OVERVIEW

We are an interventional medical device company rooted in proprietary and in-house innovation, with a clear focus on addressing significant unmet clinical needs and delivering healing-oriented and clinically-substantiated outcomes for patients. Our product development is guided by a patient-centric philosophy, with each solution continuously substantiated by clinical evidence to demonstrate its safety and efficacy. Founded in 2007 by Dr. Sun Jianhua, we have established an integrated global operating footprint spanning strategic technology and new material exploration, R&D, manufacturing and commercialization, with a presence across approximately 30 countries and regions. Our ability to continuously translate our technological capabilities into novel products and therapeutic applications has enabled us to achieve resilient, organic growth. According to CIC, we have developed the most comprehensive innovative product portfolio among domestic companies in China across both coronary and neurovascular interventional fields.

In contrast to the multi-segment model adopted by peers, we adhere to intervention with platform-based expansion. Built on our strengths in coronary and neurovascular intervention, and underpinned by our original "Healing Window" theory and 11 core technology platforms, we systematically expand into peripheral vascular, venous and structural heart disease intervention, while proactively laying out cutting-edge areas including fully-bioresorbable implants, biomimetic coating and advanced brain-computer interface technologies, forming a highly scalable technological moat.

Commercial Portfolio and Clinically-substantiated Innovation

We have built a diversified product portfolio anchored in our technology platforms and supported by extensive clinical and real-world evidence. As of the Latest Practicable Date, we had 26 commercialized products, including 24 Class III medical devices.

Neurovascular Interventional Medical Devices. As of the Latest Practicable Date, we had commercialized 16 neurovascular interventional medical devices, including a number of first-in-class products, designed to address complex clinical needs for ischemic and hemorrhagic neurovascular diseases, as well as vascular access solutions. According to CIC, as of the Latest Practical Date, our neurovascular interventional product portfolio included, among others, (i) NOVA NEO™ intracranial drug-eluting stent ("**DES**") system, the world's only intracranial DES; (ii) Neuro LPS® intracranial balloon catheter, the world's first low-pressure intracranial balloon catheter; (iii) AUCURA™ coated flow diverter, China's first flow diverter compatible with 0.017" microcatheters for enhanced distal access and equipped with antithrombotic coating; and (iv) APEX TRA SYSTEM® radial access catheter system, the first radial-specific distal access guiding catheter commercialized in China.

Coronary Interventional Medical Devices. As of the Latest Practicable Date, we had commercialized ten coronary interventional medical devices. Among them, HT Supreme™* drug-coated coronary stent system demonstrates our global clinical development and regulatory capabilities as the first China-originated Class III implantable medical device to undertake multi-regional clinical trials across China, Europe, the U.S. and Japan. It has obtained market approvals in China and Europe, respectively, and is the first China-originated Class III implantable medical device to receive conditional premarket approval ("**PMA**") from the U.S. FDA in July 2025. Large-scale, evidence-based clinical studies have demonstrated its favorable safety and performance profile, including support for shortened

* Named BuMA Supreme (i) in Chinese Mainland market prior to January 2021, and (ii) in overseas markets currently.

dual antiplatelet therapy ("**DAPT**") to one month without an increased risk of thrombosis or in-stent neoatherosclerosis, thereby offering an optimized treatment option for patients undergoing complex percutaneous coronary intervention ("**PCI**") procedures.

Platform-enabled Pipeline and Expansion Opportunities

As of the Latest Practicable Date, we had eight key product candidates in various stages of development. Guided by our original "Healing Window" theory and built on the steady advancement of our core technology platforms, we have established a comprehensive innovation strategy spanning from first-in-class product development to technological breakthroughs and cross-disciplinary application, focusing on clinically-differentiated and safer products and innovative therapies.

Breakthrough innovation in neurovascular intervention. Our COMETIU® intracranial self-expanding DES and COMEX™ balloon micro-catheter have each received Breakthrough Device Designation from the U.S. FDA in August 2025, marking the first of this kind for treatment of intracranial atherosclerotic stenosis ("**ICAS**"). The designation highlights the innovative nature and clinical potential of our technologies in addressing significant unmet clinical needs in treating ischemic stroke and other neurovascular conditions.

Application of new materials and technologies. Our cutting-edge innovation department has successfully developed a rare-earth-free fully-bioresorbable magnesium alloy materials and biomimetic coating platform technology, enabling us to pioneer new solutions in coronary and neurovascular interventions while exploring other therapeutic fields with confidence. Furthermore, our robust technology platform capabilities serve as a solid foundation for establishing strategic, technical and commercial collaborations with international industry peers. These innovations improve the clinical performance of devices and provide new solutions that can be further adapted for use in challenging anatomical settings, such as peripheral and other vascular interventions.

Expanding into new therapies and frontier life science applications. We are advancing ACCUFIT™ transcatheter mitral valve replacement system to expand our presence into structural heart disease to meet precise clinical needs. In parallel, we are exploring the use of our interventional technologies in next-generation fields, including implantable brain-computer interfaces. Our proprietary biomimetic coating technologies are designed to reduce immune responses and tissue overgrowth, potentially enhancing long-term safety and signal quality for neural implants. These efforts reflect our strategic vision to extend our capabilities from interventional therapy into advanced life science domains.

Integrated Capabilities and Global Reach

We have established fully-integrated R&D capabilities, enabling end-to-end control over the product lifecycle and enabling us to scale efficiently and expand globally.

R&D and Innovation Capabilities. We have developed deep proprietary expertise across product design, material processing, and manufacturing technologies.

- ***R&D team and technology platforms***. Guided by clinical needs, we have established R&D subsidiaries and retained frontline research personnel overseas to capture and translate global innovations. As of the Latest Practicable Date, we had successfully built 11 core technology platforms, forming a solid foundation for systematic and efficient development of unique products.

- ***Robust intellectual property portfolio***. As of the Latest Practicable Date, we had built a broad global intellectual property ("**IP**") portfolio, with 230 issued patents, 58 patent applications and three PCT patent applications covering major medical markets such as the U.S., Europe, and Japan. In 2025, our total R&D expenditure, including both expensed and capitalized amounts, accounted for 31.0% of our revenue, reflecting our continued commitment to innovation and supporting our long-term technology leadership.

- ***Globally evidence-based clinical validation and international recognition***. Our R&D efforts are consistently aligned with critical clinical needs, and our product safety and efficacy have been validated through large-scale evidence-based studies conducted globally. As of the Latest Practicable Date, we have 48 articles regarding topics ranging from basic research to clinical studies published in core-tier professional journals, including 29 in international journals such as *JAMA, Circulation, JACC* and *EHJ*, earning recognition from leading global experts and providing strong scientific support for our global commercialization efforts.

