
Non-controlling interests		**(1,404)**	(1,298)
		(8,990)	(71,178)
Losses per share	*11*		
— Basic and diluted *(RMB)*		**(0.01)**	(0.10)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

	Notes	**As at June 30, 2026 RMB'000 (Unaudited)**	As at December 31, 2025 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	*12*	**696,747**	713,071
Right-of-use assets		**42,003**	44,348
Intangible assets	*13*	**733,462**	731,421
Financial assets at fair value through profit or loss ("**FVTPL**")	*14*	**316,009**	337,279
Other non-current assets		**15,403**	8,878
		1,803,624	1,834,997
Current assets			
Inventories	*15*	**152,501**	145,909
Trade and other receivables	*16*	**125,559**	46,191
Prepayments		**21,391**	19,431
Debt instruments at fair value through other comprehensive income ("**FVTOCI**")		—	12,000
Term deposits		—	11,529
Restricted cash		**50,000**	50,000
Bank balances and cash		**761,121**	536,733
		1,110,572	821,793
Current liabilities			
Trade and other payables	*17*	**323,575**	285,381
Borrowings	*18*	**388,385**	390,659
Lease liabilities		**1,961**	2,689
		713,921	678,729
Net current assets		**396,651**	143,064
Total assets less current liabilities		**2,200,275**	1,978,061

Condensed Consolidated Statement of Financial Position

As at June 30, 2026

	Notes	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Non-current liabilities			
Deferred tax liabilities	*20*	**23,071**	16,486
Borrowings	*18*	**260,711**	37,984
Deferred income	*19*	**22,537**	20,107
Lease liabilities		**1,631**	2,702
Other payables	*17*	**38,509**	42,697
		346,459	119,976
Net assets		**1,853,816**	1,858,085
Capital and reserves			
Share capital and share premium	*21*	**6,335,301**	6,332,303
Reserves		**(4,494,490)**	(4,487,827)
Equity attributable to owners of the Company		**1,840,811**	1,844,476
Non-controlling interests		**13,005**	13,609
Total equity		**1,853,816**	1,858,085

The condensed consolidated financial statements on pages 62 to 96 were approved and authorized for issue by the Board of Directors on August 21, 2026 and are signed on its behalf by:

YI ZHANG
Chairman, Chief Executive Officer,
Executive Director

HONG YE
Board Secretary,
Executive Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2026

		Attribute to owners of the Company						
	Notes	Share capital and share premium RMB'000 *Note 21*	Other reserves RMB'000	Treasury shares held in a trust RMB'000 *Note 22*	Accumulated losses RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
As at January 1, 2025 (Audited)		6,323,817	79,156	(43,018)	(4,331,912)	2,028,043	16,556	2,044,599
Loss and total comprehensive expense for the period		—	—	—	(69,880)	(69,880)	(1,298)	(71,178)
Exercise of share options		5,290	(2,566)	—	—	2,724	—	2,724
Restricted share units vested		(8,697)	—	11,062	—	2,365	—	2,365
Share-based compensation expenses	*23(a)*	—	5,793	—	—	5,793	—	5,793
Transfer upon forfeited and cancellation of issued shares options		—	(18,813)	—	18,813	—	—	—
Capital injection by non-controlling shareholders		—	—	—	—	—	21,950	21,950
Effect of put option granted to a non-controlling interest	*17(b)*	—	—	—	—	—	(20,000)	(20,000)
As at June 30, 2025 (Unaudited)		6,320,410	63,570	(31,956)	(4,382,979)	1,969,045	17,208	1,986,253
As at January 1, 2026 (Audited)		**6,332,303**	**57,241**	**(29,384)**	**(4,515,684)**	**1,844,476**	**13,609**	**1,858,085**
Loss and total comprehensive expense for the period		**—**	**—**	**—**	**(7,586)**	**(7,586)**	**(1,404)**	**(8,990)**
Exercise of share options		**8,755**	**(7,800)**	**—**	**—**	**955**	**—**	**955**
Restricted share units vested		**(5,757)**	**—**	**7,422**	**—**	**1,665**	**—**	**1,665**
Share-based compensation expenses	*23(a)*	**—**	**1,301**		**—**	**1,301**	**—**	**1,301**
Capital injection by non-controlling shareholders		**—**	**—**	**—**	**—**	**—**	**17,827**	**17,827**
Effect of put option granted to a non-controlling interest	*17(b)*	**—**	**—**	**—**	**—**	**—**	**(17,027)**	**(17,027)**
As at June 30, 2026 (Unaudited)		**6,335,301**	**50,742**	**(21,962)**	**(4,523,270)**	**1,840,811**	**13,005**	**1,853,816**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2026

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Operating activities		
Profit (loss) before tax	**697**	(69,033)
Adjustments for:		
Finance costs — net	**8,216**	709
Net exchange differences	**12,165**	3,018
Depreciation and amortization	**38,521**	34,122
Share-based compensation expenses	**2,204**	8,993
Amortization of deferred income	**(700)**	(809)
Write-down (reversal) of inventories	**619**	(363)
Fair value change of financial assets at FVTPL — net	**11,955**	—
Loss (gain) on disposal of property, plant and equipment	**16**	(76)
Operating cash flows before movements in working capital	**73,693**	(23,439)
(Increase) decrease in inventories	**(7,211)**	4,162
(Increase) decrease in prepayments and trade and other receivables	**(79,127)**	38,729
Decrease in debt instruments at FVTOCI	**12,000**	—
Increase (decrease) in trade and other payables	**52,831**	(9,617)

Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2026

	Six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Cash generated from operations	**52,186**	9,835
Income taxes paid	**(2,779)**	(6,529)
Net cash generated from operating activities	**49,407**	3,306
Investing activities		
Payments for acquisitions of property and equipment	**(45,619)**	(176,999)
Payments for acquisitions of intangible assets	**(22,010)**	(11,054)
Withdrawal of term deposits	**11,529**	31,039
Interest received	**758**	4,687
Proceeds from disposal of property, plant and equipment	**13**	364
Receipts of assets-related government grants	**3,130**	—
Net cash used in investing activities	**(52,199)**	(151,963)
Financing activities		
New bank loans raised	**473,084**	90,000
Capital injection by non-controlling shareholders	**17,827**	21,950
Proceeds from exercise of share options	**955**	2,724
Repayment of bank borrowings	**(252,782)**	(22,371)
Interest paid	**(7,613)**	(5,798)
Principal elements of lease payments	**(1,407)**	(1,784)
Net cash generated from financing activities	**230,064**	84,721
Net increase (decrease) in cash and cash equivalent	**227,272**	(63,936)
Cash and cash equivalents at beginning of the period	**536,733**	666,736
Exchange difference on cash and cash equivalents	**(2,884)**	(1,031)
Total cash and cash equivalents at end of the period, represented by bank balances and cash	**761,121**	601,769

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2026

1. GENERAL INFORMATION

Peijia Medical Limited (the "**Company**", or "**Peijia Medical**") was incorporated in the Cayman Islands on May 30, 2012 as an exempted company with limited liability under the Company Law of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The Company and its subsidiaries (together, the "**Group**") are principally engaged in the business of research and development, manufacturing and sales of transcatheter valve therapeutic and neurointerventional procedural medical devices in the People's Republic of China (the "**PRC**") and other countries.