Manufacturing and Supply Chain Capabilities. Our in-house manufacturing and supply chain capabilities form the foundation of our ability to scale globally and sustain profitability. With scalable production capacity, global compliance, and intelligent manufacturing systems, we have established an integrated production model that supports smooth transition from R&D to large-scale commercialization.

- ***Global supply and deliver capability***. In China, we have one manufacturing facility in Tianjin primarily for coronary interventional products, and another facility in Suzhou primarily for neurovascular interventional products. Our domestic facilities span over 25,000 sq.m. and include over 4,500 sq.m. of qualified cleanrooms, maintain ISO 14644-1:2015 Class 5 to Class 8 standards.

- ***International GMP compliance***. Our manufacturing practice is built on ISO 13485 standards and complies with regulatory requirements of China, the U.S. and Europe, as well as Brazil, South Korea, Southeast Asia and other key markets. Our globally integrated compliance framework enables us to streamline regulatory submissions across multiple jurisdictions, supporting simultaneous product registration in major markets and accelerating international commercialization.

- ***Resilient and cost-efficient supply chain***. During the Track Record Period, over 90% of our suppliers were domestic entities. We have also developed alternative sourcing plans for key materials to manage supply chain risks and optimize procurement costs. With flexible production and lean management practices, we are able to respond quickly to global market dynamics and ensure consistent supply.

- ***Automation-assisted manufacturing***. We utilize high-precision automated equipment in our core manufacturing processes, such as laser-cutting and drug-coating for stent products, and forming and hydrophilic coating for balloon products, to enhance process consistency and product quality. In addition, we have integrated automated inspection equipment into our production processes and established standardized operating procedures for those, with the aim of reducing reliance on manual labor in critical inspection stages. By integrating these technologies, we are able to achieve objective process control through automated inspection mechanisms, thereby further strengthening our competitive advantage in the market.

Sales and Marketing Capabilities. We have demonstrated strong commercialization capabilities, underpinned by our deep hospital penetration nationwide. During the Track Record Period, our products had been sold to over 3,500 hospitals in China through our dedicated in-house sales team and distributors, including over 2,000 Class III hospitals. We adopt diverse penetration strategies tailored to market tiers. In tier-one and tier-two cities, we strengthen partnerships with leading Class III hospitals and enhance brand recognition through VBP programs, academic conferences, live surgeries and collaborations with global KOLs. In lower-tier cities and county-level markets, we accelerate penetration by promoting interventional therapy awareness through physician training, academic lectures and technical support initiatives. In addition, we expand our global market presence in Southeast Asia, the Americas and Europe through a combination of direct sales arrangements and a localized distributor network.

Our Financial Highlights

During the Track Record Period, we delivered sustained revenue growth, a marked improvement in profitability and continued investment in innovation, underscoring the resilience of our business and commercialization capabilities. Our revenue increased from RMB343.3 million in 2023 to RMB458.7 million in 2024 and RMB525.4 million in 2025, representing a CAGR of 23.7% from 2023 to 2025. Over the same period, our results improved from a net loss attributable to shareholders of RMB39.6 million in 2023 to a net profit attributable to shareholders of RMB1.5 million in 2024 and RMB47.3 million in 2025. Our growth was achieved in an industry environment increasingly shaped by national and regional volume-based procurement ("**VBP**") programs and more standardized procurement and pricing arrangements. Building on our well-established commercial scale, broad hospital coverage and clinical adoption, we adapted effectively to the evolving regulatory environment and further expanded sales volumes following the inclusion of a series of our coronary products in VBP programs. Throughout this transition, we further strengthened the competitiveness of our technology-driven product portfolio through innovation and maintained strong investment in R&D, evidenced by the launch and market expansion of new neurovascular interventional products. In 2025, our total R&D expenditure, including both expensed and capitalized amounts, accounted for 31.0% of revenue. As a result, these growth enabled economies of scale on the cost side, resulting in improved gross profit margin. A disciplined balance between innovation, commercialization and profitability reflects our ability to deliver resilient organic growth in an evolving market environment.

OUR STRENGTHS

A proven track record of product innovation driving enduring organic growth

We began with a focused breakthrough in coronary intervention and progressively expand into neurovascular interventional with a specific focus on ICAS, and other high-potential interventional areas by building a robust, proprietary technology base. Our development has progressed through three stages: a foundation in coronary intervention, followed by dual-engine growth across coronary and neurovascular interventional businesses, and, more recently, platform-driven expansion into broader interventional therapeutic areas.

Foundation in Coronary Intervention. As we first entered the market, China's interventional device industry was still in its early stages and largely shaped by multinational market players. The first-generation DES helped reduce restenosis but came with increased risk of late-stage thrombosis, requiring long-term dual antiplatelet therapy and raising safety concerns. We took a different approach in paradigm by developing a healing-targeted DES focusing on biological rather than mechanical or

pharmacological approaches, which shifted the design focus from inhibiting cell proliferation to promoting faster endothelial recovery, allowing us to address both short-term efficacy and long-term safety. Through proprietary innovations in stent coating and drug-release technology, we launched BuMA® biodegradable DES in China in 2010, and continued to examine their efficacy through post-market real-world studies. These findings contributed to formulizing our original "Healing Window" theory, which posits that the healing process is a natural phenomenon that is time-bound and irreversible and that differences in endogenous healing capacity are the reason for the variations in treatment outcomes among patients receiving same treatment. Under the guidance of this theory, we developed the second generation of these DES products. We further initiated global clinical trials to validate the theory and collect clinical evidence to prove the superiority in safety of our products, while supporting international market entry. This early-stage success laid a strong foundation in technology, manufacturing, and commercialization, setting the stage for our strategic expansion into adjacent fields of neurovascular intervention.

Dual-engine Growth of Coronary and Neurovascular Intervention. Leveraging our strong foundation in coronary intervention, we have expanded into neurovascular intervention to drive coordinated growth across both areas.

- *Strong Market Position in Coronary Intervention.* As of the Latest Practicable Date, we had ten approved coronary interventional products, supported by a series of innovative product launches and strong commercialization performance. Our HT Supreme™ drug-coated coronary stent system, approved by the NMPA in 2020, is the first healing-targeted drug-coated stent globally and the first China-originated Class III implantable medical device to undertake multi-regional clinical trials across China, Europe, the U.S. and Japan, demonstrating our global clinical development capabilities. It has obtained market approvals in China and Europe and conditional approval in the U.S. Building on this foundation, we continued to expand our product portfolio. In 2022, HT Infinity® drug-coated coronary stent system was approved by the NMPA. In 2023, TRADENT™ coronary scoring balloon catheter was approved by the NMPA and ranked first in a province alliance VBP program comprising more than ten provinces led by the Beijing-Tianjin-Hebei region. Our HT series products were selected in the 2022 renewal round of the national VBP program, supporting broader market adoption. As a result, our HT series have been adopted by over 1,800 hospitals, more than 50% of which were Class III hospitals as of the Latest Practicable Date. TRADENT™ has also demonstrated rapid commercialization progress, penetrating over 1,000 hospital as of the Latest Practicable Date with a year-on-year growth over 100% in 2025 comparing to 2024.

- *Rapidly Established Competitive Position in Neurovascular Intervention.* Building on our expertise in coronary intervention, we have rapidly developed a comprehensive neurovascular interventional portfolio. As of the Latest Practicable Date, we had 16 approved neurovascular interventional products, covering key treatment and access devices. We initially entered the neurovascular field with Neuro RX® intracranial balloon catheter in 2016, the world's first rapid-exchange intracranial balloon catheter, followed by Neuro LPS® intracranial balloon catheter in 2020, the world's first low-pressure rapid-exchange intracranial balloon capable of vessel dilation at 3 atm, significantly reducing the risk of vessel injury. In 2021, NOVA NEO™ intracranial drug-eluting stent system was approved by the NMPA, representing the world's only drug-eluting stent specifically designed for ICAS. As a healing-targeted intracranial stent, it demonstrated an 88.4% reduction in stroke recurrence compared to bare metal stents and achieved rapid market adoption, capturing 41.0% of the domestic market by

sales volume in 2025 according to CIC. We have continued to broaden our product portfolio across the neurovascular treatment pathway. In 2023, we obtained NMPA approvals for a series of access and thrombectomy-related devices, including distal access catheters, aspiration catheters and GHUNTER® revascularization device. In 2025, AUCURA™ coated flow diverter was approved in China and accepted for CE registration in Europe, which was the first flow diverter with anti-thrombosis coating in China compatible with 0.017" inch microcatheter to further facilitate the devices easily to reach the distal intracranial arteries. With a 12-month successful aneurysm occlusion rate of 96.99% and a safety composite endpoint of 1.4%, AUCURA™ coated flow diverter demonstrated leading clinical performance among currently approved flow diverters, according to CIC. With the penetration rate of flow diverter remaining below 25% in China in 2025, AUCURA™ coated flow diverter has been selected in the Guangdong provincial VBP program within three months of launch, supporting its rapid market adoption.

Platform-driven R&D Expansion Across Comprehensive Therapeutic Areas. We have established a platform-based R&D framework that provides innovative clinical solutions to support therapeutic diversification and global market expansion. Our technology platforms integrate core capabilities across materials science, surface treatment, drug release formulation, device design and precision manufacturing, forming a scalable system that underpins product development and clinical translation across coronary, neurovascular and structural heart disease indications, while enabling expansion into adjacent therapies. Furthermore, our emerging platforms, including our proprietary rare-earth-free fully-bioresorbable magnesium alloy technology and biomimetic coating technology, further extend our reach into next-generation applications such as fully-bioresorbable implants and implantable brain-computer interface solutions.

- *Neurovascular Intervention.* As of the Latest Practicable Date, we had five pipeline neurovascular interventional products under development. Our key neurovascular interventional pipeline product COMETIU® intracranial self-expanding DES have received Green Path Designation from the NMPA, and both this product and COMEX™ balloon micro-catheter have received Breakthrough Device Designation from the U.S. FDA. COMETIU® is currently under CE marking review with approval expected in 2026. We are also developing COMEX™ balloon micro-catheter designed for use in combination with self-expanding intracranial stents to simplify procedural steps and reduce intra-procedural risks. Regulatory approvals for COMEX™ in China and the E.U. are expected in the second half of 2026. In addition, we have developed SECURA™ intracranial coated stent system, which we expect to obtain approval in China in the second half of 2026 with the potential to become China's first intracranial coated stent that incorporates anti-thrombotic surface technology.

- *Coronary Intervention.* Our coronary interventional pipeline includes a rare-earth-free fully-bioresorbable magnesium alloy coronary DES at the preclinical research stage, which aims to support next-generation coronary therapies through novel material and technology applications. In addition, we expect to further obtain FDA approval for our HT Supreme™ and CE marking for our TRADENT™ within 2026.

- *Structural Heart Diseases.* We are developing a retrievable and self-locking transcatheter mitral valve replacement system supported by proprietary intellectual property, targeting minimally invasive treatment options for patients with severe mitral regurgitation.

- *Peripheral Intervention.* We are developing a rare-earth-free fully-bioresorbable magnesium alloy peripheral DES, targeting below-the-knee lesions in patients with chronic limb-threatening ischemia. The magnesium-based structure also offers favorable biocompatibility and physiological benefits, optimizing long-term vessel restoration for complex peripheral interventions.

Clinical-driven advanced R&D capabilities empowered by our proprietary technology platforms

Our R&D capabilities are rooted in a theory-based, clinically-substantiated and forward-looking innovation philosophy and enabled by our proprietary technology platforms, forming the foundation for our continued breakthroughs in vascular interventional therapy.

Clinical need-driven R&D pathway with mass validation. We pioneered a healing-targeted design approach for DES, which has been adopted across our various products, including HT Supreme™ DES, HT Infinity® DES, BuMA® biodegradable DES and NOVA NEO™ intracranial DES, with global IP protection. Conventional DES technologies have long focused on suppressing smooth muscle proliferation to reduce early restenosis. However, this suppression may delay vascular healing, increasing the long-term risk of thrombosis and in-stent neoatherosclerosis. In contrast, HT Supreme™ DES shifts the design focus toward promoting functional endothelial recovery, aiming to enhance the healing capacity of the vessel wall for patients and improve their long-term clinical outcomes. It features a dual-layer coating that substantially fully releases within 30 days, synchronizing with smooth muscle proliferation peak and covering the critical period of neointimal hyperplasia. Over 95% of the polymer coating degrades within six weeks, aligning precisely with the vascular healing window. This controlled release profile reduces chronic inflammation associated with permanent polymers, balancing short-term efficacy with long-term vessel preservation. Through PIONEER IV study, the first all-comers European randomized trial, HT Supreme™ DES demonstrated a shortened DAPT duration of just one month in all-comers population, and is clinically deliverable in routine practice. In May 2026, the relevant European notified body has approved the above-mentioned shortened DAPT regime, where product instructions for HT Supreme™ DES used in the EU have been updated to include the statement that "following implantation of the HT Supreme™ DES in all coronary artery disease patient populations, the duration of DAPT may be shortened to one month".

Our proprietary technology platforms. We have established 11 proprietary technology platforms covering the core processes required for vascular interventional device development, including stent and structural design, surface and drug coating, balloon and catheter engineering, heart valve systems, bioresorbable materials and intelligent manufacturing. These platforms are modular and interoperable, enabling cross-application across coronary, neurovascular, peripheral vascular and structural heart disease products while accelerating development cycles and supporting scalable expansion into adjacent indications. Our capabilities continue to evolve alongside clinical and material innovation. In particular, our proprietary rare-earth-free fully-bioresorbable magnesium alloy technology and biomimetic coating platform extend our surface and material science expertise toward next-generation bioresorbable implants and physiologically oriented healing solutions. Together, these platforms reflect decades of accumulated know-how and provide a disciplined, technology-driven foundation for rapid product iteration, pipeline expansion and sustainable organic growth across multiple therapeutic areas. For details of our technology platforms, see "— Our Product Portfolio And Technology Platforms."