The respective addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" section to the interim report.

These condensed consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standards Board (the "**IASB**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

Other than additional accounting policies resulting from application of amendments to IFRS Accounting Standards issued by the IASB and the application of certain accounting policies which became relevant to the Group in the current interim period, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended December 31, 2025.

Application of Amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to an IFRS Accounting Standard issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2026 for the preparation of the condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11

The application of the amendments to an IFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. SEGMENT

Description of segments and principal activities

The Group's business activities, for which discrete financial information is available, are regularly reviewed and evaluated by the chief operating decision-maker ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that make strategic decisions.

The segment results present revenue, cost of sales, selling and distribution expenses, administrative expenses, and research and development expenses of each operating segment, which are used for resource allocation and performance assessment by the CODM.

Transcatheter Valve Therapeutic Business

Transcatheter Valve Therapeutic Business is primarily operated by the subsidiaries of the Company mainly comprising Peijia Medical Technology (Suzhou) Co., Ltd. ("**Peijia Suzhou**") and Peijia Medical Technology (Shanghai) Co., Ltd. ("**Peijia Shanghai**"), which is engaged in the business of research and development, manufacturing and sales of transcatheter valve therapeutic medical devices.

Neurointerventional Business

Neurointerventional Business is primarily operated by Achieva Medical Limited together with its subsidiaries ("**Achieva Group**"), which is engaged in the business of research and development, manufacturing and sales of neurointerventional procedural medical devices.

Future Technology Business

Future Technology Business is primarily operated by the Group's dedicated technology subsidiaries, focusing on delivering globally cutting-edge therapeutic solutions for a comprehensive range of heart valve diseases. All projects target unmet clinical needs in markets lacking mature treatment options.

There were no separate segment assets and segment liabilities information provided to the CODM, as CODM does not use this information to allocate resources to or evaluate the performance of the operating segments.

The Group's operations are mainly located in the PRC. The Group's revenue is derived from the PRC and the Group's non-current assets excluding financial assets at FVTPL are all located in the PRC.

4. SEGMENT (CONT'D)

The segment information provided to the Group's CODM for reportable segments for the relevant periods is as follows:

Segment (loss) profit

	Six months ended June 30, 2026			
	Transcatheter Valve Therapeutic Business RMB'000 (Unaudited)	**Neurointerventional Business RMB'000 (Unaudited)**	**Future Technology Business RMB'000 (Unaudited)**	**Total RMB'000 (Unaudited)**
Revenue	**207,282**	**217,220**	**—**	**424,502**
Cost of sales	**(53,939)**	**(80,524)**	**—**	**(134,463)**
Selling and distribution expenses	**(86,344)**	**(30,610)**	**—**	**(116,954)**
Administrative expenses	**(43,097)**	**(8,957)**	**(2,176)**	**(54,230)**
Research and development expenses	**(33,622)**	**(23,932)**	**(30,855)**	**(88,409)**
Segment (loss) profit	**(9,720)**	**73,197**	**(33,031)**	**30,446**

	Six months ended June 30, 2025			
	Transcatheter Valve Therapeutic Business RMB'000 (Unaudited)	Neurointerventional Business RMB'000 (Unaudited)	Future Technology Business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue	161,606	191,774	—	353,380
Cost of sales	(32,492)	(73,265)	—	(105,757)
Selling and distribution expenses	(100,029)	(45,041)	—	(145,070)
Administrative expenses	(50,982)	(10,278)	(1,485)	(62,745)
Research and development expenses	(54,195)	(22,287)	(39,154)	(115,636)
Segment (loss) profit	(76,092)	40,903	(40,639)	(75,828)

4. SEGMENT (CONT'D)

Information about major customers

The major customers which contributed more than 10% of the total revenue of the Group for the six months ended June 30, 2026 and 2025 are listed as below:

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Customer A	**138,911**	76,950
Customer B	**128,178**	104,292
Customer C	**54,299**	41,791
Customer D	**50,078**	73,922

5. REVENUE

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from sales of medical devices — at a point in time	**424,502**	353,380

6. OTHER INCOME

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Government grants	**1,956**	6,444
Value-added-tax extra deduction	**874**	3,096
Others	**662**	358
	3,492	9,898

7. OTHER GAINS AND LOSSES

	Six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Net foreign exchange loss	**(13,062)**	(3,399)
Fair value change of financial assets at FVTPL — net	**(11,955)**	—
(Loss) gain on disposal of property, plant and equipment	**(16)**	76
Others	**8**	929
	(25,025)	(2,394)

8. EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses, administrative expenses, and research and development expenses are analyzed as follows:

	Six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Change of work in process and finished goods	**199**	2,576
Raw materials and consumables used	**86,854**	83,505
Employee benefits expenses	**162,361**	171,142
Service expenses for research and development	**21,634**	28,330
Capitalized research and development expenses in intangible assets	**(13,168)**	(10,665)
Promotion expenses	**33,612**	40,240
Professional service fees	**18,948**	34,325
Insurance expenses	**1,979**	14,038
Travelling and transportation expenses	**10,171**	8,573
Depreciation of property, plant and equipment	**24,599**	24,616
Utilities and office expenses	**10,699**	5,640
Entertainment expenses	**5,226**	5,644
Amortization of intangible assets	**11,969**	7,535
Auditor's remuneration	**680**	680
Depreciation of right-of-use assets	**1,953**	1,970
Write-down (reversal) of inventories	**619**	(363)
Others	**15,721**	11,422
Total cost of sales, selling and distribution expenses, administrative expenses and research and development expenses	**394,056**	429,208

9. FINANCE COSTS — NET

	Six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Finance income:		
Bank interest income	**726**	5,106
Finance costs:		
Interests on lease liabilities	**(85)**	(208)
Interests on borrowings	**(7,679)**	(5,607)
Interests on other payables	**(1,178)**	—
	(8,942)	(5,815)
Finance costs — net	**(8,216)**	(709)

10. INCOME TAX EXPENSE

	Six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current tax:		
PRC Enterprise Income Tax	**—**	(1,699)
Other jurisdictions	**(3,102)**	(2,727)
	(3,102)	(4,426)
Deferred tax (charge) credit	**(6,585)**	2,281
	(9,687)	(2,145)

10. INCOME TAX EXPENSE (CONT'D)

The Group's principal applicable taxes and tax rates are as follows:

(a) Mainland China

The Group's PRC entities are subject to 25% or 15% (for those high-tech enterprises) tax rate pursuant to the Enterprise Income Tax Law of the PRC and the respective regulations.