Our IP portfolio. As of the Latest Practicable Date, we held over 230 patents globally, including 146 invention patents and 84 utility model patents, as well as 58 patent applications and three PCT patent applications. We also own 111 trademark and 29 trademark applications. We regard 25 patents

and related technology experience fundamental to our success, establishing key barriers to our major products. For details, see "— Intellectual Property Rights" and "Appendix IV — Statutory and General Information — Further Information About the Business of Our Company — 2. Intellectual Property Rights." Our portfolio spans major jurisdictions including China, the U.S., Europe and Japan, forming a robust protection framework.

Broad global clinical footprint and commercialization capability

We have built a globally integrated platform that connects broad-based clinical validation, multi-regional regulatory registration and localized commercialization, enabling efficient progression from evidence generation to international market adoption.

Extensive global clinical and regulatory coverage. While experienced in clinical trials and regulatory registrations across China and key overseas markets, we selectively make such decisions based on product competitiveness and target market potential. For our core coronary interventional device, HT Supreme™ DES, we have conducted multi-regional clinical trials in China, Europe, the U.S. and Japan, enrolling 3,253 patients in pre-market studies for registration approvals in these jurisdictions. We also enrolled 2,130 patients in real-world studies in Europe to support a shortened DAPT duration of just one month. Key findings on safety and efficacy from these studies have been published in leading international medical journals, including *Circulation, JACC* and *EHJ*. In parallel, we have established a broad overseas registration footprint, with our coronary interventional products obtaining 89 registration certificates across 30 overseas countries and regions, while multiple neurovascular interventional products are progressing through CE marking procedures.

Multi-layered global commercial layout. In Chinese Mainland, we have established a nationwide distribution network of approximately 800 experienced distributors with deep hospital coverage, supported by close coordination between our internal sales team and distributor partners. Overseas, we have adopted a phased approach that prioritizes clinical access and regulatory groundwork, followed by distributor-led market entry and focused development in selected priority markets. As of the Latest Practicable Date, we had initiated business expansion in approximately 30 countries and regions, laying the foundation for gradual expansion of our international revenue base.

Localized operations enabling global execution. We maintain overseas subsidiaries in major markets including the U.S., Europe and Japan to support localized R&D, regulatory coordination and commercialization. We also pursue selective strategic acquisitions to enhance overseas technology and process capabilities. In 2024, we acquired eLum, a U.S.-based subsidiary, to support technology iteration, process optimization and next-generation product development.

Advanced manufacturing and global delivery capabilities

We have built an advanced, resilient manufacturing and supply system that combines scalable capacity, intelligent automation, and globally aligned quality standards.

Resilient and scalable production capabilities with proprietary core processes. We have established a resilient and scalable production network anchored by two facilities in Tianjin and Suzhou, each integrating R&D and mass manufacturing functions. Our facilities are equipped with standardized processes and core equipment that together deliver a production capacity of approximately 1.3 million units of interventional products in 2025. Leveraging proprietary technologies, such as high-precision

stent coating, together with in-house production of selected key materials, we have secured control over critical cost and technology nodes. Our production system is flexible and adaptable, enabling rapid adjustment in scheduling and resource allocation to meet dynamic market demand.

Technology-driven production. We are gradually deploying automated systems into our core operations. In critical production processes such as stent polishing, our visual inspection systems have replaced manual checks, improving defect detection accuracy and processing consistency. We have also applied large language models and automation tools to streamline compliance documentation, significantly reducing the time required to generate inspection reports and enabling smart document retrieval. In parallel, data-driven tools have accelerated decision-making across planning, inventory and sales by cutting data processing time from hours to minutes. Together, these adaptations have contributed to our high delivery performance, cost-effectiveness, agility and reliability of our integrated supply chain.

Comprehensive global quality compliance. We operate under a quality management system fully aligned with ISO 13485 and adapted to meet regulatory standards across major overseas markets including the U.S. and EU. Our quality framework spans the full product lifecycle, supported by dedicated laboratories for physical, chemical, and biological testing, and strengthened by robust change control, deviation management, risk assessment, and data integrity protocols.

Diversified and secure global supply chain network. Our global supply chain is engineered for resilience. Over 90% of our raw material categories are locally sourced in China. We adopt diverse collaboration strategies with domestic and overseas suppliers to mitigate risks and control compliance costs. Our production scheduling flexibility also positions us to respond effectively to regional demand fluctuations, supporting sustained global expansion.

Visionary and seasoned leadership driving sustainable long-term growth

Led by our founder, Dr. Sun Jianhua, who provides scientific and technical leadership, our management team brings together deep scientific expertise with seasoned industry leadership. Our management team comprises senior professionals with backgrounds spanning molecular biophysics, mechanical engineering, materials science and clinical medicine, complemented by leaders with broad experience in organizational management and commercial execution within the medical device industry. Our management team has extensive hands-on experience across the full medical device value chain from product development, clinical planning, domestic to overseas regulatory submissions, supply chain management and market expansion, ensuring our innovation-driven and execution-focused growth path. In addition, a majority of our core management team has served us for over a decade and grown alongside our development. This stability underpins consistent strategic execution, sustained accumulation of core technologies and continuity in corporate culture. With deep understanding of the domestic market and exposure to international standards and practices, our management team is well positioned to support disciplined global expansion over the long term.

OUR STRATEGIES

Advance our R&D pipelines and product iteration to strengthen our innovation leadership

We seek to strengthen our competitive position through disciplined product iteration and the advancement of next-generation technologies across our interventional medical device portfolio. We are currently focusing on a series of key R&D programs, including, among others, (i) obtaining regulatory

approval for and commercializing COMETIU® intracranial self-expanding drug-coated stent system, while continuing to build post-market clinical evidence through additional studies and real-world data; (ii) progressing preclinical research on rare-earth-free fully-bioresorbable magnesium alloy drug-eluting stents, with a view to evaluating their performance across different vascular settings and exploring the scalability of the magnesium alloy platform across coronary, neurovascular and peripheral applications; and (iii) continuing technical validation of ACCUFIT™ transcatheter mitral valve replacement system for structural heart disease, including the accumulation of additional animal study data and the initiation of first-in-man clinical trials when appropriate. In addition, we are exploring the application of selected platform technologies, such as biomimetic coating, in adjacent fields including the brain-computer interface.

In parallel, we will continue to monitor developments in interventional techniques and global industry trends, and pursue iterative improvements to our commercialized products to maintain clinical relevance and product competitiveness, while advancing overseas registration and market entry on a selective basis. We also intend to pursue diversified commercialization pathways, including potential licensing arrangements, to enhance the efficient translation of technological capabilities into commercial opportunities and support a sustainable innovation cycle.

Accelerate global commercialization through disciplined market expansion and localized execution

We will expand our commercial footprint in both China and overseas markets by focusing on products and geographies with attractive growth potential. In China, we intend to deepen penetration of our commercialized portfolio by increasing sales volumes, enhancing hospital coverage and expanding into primary and lower-tier hospitals through targeted academic engagement and digital outreach.

Internationally, we are advancing a phased commercialization strategy anchored in regulatory approvals for selected core products. For coronary intervention, we plan to seek regulatory clearance in the U.S. and Japan for HT Supreme™ drug-coated coronary stent system and CE marking for TRADENT™ coronary scoring balloon catheter within the next two years. For neurovascular intervention, we are pursuing CE marking for selected products, including COMETIU® intracranial self-expanding DES, COMEX™ balloon micro-catheter and AUCURA™ coated flow diverter.

Our overseas expansion is supported by clinically driven product positioning and localized market execution. We design clinical programs to address significant unmet needs and generate evidence that supports regulatory submissions, physician education and market adoption. In parallel, we strengthen brand credibility through academic collaboration, peer-reviewed publications and participation in major international conferences. Consistent global positioning, combined with localized sales teams and distribution networks in selected markets, enables us to enhance market access, improve execution efficiency and support sustainable international growth.

Accelerate the upgrade and integration of our technology platforms

We aim to enhance and integrate our technology platforms to support efficient product development and cross-portfolio expansion. Our strategy focuses on deepening core technologies while improving platform compatibility across different interventional indications, enabling us to advance our pipeline more efficiently and support future product innovation.

We will continue to strengthen our core technology platforms, including stent design and manufacturing, balloon catheter delivery systems and drug-coating technologies, with an emphasis on improving process precision, consistency and reliability. At the same time, we plan to selectively introduce advanced technologies, such as automation and intelligent data-driven tools, to enhance R&D efficiency and product performance. In parallel, we seek to integrate multidisciplinary capabilities across materials science, biomedical engineering and clinical medicine to establish a unified R&D framework covering coronary, neurovascular, peripheral vascular and structural heart disease interventions.

We will also continue to invest in laboratory infrastructure and clinical trial support capabilities, while strengthening collaboration with domestic and overseas universities and research institutions and enhancing R&D coordination with our overseas subsidiaries. Through these efforts, we aim to broaden the application of our technology platforms, support the timely advancement of products under development and build a scalable foundation for future pipeline expansion.

Strengthen and optimize manufacturing capacity and in-house supply capabilities

We will continue to refine and optimize our manufacturing capabilities in alignment with our product portfolio development and commercialization progress. Through disciplined production planning, we will dynamically adjust production line allocation and enhance the flexibility and efficiency of our manufacturing processes to support scalable and efficient operations. In parallel, we plan to further upgrade the automation level of key production processes and enhance our digital and IT infrastructure, enabling more precise production management, improved quality control and greater operational visibility across our manufacturing system. These initiatives are expected to improve overall production efficiency, reduce operational complexity and support consistent product quality. We also aim to strengthen our in-house capabilities in the production and processing of key raw materials, and to further optimize our supply chain management. By enhancing control over critical supply chain nodes and developing more integrated and resilient sourcing and production arrangements, we seek to improve cost efficiency, ensure supply stability and reinforce our long-term operational resilience.

Continue to attract and develop talents

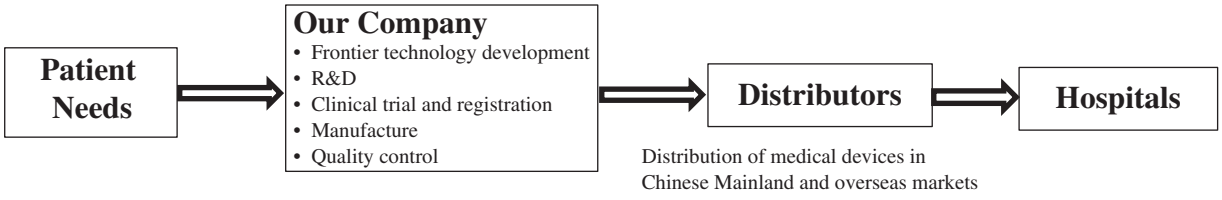
We pursue a talent-driven development strategy and are committed to building a full-cycle talent management system covering recruitment, development, incentives and retention. We believe a stable and high-quality talent base is essential to sustaining innovation, execution capability and long-term growth in the interventional medical device industry.

We will continue to strengthen and optimize our talent pool across key functions, including management, R&D, manufacturing, sales and operations, with a focus on enhancing professional depth, industry experience and international exposure. In particular, our R&D talent strategy focuses on the recruitment of professionals with experience at leading global medical device companies, covering critical disciplines such as materials science, engineering and clinical medicine. Through this approach, we aim to support sustained technological advancement and the efficient translation of research outcomes into commercial products. We will continue to enhance our internal training and development programs to support employee capability building and long-term career progression, while implementing incentive arrangements designed to motivate and retain key personnel. Through ongoing talent development and retention initiatives, we seek to maintain a competitive talent position in our industry and provide a stable foundation for technological advancement and long-term development.

OUR BUSINESS MODEL

With a track record spanning approximately two decades, we are dedicated to the full lifecycle of interventional medical devices. Our business model is empowered by original theory, technical prowess, and worldwide clinical validation. Functional teams collaborate to guide products from R&D to distribution.

We leverage proprietary innovation and evidence-based medicine to establish new standards of care. Our pipeline products aim to revolutionize existing solutions by fully utilizing the advantages of our technology platforms, expanding into new fields beyond current boundaries. The following diagram illustrates our business model:



Note: We also conduct a minimal amount of direct sales of medical devices in overseas markets.