According to the relevant laws and regulations promulgated by the State Administration of Taxation of the PRC that has been effective from 2023 onwards, enterprises engaging in research and development activities are entitled to claim 200% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that period.

(b) Other jurisdictions

For group entities incorporated in other jurisdictions, represent Cayman Islands, British Virgin Islands, Hong Kong and United States, no significant tax exposure was made in the condensed consolidated financial statements since no significant assessable profits generated by these group entities.

11. LOSSES PER SHARE

(a) Basic loss per share

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Loss for the period attributable to the owners of the Company (RMB'000)	**(7,586)**	(69,880)
Weighted average number of ordinary shares for the purpose of basic loss per share (thousand)	**670,283**	665,991
Basic loss per share (RMB)	**(0.01)**	(0.10)

(b) Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the six months ended June 30, 2026 and 2025, the Company had one category of potential ordinary shares: the stock options granted to employees (Note 23). As the Group incurred losses for the six months ended June 30, 2026 and 2025, the potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the six months ended June 30, 2026 and 2025 is the same as basic loss per share.

12. PROPERTY, PLANT AND EQUIPMENT

	Buildings RMB'000	Furniture RMB'000	Electronic equipment RMB'000	Machinery RMB'000	Vehicles RMB'000	Construction in progress RMB'000	Leasehold improvements RMB'000	Total RMB'000
As at January 1, 2026 (Audited)								
Cost	434,147	26,872	28,367	135,411	4,550	206,241	55,166	890,754
Accumulated depreciation	(56,566)	(13,242)	(22,199)	(44,427)	(2,802)	—	(38,447)	(177,683)
Net book value	377,581	13,630	6,168	90,984	1,748	206,241	16,719	713,071
Six months ended June 30, 2026 (Unaudited)								
Opening net book value	377,581	13,630	6,168	90,984	1,748	206,241	16,719	713,071
Transfer	209,491	508	35	1,007	—	(211,041)	—	—
Additions	—	578	370	1,551	3	5,632	170	8,304
Disposals	—	(6)	(2)	(21)	—	—	—	(29)
Depreciation charge	(11,620)	(2,531)	(808)	(6,444)	(233)	—	(2,963)	(24,599)
Closing net book value	575,452	12,179	5,763	87,077	1,518	832	13,926	696,747
As at June 30, 2026 (Unaudited)								
Cost	643,638	27,881	28,729	137,935	4,553	832	55,336	898,904
Accumulated depreciation	(68,186)	(15,702)	(22,966)	(50,858)	(3,035)	—	(41,410)	(202,157)
Net book value	575,452	12,179	5,763	87,077	1,518	832	13,926	696,747

	Buildings RMB'000	Furniture RMB'000	Electronic equipment RMB'000	Machinery RMB'000	Vehicles RMB'000	Construction in progress RMB'000	Leasehold improvements RMB'000	Total RMB'000
As at January 1, 2025 (Audited)								
Cost	433,173	22,195	27,421	131,229	3,434	122,310	40,719	780,481
Accumulated depreciation	(33,094)	(8,861)	(19,801)	(33,243)	(2,346)	—	(32,719)	(130,064)
Net book value	400,079	13,334	7,620	97,986	1,088	122,310	8,000	650,417
Six months ended June 30, 2025 (Unaudited)								
Opening net book value	400,079	13,334	7,620	97,986	1,088	122,310	8,000	650,417
Transfer	974	523	—	514	—	(8,864)	6,853	—
Additions	—	2,669	203	961	17	64,890	6,278	75,018
Disposals	—	(23)	(3)	(262)	—	—	—	(288)
Depreciation charge	(12,834)	(2,205)	(1,304)	(5,216)	(319)	—	(2,738)	(24,616)
Closing net book value	388,219	14,298	6,516	93,983	786	178,336	18,393	700,531
As at June 30, 2025 (Unaudited)								
Cost	434,147	25,291	27,543	132,181	3,451	178,336	53,850	854,799
Accumulated depreciation	(45,928)	(10,993)	(21,027)	(38,198)	(2,665)	—	(35,457)	(154,268)
Net book value	388,219	14,298	6,516	93,983	786	178,336	18,393	700,531

13. INTANGIBLE ASSETS

	Goodwill RMB'000	Licensed-in technologies not available for use RMB'000	Capitalized development costs RMB'000	Technologies available for use RMB'000	Exclusive distribution rights RMB'000	Computer software RMB'000	Total RMB'000
As at January 1, 2026 (Audited)							
Cost	51,658	373,762	47,625	297,628	18,868	18,101	807,642
Accumulated amortization	—	—	(641)	(63,155)	(1,769)	(10,656)	(76,221)
Net book value	51,658	373,762	46,984	234,473	17,099	7,445	731,421
Six months ended June 30, 2026 (Unaudited)							
Opening net book value	51,658	373,762	46,984	234,473	17,099	7,445	731,421
Additions	—	—	13,168	—	—	842	14,010
Amortization charge	—	—	(1,060)	(8,559)	(1,179)	(1,171)	(11,969)
Closing net book value	51,658	373,762	59,092	225,914	15,920	7,116	733,462
As at June 30, 2026 (Unaudited)							
Cost	51,658	373,762	60,793	297,628	18,868	18,943	821,652
Accumulated amortization	—	—	(1,701)	(71,714)	(2,948)	(11,827)	(88,190)
Net book value	51,658	373,762	59,092	225,914	15,920	7,116	733,462

	Goodwill RMB'000	Licensed-in technologies not available for use RMB'000	Capitalized development costs RMB'000	Technologies available for use RMB'000	Exclusive distribution rights RMB'000	Computer software RMB'000	Total RMB'000
As at January 1, 2025 (Audited)							
Cost	51,658	447,359	29,710	170,740	—	16,503	715,970
Accumulated amortization	—	—	(136)	(51,302)	—	(8,535)	(59,973)
Net book value	51,658	447,359	29,574	119,438	—	7,968	655,997
Six months ended June 30, 2025 (Unaudited)							
Opening net book value	51,658	447,359	29,574	119,438	—	7,968	655,997
Additions	—	—	10,665	—	18,868	389	29,922
Amortization charge	—	—	(205)	(5,691)	(590)	(1,050)	(7,536)
Closing net book value	51,658	447,359	40,034	113,747	18,278	7,307	678,383
As at June 30, 2025 (Unaudited)							
Cost	51,658	447,359	40,375	170,740	18,868	16,892	745,892
Accumulated amortization	—	—	(341)	(56,993)	(590)	(9,585)	(67,509)
Net book value	51,658	447,359	40,034	113,747	18,278	7,307	678,383

14. FINANCIAL ASSETS AT FVTPL

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Non-current assets		
— Unlisted equity investments *(a)*	**316,009**	337,279

(a) Unlisted equity investments

The Group invested preference shares of both overseas and the PRC unlisted investees, which are engaged in research and development, manufacturing and sales of medical devices but at different business stages. The Group has preferential rights and/or redemption options compared with the ordinary shareholders of the unlisted investees, which significantly differentiate the risks and rewards undertaken, these investments are therefore accounted as financial assets at FVTPL.

(i) Overseas unlisted equity investments

The equity interest percentage owned by the Group over five (December 31, 2025: five) overseas unlisted entities are between 2.2% to 44.67% (December 31, 2025: between 2.2% to 44.67%). Pursuant to the articles of association of these unlisted entities, the Group is able to exercise significant influence on 2 investees (December 31, 2025: 2), arising from its existing power to appoint at least one director over the investees' board.

The movements in the carrying value of the overseas unlisted equity investments for the periods are as follows:

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Opening balance	**300,455**	288,973
Additions	**—**	14,709
Fair value change	**(13,769)**	3,480
Exchange losses	**(9,315)**	(6,707)
Closing balance	**277,371**	300,455

14. FINANCIAL ASSETS AT FVTPL (CONT'D)

(a) Unlisted equity investments (cont'd)

(ii) The PRC unlisted equity investments

The equity interest percentage owned by the Group over five (December 31, 2025: five) PRC unlisted entities are between 3% to 19% (December 31, 2025: between 3% to 19%). Pursuant to the articles of association of these unlisted entities, the Group is able to exercise significant influence on 3 investees (December 31, 2025: 3), arising from its existing power to appoint at least one director over the investees' board.

The movements in the carrying value of the unlisted equity investments for the periods are as follows:

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Opening balance	**36,824**	27,841
Additions	**—**	3,000
Fair value change	**1,814**	5,983
Closing balance	**38,638**	36,824

15. INVENTORIES

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Raw materials	**85,912**	78,994
Materials in transit	**862**	370
Work in progress	**31,188**	29,370
Finished goods	**36,871**	38,888
	154,833	147,622
Write-down of inventories	**(2,332)**	(1,713)
	152,501	145,909

16. TRADE AND OTHER RECEIVABLES

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Trade receivables (a)	**88,784**	15,276
Loans to employees (b)	**10,499**	10,325
Value-added tax recoverable	**21,683**	19,109
Income tax recoverable	**3,430**	1,119
Deposits	**5,452**	6,433
Interest receivables	**—**	32
Other receivables	**1,791**	775
	131,639	53,069
Disclosed in the condensed consolidated statement of financial position as:		
— Non-current, included in other non-current assets	**6,080**	6,878
— Current	**125,559**	46,191
	131,639	53,069

(a) At June 30, 2026 and December 31, 2025, the ageing analysis of the trade receivables based on invoice date were as follows:

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Within 60 days	**88,784**	14,494
3 months–6 months	**—**	782
	88,784	15,276

The credit period granted exclusively to the key customers is usually from 60 days to 90 days and the credit quality of these customers is assessed on a case-by-case basis, which takes into account their available financial information, past experience and other factors.

16. TRADE AND OTHER RECEIVABLES (CONT'D)

(b) As at June 30, 2026, the Group provided loans to certain key management personnel with nominal value of Hong Kong Dollar ("**HKD**") 12,035,000 (December 31, 2025: HKD12,035,000) that were unsecured, interest-free, with their repayment periods extended such that the loans will be repayable from December 2026 to January 2032 (December 31, 2025: from March 2026 to January 2027).

As at June 30, 2026 and December 31, 2025, loans to key management personnel were measured at amortized cost and presented as other receivables and other non-current assets following the repayment schedule.

17. TRADE AND OTHER PAYABLES

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Trade payables (a)	**42,881**	68,144
Other payables (b)	**236,911**	175,512
Income tax payable	**3,568**	—
Other tax payables	**32,108**	21,289
Staff salaries and welfare payables	**33,074**	42,927
Liabilities arising from share-based payments with cash alternative	**5,374**	10,208
Bill payables	**8,168**	9,998
	362,084	328,078
Disclosed in the consolidated statement of financial position as:		
— Non-current liabilities, as other payables	**38,509**	42,697
— Current liabilities	**323,575**	285,381
	362,084	328,078

17. TRADE AND OTHER PAYABLES (CONT'D)

(a) The following is an ageing analysis of the trade payables, presented based on the invoice date, at the end of each Reporting Period:

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
0–3 months	**41,352**	66,279
3 months to 1 year	**1,489**	1,696
1 year to 2 years	**40**	169
	42,881	68,144

The average credit period on purchases of goods is 30 days.

(b) During the year ended December 31, 2025, one independent investor (the "**Investor A**") entered into a share allotment agreement of a PRC-incorporated subsidiary of the Company to invest 10.72% shareholding of the subsidiary with the consideration of RMB60,000,000. Another independent investor (the "**Investor B**") entered into a share allotment agreement of another PRC-incorporated subsidiary of the Company to invest 7% shareholding of the subsidiary with the consideration of RMB14,000,000. As at December 31, 2025, RMB34,000,000 had been injected into the subsidiaries.

During the six months ended June 30, 2026, one independent investor (the "**Investor C**") entered into a Simple Agreement for Future Equity ("**SAFE**") with an overseas subsidiary of the Company with the consideration of USD2,500,000, which has been fully injected into the subsidiary.

Upon the occurrence of certain events as stipulated in the relevant investments, any holder of the shares with preferential rights may require certain subsidiaries of the Group to redeem any or all of the outstanding shares held by such holders at the redemption price which represent the investment amount, plus an interest at an annual rate of 6% and 3% calculated from the issuance date, in relation to the injection amounting RMB34,000,000 and USD2,500,000, respectively.

As at June 30, 2026, management accounted for the investor's investment on the subsidiary as non-current liabilities for RMB34,000,000 and current liabilities for USD2,500,000, measured at amortized cost.

(c) As of December 31, 2025, bills payables amounting to RMB9,998,000 was secured by certain term deposits. As of June 30, 2026, bills payables amounting to RMB8,168,000 was unsecured.

18. BORROWINGS

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Bank borrowings		
— Secured *(a)*	**249,364**	209,143
— Unsecured *(b)*	**399,732**	219,500
	649,096	428,643
Analyzed for reporting purpose as,		
— Non-current liabilities	**260,711**	37,984
— Current liabilities	**388,385**	390,659
	649,096	428,643

(a) In March 2022, the Group entered into a secured bank loan facility agreement, which is specific for financing the construction of the new headquarter and will be matured in May 2027. The maximum amount that the Group is able to draw down under such facility is RMB400,000,000, and any drawdown will bear an floating interest rate corresponding to one-year loan prime rate circulated by the People's Bank of China plus 15 basis points. In December 2025, the Group entered into a new secured bank loan facility agreement to replace the existing one, with a maturity date extended to December 2035. The maximum credit amount under this facility is RMB241,493,000, and drawings may be made from 1 January 2026 onwards. Interest on any drawdown will be charged at the five-year-plus loan prime rate published by the People's Bank of China minus 50 basis points.