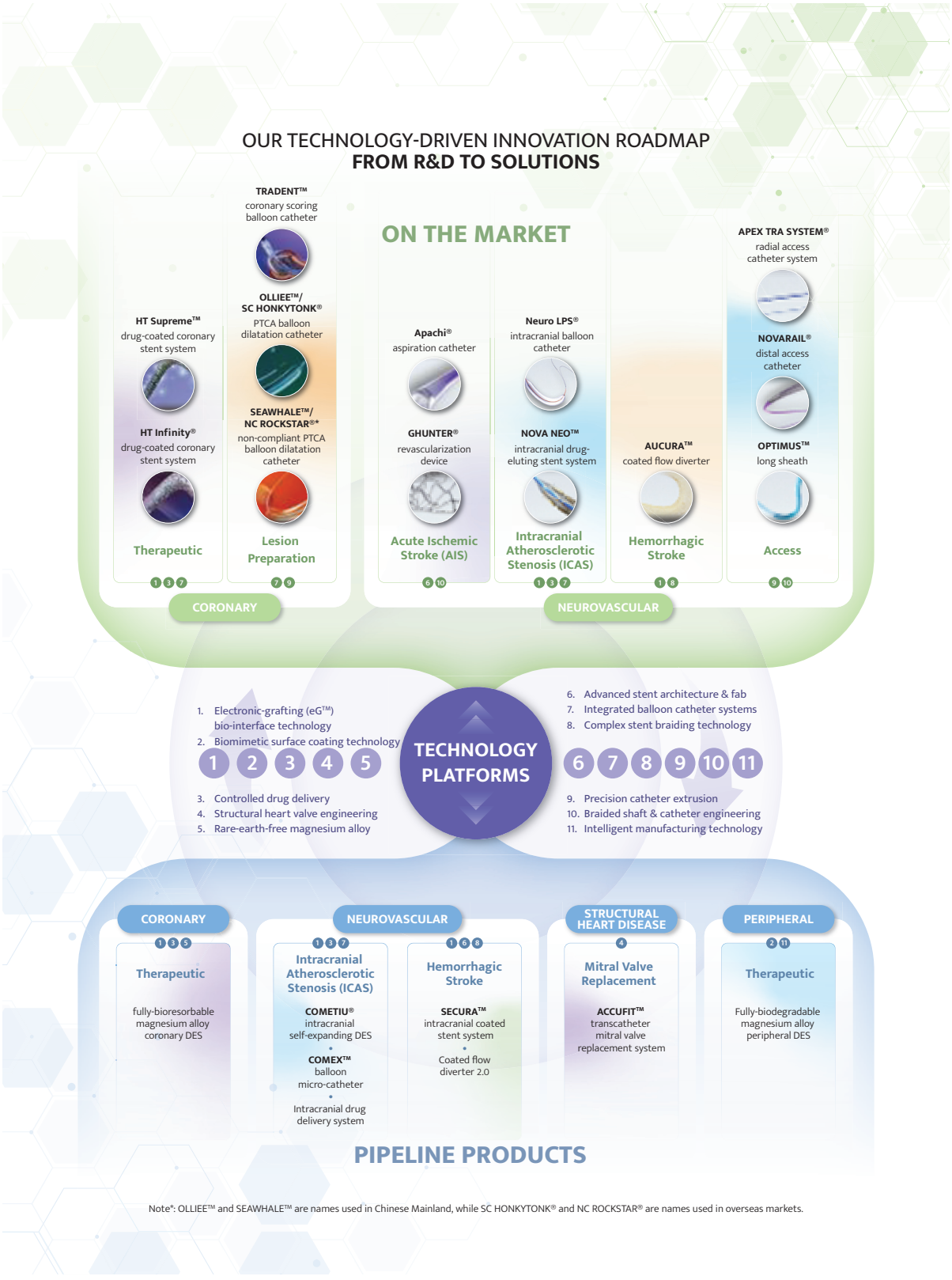
OUR PRODUCT PORTFOLIO AND TECHNOLOGY PLATFORMS

We are committed to addressing significant unmet clinical needs with a focus on delivering healing-oriented and clinically-substantiated outcomes. Leveraging our proprietary innovation capabilities and grounded in evidence-based medicine, we have developed scalable and extensible technology platforms to support the continuous advancement of our product portfolio. We place particular emphasis on validating the safety and efficacy of our products through clinical trial data, strictly in line with internationally recognized practices. Through these efforts, we strive to establish new standards of care and improve long-term clinical benefits for patients.

Our product portfolio focuses on interventional medical devices for the treatment of coronary and neurovascular diseases, and we are expanding into additional therapeutic areas including structural heart disease, peripheral vascular disease and next-generation interventional technologies. Leveraging our frontier and proprietary technology platforms, we have developed a comprehensive product portfolio that targets providing thorough rather than temporary solutions with solidified clinical supports to coronary and neurovascular diseases, with a special focus on developing therapeutic devices and accessories with technological barriers. Recognized by the industry, our research and clinical trial results have been repeatedly published in internationally-renowned journals such as *JAMA*, *Circulation*, *JACC* and *EHJ*.

Our technology platforms were gradually developed and refined during the design and development of our products. These technologies are subsequently applied across multiple product categories to support the development of new products and iteration of commercialized products. This integrated development approach enables us to establish a synergistic ecosystem between our product portfolio and technology platforms, improving R&D efficiency and accelerating product upgrade.

As of the Latest Practicable Date, our product portfolio primarily covers coronary and neurovascular interventional products with special focuses on therapeutic effects and patient long-term treatment benefits. Our pipeline products further extend into innovations in the fields of coronary, neurovascular and peripheral interventions and treatment of structural heart disease, with a special focus on the application of bioresorbable materials. The following diagram conceptualizes the inter-connectedness between selected products in our product portfolio and our proprietary technology platforms:



Note*: OLLIEE™ and SEAWHALE™ are names used in Chinese Mainland, while SC HONKYTONK® and NC ROCKSTAR® are names used in overseas markets.

Approved Products

Coronary Interventional Product Highlights

Our coronary interventional product portfolio primarily focuses on treatment through percutaneous coronary intervention ("**PCI**") procedures. Our coronary interventional products include drug-eluting stents, balloon catheters and supporting delivery systems designed to restore vessel patency, improve myocardial perfusion and reduce the risk of restenosis and in-stent neoatherosclerosis. As of the Latest Practicable Date, we had ten coronary interventional products approved in Chinese Mainland and other overseas jurisdictions, all of which were Class III medical devices approved by the NMPA.

Our flagship coronary interventional product HT Supreme™ drug-eluting stent ("**DES**") and HT Infinity® DES are cobalt-chromium alloy stent platforms with a healing-oriented drug coating design, indicated for the treatment of coronary artery stenosis for functional restoration of vessels after PCI while reducing the risk of target vessel restenosis. These products integrate our controlled drug delivery technology platform, integrated balloon catheter systems technology platform, and eG™ bio-interface technology platform, which enable drug coating integrity, uniform drug distribution and optimized stent structural design. Special highlights of the HT products include: (i) in 2020, HT Supreme™ DES, our next-generation drug-eluting stent, was approved by the NMPA. It was the first healing-targeted DES globally and the first China-developed stent product to conduct multi-regional clinical trials and obtain patent authorization in China, Europe, the U.S. and Japan. It received CE certificate in 2019 and was selected in China's national volume-based procurement program ("**VBP**") program in 2023. As of the Latest Practicable Date, HT Supreme™ DES has been approved in 29 overseas jurisdictions by relevant authorities including key markets such as the EU, the U.K. and Singapore. In July 2025, it received conditional PMA from the U.S. FDA; (ii) in 2022, HT Infinity® DES was approved by the NMPA. Both HT products have then rapidly gained market share in China under the VBP program, with their combined sales volumes growing by 1,103.5%, 49.2%, and 14.4% in 2023, 2024, and 2025, respectively. In the latest national procurement round, both were awarded contracts and adopted by over 1,800 hospitals, more than 50% of which were Class III institutions.