In March 2026, the Group entered into a secured bank loan facility agreement, which is specific for financing the construction of its production lines and will be matured in February 2034. The maximum amount that the Group is able to draw down under such facility is RMB115,000,000, and any drawdown will bear an floating interest rate corresponding to five-year loan prime rate circulated by the People's Bank of China minus 70 basis points.

As at June 30, 2026, the secured bank borrowings are pledged by land use rights and buildings classified in property, plant and equipment amounting to RMB32,454,000 and RMB332,329,000, respectively (December 31, 2025: land use rights and buildings amounting to RMB8,575,000 and RMB341,166,000,respectively).

18. BORROWINGS (CONT'D)

(b) As at June 30, 2026, the effective interest rates of the Group's unsecured bank borrowings are from 2.26% to 3.00% and repayment within three years since draw down dates.

As at June 30, 2026 and December 31, 2025, the Group's borrowings were repayable as follows:

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Within 1 year	**388,385**	390,659
Between 1 and 2 years	**18,713**	10,984
Between 2 and 5 years	**125,973**	27,000
Between 5 and 10 years	**116,025**	—
	649,096	428,643

19. DEFERRED INCOME

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Government grants		
— Assets-related government grants	**22,537**	20,107
	22,537	20,107

20. DEFERRED TAX ASSETS AND LIABILITIES

The movements in deferred tax assets and deferred tax liabilities for the six months ended June 30, 2026, without taking into consideration the offsetting of balanced within the same tax jurisdiction, are as follows:

Deferred tax assets/(liabilities)

	Tax losses RMB'000	Right-of-use assets RMB'000	Lease liabilities RMB'000	Property, plant and equipment acquired in business combination RMB'000	Land use rights acquired in business combination RMB'000	Intangible assets acquired in business combination RMB'000	Others RMB'000	Total RMB'000
As at January 1, 2026 (Audited)	11,759	(1,106)	1,099	(1,292)	(441)	(27,011)	506	(16,486)
(Charge) credit to profit or loss	(8,562)	326	(313)	76	6	1,423	459	(6,585)
As at June 30, 2026 (Unaudited)	3,197	(780)	786	(1,216)	(435)	(25,588)	965	(23,071)

The net balances of deferred tax assets and liabilities after offsetting are as follows:

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Deferred tax liabilities, net	**23,071**	16,486

21. SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares	**Share capital** USD
Authorized		
As at January 1, 2025 and 2026 (Audited) and June 30, 2025 and 2026 (Unaudited)		
Ordinary share of USD0.0001 at par	1,000,000,000	100,000

21. SHARE CAPITAL AND SHARE PREMIUM (CONT'D)

	Number of ordinary shares	Share capital RMB'000	Share premium RMB'000	Total RMB'000
Issued and fully paid:				
As at January 1, 2026 (Audited)	672,060,659	473	6,331,830	6,332,303
Exercise of share options	2,676,253	2	8,753	8,755
Restricted share units vested under the trust	—	—	(5,757)	(5,757)
As at June 30, 2026 (Unaudited)	674,736,912	475	6,334,826	6,335,301
As at January 1, 2025 (Audited)	668,517,808	471	6,323,346	6,323,817
Exercise of share options	995,100	1	5,289	5,290
Restricted share units vested under the trust	—	—	(8,697)	(8,697)
As at June 30, 2025 (Unaudited)	669,512,908	472	6,319,938	6,320,410

22. TREASURY SHARES HELD IN A TRUST

	Number of treasury shares	Amount RMB'000
As at January 1, 2026 (Audited)	(2,548,706)	(29,384)
Restricted share units vested under the trust	437,989	7,422
As at June 30, 2026 (Unaudited)	(2,110,717)	(21,962)
As at January 1, 2025 (Audited)	(3,326,561)	(43,018)
Restricted share units vested under the trust	541,847	11,062
As at June 30, 2025 (Unaudited)	(2,784,714)	(31,956)

The Company and Trident Trust Company (HK) Limited (the "**Trident Trust**"), an independent third party, set up the Peijia Employee Benefit Trust which entered into a trust deed pursuant to which Trident Trust has agreed to act as the trustee to administer the Peijia Employee Benefit Trust and to hold the ordinary shares under the Peijia Employee Benefit Trust through the nominee, Best Achiever Management Limited.

For the six months ended June 30, 2026, 437,989 (six months ended June 30, 2025: 541,847) restricted share units were vested by selected persons.

23. SHARE-BASED PAYMENT

(a) Stock options

(i) Stock options granted to employees in 2017

In 2017, the Company granted 462,500 stock options to senior management members as rewards for their services and in exchange for their full-time devotion and professional expertise. The exercise price of granted options is USD5.00 or USD7.8084 per ordinary share. All options are vested and shall expire in ten years from the respective grant dates.

(ii) Stock options granted to employees in 2019

In 2019, the Company granted 2,473,941 stock options to certain directors, senior management members and employees of the Group as rewards for their services and in exchange for their full-time devotion and professional expertise. The weighted average exercise price of granted options is USD8.7630 per ordinary share. All options shall expire in ten years from the respective grant dates.

On May 15, 2020, pursuant to the resolution passed by the shareholders on April 28, 2020, a capitalization issue of 434,654,450 shares were allotted without payment and as fully paid shares to existing shareholders. The weighted average exercise price has been changed to USD0.4382 per ordinary share correspondingly.

(iii) Stock Option Scheme

The Group's Stock Option Scheme was conditionally adopted on April 28, 2020. The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group. All options granted under the Stock Option Scheme shall expire in ten years from the grant dates. Under the Stock Option Scheme, the Company granted below share options.

Stock options granted to employees in 2021

On December 7, 2021, the Company granted 7,801,386 stock options to senior management members and employees of the Group as rewards for their services and in exchange for their full-time devotion and professional expertise. The exercise price of granted options is HKD15.97 per ordinary share.

Stock options granted to employees in 2023

On January 19, 2023, the Company granted 2,113,900 stock options to employees of the Group as rewards for their services and in exchange for their full-time devotion and professional expertise. The exercise price of granted options is HKD11.44 per ordinary share.

Stock options granted to employees in 2025

On May 13, 2025, the Company granted 1,439,400 stock options to senior management members and employees of the Group as rewards for their services and in exchange for their full-time devotion and professional expertise.

The exercise price of granted options is HKD5.70 per ordinary share. 30%, 30% and 40% of the issued stock options are to be vested on the first, second and third anniversary of the respective issue dates with different performance conditions respectively.

23. SHARE-BASED PAYMENT (CONT'D)

(a) Stock options (cont'd)

(iii) Stock Option Scheme (cont'd)

Stock options granted to employees in 2026

On June 26, 2026, the Company granted 2,332,800 stock options to senior management members and employees of the Group as rewards for their services and in exchange for their full-time devotion and professional expertise.