In addition, our coronary interventional product portfolio includes balloon-based interventional devices such as the TRADENT™ coronary scoring balloon catheter, which features a spiral metallic scoring wire design to facilitate dilation treatment of vascular stenosis lesions in percutaneous transluminal coronary angioplasty ("**PTCA**") to improve myocardial perfusion. This product leverages our integrated balloon catheter systems technology platform and precision catheter extrusion technology platform, enabling improved balloon performance and procedural control. In 2023, TRADENT™ coronary scoring balloon catheter became the first domestically approved product of its kind. It won the first place in a province alliance VBP program comprising more than ten provinces led by the Beijing-Tianjin-Hebei region, and has demonstrated rapid commercialization progress, penetrating over 1,000 hospital as of the Latest Practicable Date with a year-on-year growth over 100% in 2025 comparing to 2024.

Through the development of our coronary interventional products, we have accumulated core technological capabilities in areas such as implant structural design, surface modification, drug delivery and catheter engineering, which serve as the technological foundation for our next-generation coronary interventional products and other interventional devices.

Neurovascular Interventional Product Highlights

Our neurovascular interventional product portfolio focuses on the treatment of intracranial aneurysms, ischemic stroke, hemorrhagic stroke and ICAS. Our products in this segment include devices designed for treatment areas such as AIS, ICAS, hemorrhagic stroke and access. As of the Latest Practicable Date, we had 16 neurovascular interventional products approved by the NMPA, 14 of which were Class III medical devices.

Our flagship neurovascular product portfolio Neuro RX® and Neuro LPS® intracranial balloon catheter are designed for the interventional treatment of patients with symptomatic ICAS in the non-acute phase, with a special focus to improve intracranial blood flow perfusion through balloon dilation. These product leverages our controlled drug delivery technology platform, integrated balloon catheter systems technology platform, and eG™ bio-interface technology platform to achieve improved deliverability and procedural safety. Special highlights of these products include: (i) in 2016, we launched Neuro RX® intracranial balloon catheter, our first rapid-exchange intracranial balloon catheter, marking our entry into the neurovascular intervention field; (ii) in 2020, we introduced Neuro LPS® intracranial balloon catheter, the world's first low-pressure rapid-exchange intracranial balloon, capable of vessel dilation at just 3 atm, significantly reducing vessel injury risk. *BASIS* trial results of these products have been published in *JAMA*, which was first of its kind, proved that correct interventional procedures can provide superior clinical outcomes comparing to current standard of medicine treatment.

Furthermore, in 2021, NOVA NEO™ intracranial drug-eluting stent system was approved by the NMPA and received Green Path Designation, representing the world's only drug-eluting stent specifically designed for ICAS. As a healing-targeted intracranial stent, it demonstrated an 88.4% reduction in stroke recurrence compared to bare metal stents and achieved rapid market adoption, capturing 41.0% of the domestic market by sales volume in 2025 according to CIC. This product leverages our controlled drug delivery technology platform, integrated balloon catheter systems technology platform, and eG™ bio-interface technology platform. In 2022, this breakthrough innovation was officially selected as one of the 2021 Annual Major Medical Advances by the Chinese Academy of Medical Sciences (CAMS).

In addition, our neurovascular interventional product portfolio includes flow diverter such as AUCURA™ coated flow diverter, which is designed for the treatment of unruptured saccular or fusiform wide-neck aneurysms located in the internal carotid artery (from the petrous segment to the terminus) and the vertebral artery in adult patients. This product leverages our complex stent braiding technology platform and eG™ bio-interface technology platform, which enable anti-thrombotic drug coating and optimized stent structural design. In 2025, AUCURA™ coated flow diverter was approved in China and accepted for CE registration in Europe. With a 12-month successful aneurysm occlusion rate of 96.99% and a safety composite endpoint of 1.4% based on comparable clinical data, AUCURA™ coated flow diverter demonstrated superior clinical performance among currently approved flow-diverters. Currently, flow-diverter penetration remains below 20% in China. AUCURA™ coated flow diverter has been successfully selected in the Guangdong provincial VBP program within three months of launch, supporting accelerated domestic adoption.

Furthermore, we provide supporting interventional access devices such as guide catheters and microcatheters designed for neurovascular interventional procedures. These products are developed using our braided catheter design and process technology platform and precision catheter extrusion technology

platform, which integrates advanced manufacturing technologies including braiding, coating, laser welding and plasma treatment to achieve enhanced flexibility and navigability in intracranial vasculature.

Pipeline Product Highlights

Building on our existing coronary and neurovascular product portfolios and technological capabilities, we are developing a range of pipeline products targeting additional interventional therapeutic areas. Leveraging our controlled drug delivery technology platform, integrated balloon catheter systems technology platform, and eG™ bio-interface technology platform, our COMETIU® intracranial self-expanding DES and COMEX™ balloon micro-catheter have each received Breakthrough Device Designation from the U.S. FDA in August 2025, marking the first FDA-designated Breakthrough Device of this kind for treatment of ICAS. The designation highlights the innovative nature and clinical potential of our technologies in addressing ischemic stroke and other neurovascular conditions.

In addition, we have built and are continuously upgrading our proprietary technology platforms such as biomimetic coatings for application expansion and rare-earth-free fully-bioresorbable magnesium-alloy technology. These innovations improve the biocompatibility and clinical performance of devices and can be further adapted for use in challenging anatomical settings, such as peripheral vascular interventions.

Technology Platforms

Our continuing success in the interventional medical devices market benefits significantly from our proprietary and systematic technology platforms. As of the Latest Practicable Date, we have self-developed 11 core technology platforms as follows:

- *Electro-grafting (eG™) bio-interface technology platform.* Utilizes an electrochemical process to form organic polymer coatings on conductive and semi-conductive surfaces. The platform enables the functionalization of implant surfaces through covalent bonding between the substrate and polymerized vinyl monomers.

- *Biomimetic surface coating technology platform.* Mimics the biological function of natural proprietary proteins, creating an endothelial-like surface on metal implants that helps reduce foreign body reactions and promote vascular healing.

- *Controlled drug delivery technology platform.* Supports the development of drug-eluting medical devices by enabling precise drug loading, uniform coating and controlled drug release.

- *Structural heart valve engineering technology platform.* Enables the independent design and development of biological heart valves and their interventional delivery systems.

- *Rare-earth-free magnesium alloy technology platform.* Focuses on the development of fully-bioresorbable implants, integrating material modification, ultra-thin structural design and controllable degradation coatings.