The exercise price of granted options is HKD4.03 per ordinary share. 30%, 30% and 40% of the issued stock options are to be vested on the first, second and third anniversary of the respective issue dates with different performance conditions respectively.

Fair value of options granted in 2026

The fair value at grant date is independently determined using binomial model, the significant inputs were listed as below:

Expected price volatility	41.01%
Expected option life *(years)*	10
Risk free interest rate	3.26%
Fair value of granted options *(HKD)*	1.57–1.84

The volatility factor estimated was based on the historical share price movement of the comparable companies for the period close to the valuation date.

Movements in the number of stock options are as follows:

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
As at January 1,	**34,000,082**	39,760,640
Granted	**2,332,800**	1,439,400
Exercised	**(2,676,253)**	(995,100)
Forfeited	**(246,486)**	(442,883)
Cancellation *(note)*	**(194,346)**	(2,924,536)
As at June 30,	**33,215,797**	36,837,521

Note: During the six months period ended June 30, 2025, certain senior management members and employees cancelled their vested but not yet exercised stock options and/or stock options not yet vested, which were granted to them in 2021 and/or 2023. 675,440 new stock options were granted to these senior management members and employees during the six months ended June 30, 2025.

During the six months period ended June 30, 2026, certain senior management members and employees cancelled their vested but not yet exercised stock options and/or stock options not yet vested, which were granted to them in 2021 and/or 2023. 92,216 new stock options were granted to these senior management members and employees during the six months ended June 30, 2026.

23. SHARE-BASED PAYMENT (CONT'D)

(a) Stock options (cont'd)

(iii) Stock Option Scheme (cont'd)

Fair value of options granted in 2026 (cont'd)

No options expired for the six months ended June 30, 2026 and 2025.

For the six months ended June 30, 2026, RMB1,301,000 (six months ended June 30, 2025: RMB5,793,000) expenses for the above stock options granted were recognized in the condensed consolidated statement of profit or loss and total comprehensive income.

(b) Restricted share units

A restricted share award (the "**RSU**") scheme (the "**RSU Scheme**") was approved and adopted pursuant to a resolution passed on April 28, 2020. The directors of the Company may, from time to time, at its absolute discretion, grant restricted share units to selected person in accordance with the RSU Scheme. The overall limit on the number of restricted share units under the RSU Scheme is 6,100,420 shares and the maximum number of shares which may be awarded to any selected person under the RSU Scheme shall not exceed 1% of the issued share capital of the Company as at April 28, 2020.

(i) RSU issued to directors

Each of certain directors has been granted RSUs of the Company representing an aggregate total amount of USD100,000 per year in the three years commencing from the grant date in 2020 and 2023 respectively. The RSUs are issued to the directors on a quarterly basis. The number of RSUs to be issued at the end of each quarter is calculated based on the higher of the closing price of the shares of the Company on the issue date, and the average closing price of the shares of the Company for the five business days immediately preceding the issue date.

The RSUs issued is subject to a vesting schedule at an exercise price of nil, 40% of the RSUs issued are vested immediately on the issue date, 20%, 20% and 20% of the RSUs issued are vested on the first, second and third anniversary of the respective issue date, respectively.

Since 2023, the directors have been granted a choice to settle above remunerations by issuance of RSUs or by an equivalent value in cash. Since both the equity and cash alternatives have the same value and there is no incremental fair value at the modification date, there is no profit or loss impact from the modification.

(ii) RSU issued to a consultant

The consultant has been granted RSUs of the Company representing an aggregate total amount of USD150,000 per year in the two years commencing from the grant date in 2022.

All relevant RSUs were granted till the year ended December 31, 2024.

23. SHARE-BASED PAYMENT (CONT'D)

(b) Restricted share units (cont'd)

(iii) RSU issued to employees

The Company granted RSUs of the Company to senior management members and employees of the Group as rewards for their services and in exchange for their full-time devotion and professional expertise. The RSUs granted representing a fixed aggregated amount for each year in the vesting period commencing from the grant date. The RSUs are issued to the targets on an annual basis and subject to the targets remaining as the employee of the Group on the issue date, and all of the other vesting conditions being satisfied. The number of RSUs to be issued on each anniversary of the grant date in each year in the vesting period is based on the closing price of the shares of the Company on the respective issue date. The RSU issued can be vested immediately on the issue date.

Since 2022, the employees was granted a choice to settle above awards by issuance of RSUs or by an equivalent value in cash. Since both the equity and cash alternatives have the same value and there is no incremental fair value at the modification date, there is no profit or loss impact from the modification.

During the six months ended June 30, 2026, the restricted share units issued to directors and employees of the Group are as follows:

RSU remuneration to	Vesting period	Issue date	Number of RSU issued
Directors	0–6 years	End of each quarter	164,948
Employees	1–5 years	Various dates in 2026	273,612
			438,560

During the six months ended June 30, 2025, the restricted share units issued to directors and employees of the Group are as follows:

RSU remuneration to	Vesting period	Issue date	Number of RSU issued
Directors	0–6 years	End of each quarter	138,602
Employees	1–5 years	Various dates in 2025	395,437
			534,039

23. SHARE-BASED PAYMENT (CONT'D)

(b) Restricted share units (cont'd)

(iii) RSU issued to employees (cont'd)

RMB903,000 (six months ended June 30, 2025: RMB3,200,000) expenses arising from the granted restricted share units were recognized in the condensed consolidated statement of profit or loss and total comprehensive income.

The following table summarized the Group's restricted share units and movement for the six months ended June 30, 2026 and 2025:

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
As at January 1,	**380,622**	397,624
Issued	**438,560**	534,039
Vested	**(437,989)**	(541,847)
As at June 30,	**381,193**	389,816

As at June 30, 2026, 381,193 restricted share units remained unvested (December 31, 2025: 380,622).

(c) Expense for the share-based payments has been charged to profit or loss as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Stock options		
Selling and distribution expenses	**555**	2,675
Research and development expenses	**429**	1,253
Administrative expenses	**162**	1,044
Cost of sales	**155**	821
	1,301	5,793

23. SHARE-BASED PAYMENT (CONT'D)

(c) Expense for the share-based payments has been charged to profit or loss as follows: (cont'd)

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Restricted share units		
Selling and distribution expenses	**101**	1,315
Research and development expenses	**151**	803
Administrative expenses	**651**	1,082
	903	3,200
Total	**2,204**	8,993

24. CAPITAL COMMITMENTS

The following is the details of capital expenditure contracted for but not effective or provided in the condensed consolidated financial statements.

	As at June 30, 2026	As at December 31, 2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Property, plant and equipment	**1,777**	4,478

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The management has set up a valuation team to determine the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value, the Group uses market-observable data to the extent it is available.

The fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorized (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include the lowest level inputs which are significant to the fair value measurement for the asset or liability that are not based on observable market data (significant unobservable inputs).

The following table presents the Group's assets that were measured at fair value at June 30, 2026 and December 31, 2025:

	At Level 3	
	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Assets:		
Financial assets at FVTPL		
— Unlisted equity investments	**316,009**	337,279

There was no Level 1 or Level 2 financial instruments that were subject to be valued during the six months ended June 30, 2026 and 2025.

The changes in level 3 instruments for the six months ended June 30, 2026 and year ended December 31, 2025 are presented in Note 14.

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D)

Valuation processes of the Group (level 3)

The Group has a team of personnel who performs valuation on the level 3 instruments for financial reporting purposes. On an annual basis, the team adopts various valuation techniques to determine the fair value of these instruments.

As at June 30, 2026 and December 31, 2025, the components of the level 3 instruments include unlisted equity investments at FVTPL. The equity investments in unlisted entities mainly represent preferred shares of the investees.

As these instruments are not traded in an active market, their fair values have been determined using various applicable valuation techniques. Major assumptions used in the valuation include scenario probabilities, risk free rate, volatility, discount for lack of marketability and other exposures.

The valuation technique of unlisted equity securities as at June 30, 2026 are as below,

Amount RMB'000	Valuation techniques	Significant unobservable inputs	Range	Relationship of unobservable inputs to fair value
38,638	Latest transactions prices adjusted by differences in rights of equity interest holders using derivatives models	Historical volatilities	41.65%–57.00%	The higher the volatility, the higher the fair value
277,371	Market approach determined with reference to market multiples, prices volatilities of listed securities in similar nature that are traded in a public market with an adjustment of discount for lack of marketability	Discount for lack of marketability	18%–20%	The higher the discount, the lower the fair value
		Valuation multiples e.g. Price/Research and Development Expenditure	1.8–4.1	The higher the valuation multiples, the higher the fair value

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D)

Valuation processes of the Group (level 3) (cont'd)

The valuation technique of unlisted equity securities as at December 31, 2025 are as below,

Amount RMB'000	Valuation techniques	Significant unobservable inputs	Range	Relationship of unobservable inputs to fair value
36,824	Latest transactions prices adjusted by differences in rights of equity interest holders using derivatives models	Historical volatilities	34.89%–36.91%	The higher the volatility, the higher the fair value
300,455	Market approach determined with reference to market multiples, prices volatilities of listed securities in similar nature that are traded in a public market with an adjustment of discount for lack of marketability	Discount for lack of marketability	18%–20%	The higher the discount, the lower the fair value
		Valuation multiples e.g. Price/ Research and Development Expenditure	2.4–4.5	The higher the valuation multiples, the higher the fair value

If the fair values of financial assets at FVTPL held by the Group had been 10% higher/lower, the loss before income tax for the six months ended June 30, 2026 would have been approximately RMB31,601,000 (six months ended June 30, 2025: RMB33,067,000) lower/higher, respectively.

26. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business for the six months ended June 30, 2026 and 2025 respectively, and balances arising from related party transactions as at June 30, 2026 and December 31, 2025 respectively.

(a) Name and relationship with related parties

Name of related parties	Nature of relationships
Key management personnel	Key management personnel
An unlisted equity investment classified as financial asset at FVTPL with one director appointed by the Group	An associate

(b) Transactions with related parties

Other than the transaction disclosed in elsewhere, the Group had following transactions with related parties.

		Six months ended June 30	
		2026	2025
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
(i)	Purchased services from an associate	**2,819**	1,785
(ii)	Key management personnel compensation		
	Salaries, wages and bonuses	**5,749**	6,442
	Housing fund, medical insurance and other social insurance	**384**	433
	Share-based compensation expenses	**635**	2,190
		6,768	9,065

26. RELATED PARTY TRANSACTIONS (CONT'D)

(c) Balances with related parties

The Group had following balances with related parties.

		As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
(i)	Loans to employees		
	— Key management personnels	**10,499**	10,325
(ii)	Trade payable		
	— An associate	**—**	1,129
(iii)	Other payable		
	— An associate	**3,229**	—

27. DIVIDEND

No dividend has been paid or declared by the Company or the companies now comprising the Group for the six months ended June 30, 2026 (six months ended June 30, 2025: nil), nor has any dividend been proposed since the end of the Reporting Period (six months ended June 30, 2025: nil).

DEFINITIONS

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

"Achieva Group"	includes Achieva Medical and its subsidiaries
"Achieva Medical"	Achieva Medical Limited, an exempt limited liability company incorporated under the laws of the Cayman Islands on November 2, 2005, being a wholly-owned subsidiary of our Company
"AIS"	acute ischemic stroke, a disease that occurs when the blood flow through the cerebral arteries is blocked by a clot (i.e., a large amount of thickened blood)
"aortic valve"	a valve in the human heart between the left ventricle and the aorta
"aortic regurgitation" or "AR"	a condition where the aortic valve is not able to close completely, causing a backflow of blood from the aorta into the left ventricle during diastole
"aortic stenosis" or "AS"	the narrowing of the aortic valve that obstructs blood flow from the left ventricle to the ascending aorta during systole
"Audit Committee"	the audit committee of the Board
"BASIS"	Balloon Angioplasty with the distal protection of stent retriever, one of our innovative techniques for neurointerventional procedures
"Board" or "Board of Directors"	the board of directors of the company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which for the purpose of this report and for geographical reference only, excludes Hong Kong, Macau and Taiwan
"CODM"	chief operating decision-maker
"Company" or "our Company"	Peijia Medical Limited (沛嘉醫療有限公司), an exempt limited liability company incorporated under the laws of the Cayman Islands on May 30, 2012
"Core Product"	has the meaning ascribed thereto in Chapter 18A of the Listing Rules, which, for purposes of this report, refers to TaurusOne®
"delivery catheter system"	an integral delivery catheter with a tip, a sheath tube, a catheter and a handle system used to deliver and release the PAV to the target position

Definitions

"Director(s)"	the director(s) of the Company
"Dr. ZHANG"	Dr. Yi ZHANG, one of our Founders, and our chairman, chief executive officer, an executive Director of our Company and our substantial shareholder upon Listing
"EBITDA"	earnings before interest, taxes, depreciation and amortization
"EFS"	Early Feasibility Study, an FDA Early Feasibility Study is a structured, exploratory clinical investigation performed under an IDE that enables the early clinical evaluation of a medical device in a small cohort of human subjects. It is designed to generate preliminary safety and functional data, refine device design or procedural methodologies, and assess the feasibility of advancing the device to more comprehensive clinical trials. These studies are particularly critical for novel devices with limited predicate data, allowing developers to address uncertainties and mitigate risks early in the regulatory pathway
"EU MDR"	the European Union Medical Device Regulation, a legally binding framework governing the design, manufacture, clinical evaluation, and sale of medical devices within the EU
"FDA"	U.S. Food and Drug Administration
"FIM"	First-in-man, a stage of clinical trial
"Future Technology Business"	the business spun off from our Transcatheter Valve Therapeutic Business, focuses on delivering world-leading treatments for heart valve diseases. Its projects are run by dedicated teams and advanced through autonomous subsidiaries with independent operations and funding
"Global Offering"	has the meaning ascribed to it under the Prospectus
"Group," "our Group," "our," "we," or "us"	our Company and all of its subsidiaries (including but not limited to Achieva Group), or any one of them as the context may require or, where the context refers to any time prior to its incorporation or the Share Swap, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"Hong Kong"	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

"ICAD"	intracranial atherosclerotic disease, a disease that occurs when plaque (cholesterol, fatty deposits and other materials) builds up in the blood vessels at the base of the brain, causing them to narrow and harden
"IDE"	Investigational Device Exemption, a regulatory authorization from the FDA that permits the use of an unapproved medical device in a clinical study. It allows researchers to collect safety and effectiveness data on the device in human subjects, typically required for significant-risk device investigations before pursuing market approval
"IFRS"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"JSMPA"	Jiangsu Medical Products Administration of the PRC (江蘇省藥品監督管理局)
"Independent Third Party" or "Independent Third Parties"	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, May 15, 2020, on which the Shares were listed and dealings in the 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, supplemented or otherwise modified from time to time)
"LVOT"	left ventricular outflow tract, the anatomic structure through which the left ventricular stroke volume passes towards the aorta
"mechanical thrombectomy"	a type of minimally-invasive therapy in which blood clot is removed from arteries using imaging techniques guiding medical devices through patients' arteries to the blood clot
"microstructure"	the design of a multi-layered micro-structured device made of multiple materials through precision manufacturing
"mitral annular calcification" or "MAC"	a condition where severe calcific deposition in the mitral annulus extends onto the leaflets, impairing their mobility and preventing them from opening completely
"mitral regurgitation" or "MR"	a condition where the mitral valve is not able to close completely, causing a backflow of blood from the left ventricle into the left atrium during ventricular systole

Definitions

"mitral stenosis" or "MS"	a condition where the mitral valve is not able to open completely, obstructing the forward flow of blood from the left atrium into the left ventricle during ventricular diastole
"mitral valve"	the valve that lets blood flow from one chamber of the heart, the left atrium, to another called the left ventricle
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"Neurointerventional Business"	the business of our Group in research and development of neurointerventional procedural medical devices
"neurointerventional procedural medical devices"	medical devices for treatment of neurovascular diseases using interventional endovascular technique
"neurovascular diseases"	also known as cerebrovascular diseases, including any abnormality of the blood vessels within the brain and spine or abnormality with supplying blood to such areas
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局), formerly known as the China Food and Drug Administration or the CFDA
"Nomination Committee"	the nomination committee of the Board
"Over-allotment Option"	has the meaning ascribed to it under the Prospectus
"PAV"	prosthetic aortic valve, the artificial valve of our TAVR Products
"PCR"	Paris Course on Revascularization, a major international congress in interventional cardiology, organized by the European Association of Percutaneous Cardiovascular Interventions, focusing on coronary and structural heart interventions
"Peijia Shanghai"	Peijia Medical Technology (Shanghai) Co., Ltd. (沛嘉醫療科技(上海)有限公司), a limited liability company incorporated under the laws of PRC on February 24, 2012, being an indirect wholly-owned subsidiary of our Company
"Peijia Suzhou"	Peijia Medical Technology (Suzhou) Co., Ltd. (沛嘉醫療科技(蘇州)有限公司), a limited liability company incorporated under the laws of PRC on March 4, 2013, being an indirect wholly-owned subsidiary of our Company
"Placee(s)"	any individuals, corporate, institutional or other investor(s) procured by the Placing Agent or their respective agents to subscribe for any of the Placing Shares pursuant to the Placing Agreement

"Placing"	the placing of 33,800,000 Placing Shares pursuant to the terms of the Placing Agreement
"Placing Agreement"	the conditional placing agreement entered into between the Company and Morgan Stanley & Co. International plc dated January 22, 2021 in relation to the Placing
"Prospectus"	the prospectus of the Company dated May 5, 2020, in relation to the Global Offering
"Reporting Period"	the six months ended June 30, 2026
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"RSU Scheme"	the restricted share unit award scheme of the Company conditionally approved and adopted by our Shareholders on April 28, 2020, the principal terms of which are set out in Prospectus
"R&D"	research and development
"SFO"	the Securities of Futures Ordinance, Chapter 571 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
"Share(s)"	ordinary share(s) with nominal value of US$0.0001 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"SHMPA"	Shanghai Medical Products Administration of the PRC (上海市藥品監督管理局)
"sq.m."	square meter, a unit of area
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary"	has the meaning ascribed thereto under the Listing Rules
"TAVR"	transcatheter aortic valve replacement, a catheter-based technique to implant a new aortic valve in an interventional procedure that does not involve open-chest surgery
"TCT"	Transcatheter Cardiovascular Therapeutics, a leading annual international symposium focused on interventional cardiovascular medicine, covering advances in transcatheter therapies, structural heart disease and coronary interventions
"TEER"	transcatheter edge-to-edge repair

Definitions

"TMVR"	transcatheter mitral valve replacement, a catheter-based technique to implant a new mitral valve in an interventional procedure that does not involve open-chest surgery
"Transcatheter Valve Therapeutic Business"	the business of our Group in research and development of transcatheter valve therapeutic medical devices
"transcatheter valve therapeutic medical devices"	medical devices for the treatment of valvular heart diseases using cardiovascular interventional technique by implanting a prosthetic valve through an artery
"tricuspid regurgitation" or "TR"	a condition where the tricuspid valve is not able to close completely, causing a backflow of blood from the right ventricle to the right atrium during systole
"treasury Shares"	has the meaning ascribed to it under the Listing Rules
"tricuspid valve"	the valve on the right dorsal side of the mammalian heart, between the right atrium and the right ventricle, the function of which is to prevent back flow of blood from the right ventricle into the right atrium
"TSMVR"	transseptal mitral valve replacement, a catheter-based technique to implant a new mitral valve in an interventional procedure that does not involve open-chest surgery through transseptal puncture approach
"TTVR"	transcatheter tricuspid valve replacement, a catheter-based technique to implant a new tricuspid valve in an interventional procedure that does not involve open-chest surgery
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. dollars", "US$" or "USD"	United States dollars, the lawful currency of the United States
"valvular heart diseases"	the failure or dysfunction of one or more of the four heart valves, where the valves become too narrow and hardened to open fully, or are unable to close completely
"valvuloplasty"	a procedure using balloons to repair a heart valve with a narrowed opening and to improve blood flow through the valve
"VBP" or "volume-based procurement"	a program that enables local governments to procure medical devices in high volume and at low cost, thereby driving down medical expenses for patients
"ZJMPA"	Zhejiang Medical Products Administration of the PRC (浙江省藥品監督管理局)
"%"	per cent