- *Advanced stent architecture & fab technology platform.* Supports the design and manufacturing of vascular stents, covering structural design, material development, laser cutting, surface treatment and process optimization.

- *Integrated balloon catheter systems technology platform.* Supports the design and manufacturing of catheter-based devices used in interventional procedures.

- *Complex stent braiding technology platform.* Supports the development and manufacturing of braided vascular stents, integrating simulation optimization, material selection and advanced braiding technologies.

- *Precision catheter extrusion technology platform.* Enables the manufacturing of catheter components with micron-level precision through advanced melt extrusion molding technology.

- *Braided shaft & catheter engineering technology platform.* Supports the development of advanced intracranial catheters using braiding, coating, laser welding and plasma treatment technologies.

- *Intelligent manufacturing technology platform.* Integrates automation, digital manufacturing systems, industrial software tools and artificial intelligence technologies to enhance production efficiency and quality control.

Our R&D team is able to carry out product design and development in accordance with the specific requirements for coronary and neurovascular interventional medical devices and structural heart disease products with the assistance of our proprietary technology platforms, therefore overcoming technology bottlenecks in designing and developing our production concepts. With our technology platforms, we have also achieved synergy in R&D and manufacturing, which ensures a smooth transition from our product design to commercial manufacturing in accordance with our quality control system.

Research and Development

Our R&D team aims to develop clinically effective and commercially attractive products focusing on coronary and neurovascular intervention, and expansion into adjacent therapeutic areas, including peripheral vascular and structural heart disease intervention by leveraging our proprietary technologies. As of the Latest Practicable Date, we owned 230 granted patents globally across key jurisdictions in Asia Pacific, Europe and North America, including 146 invention patents and 84 utility model patents. Specifically, we own 136 and 94 granted patents in China and overseas, respectively. Our strong and proven in-house R&D capabilities bundled with our continuing investment in and commitment to R&D activities have empowered us with abundant proprietary know-how in product design, material treatment and manufacturing processes, which enabled us to successfully develop various proprietary technologies.

In the years ended December 31, 2023, 2024 and 2025, we incurred R&D expenses of RMB114.1 million, RMB140.6 million and RMB122.6 million, which accounted for 33.2%, 30.6% and 23.3% of our total revenue, respectively. For more details of our R&D expenses, see "Financial Information — Description Of Major Components Of Our Results Of Operations — R&D Expenses." We intend to expand and improve our product portfolio by strengthening the R&D of our new products, extending our product lines, upgrading our existing products and expanding our R&D team.

Our In-house R&D Team

As of December 31, 2025, our in-house R&D team consisted of 102 members based in Tianjin and Suzhou, China and overseas, among which 30 members possess a master's or higher degree in relevant fields. Our Tianjin team, comprising 60 members, primarily focuses on the conceptualization and testing

of our coronary interventional and structural heart disease products, while our Suzhou team, comprising 37 members, primarily focuses on the conceptualization and testing of our neurovascular interventional products. Our overseas team, comprising five members, primarily focuses on the R&D of neurovascular interventional products and clinical registration projects. The teams collaborate closely to achieve synergy, and share the responsibilities for design, testing, development and review of our products.

Our R&D team comprises two departments, namely general R&D and frontier technology R&D. Our general R&D team is primarily based in China and led by Mr. Wenbin Cai, our Senior R&D Director, who has over 13 years of experience in medical device R&D. Our frontier technology R&D team is led by Dr. Christophe Bureau, the inventor of our proprietary eG^{TM} coating technology and inventor of over 200 patents. We also have other talents spanning the entire R&D process such as Mr. Quang Tran, head of our U.S. subsidiary eLum Technology Inc., who has over 30 years of experience in the neurovascular interventional field and inventor of the first flow diverter device commercially approved in the U.S., and Mr. Yishun (Eric) Cao, who possesses extensive experience in medical device R&D management as well as clinical and regulatory affairs, and is responsible for overseeing our clinical trials in the U.S. and Japan and our FDA regulatory approval projects. We have entered into legally-binding confidentiality and non-compete agreements with our key employees and employees involved in our R&D activities. We have also entered into service invention agreements with such employees, pursuant to which any intellectual property conceived and developed during their employment belongs to us and they waive all rights or claims to such intellectual property.

Collaboration with Clinical Trials Institutions

In line with industry practice, during the Track Record Period, we typically have contractual relationships with clinical research organizations (CRO) and site management organizations (SMO), with detailed statements of work covering activities, management and execution of our company-sponsored research programs along with a detailed program budget. Additionally, each of the individual participating clinical sites in a given study has its own individual study contract which defines the investigator and site responsibilities and remuneration. We appoint a member of our clinical operations team to serve as the project manager for each clinical trial, who is responsible for its implementation and management.

The factors we consider when selecting such institutions include their credentials, personnel expertise, technological compatibility with us, clinical research experience and patient demographics. Before selecting institutions, we will meet with physicians at a participating institution to discuss our clinical trial's purpose and requirements. For each clinical trial, we and the institution enter into a new agreement setting out the clinical trial's purpose, timeline, structure, procedures, methods and risks. Then, we prepare a clinical trial protocol for submission to the clinical trial institution's ethics committee. The clinical trials must be conducted in accordance with the protocol approved by the internal review boards (IRB) ethics committee. The ethics committee must re-evaluate and approve any amendments to the protocol.

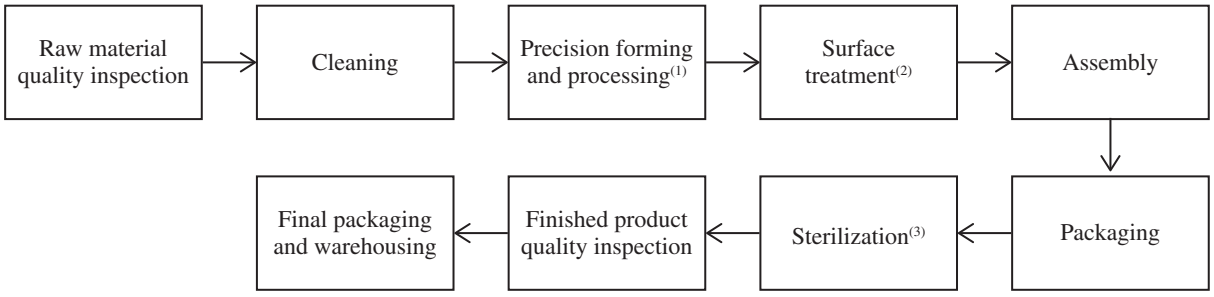
Pursuant to the legally-binding agreements with these participating institutions, the institutions are required to conduct clinical trials strictly in accordance with the protocol, which generally include selecting subjects, obtaining informed consent from said subjects, administering the test device, monitoring and reporting all safety findings, collecting and maintaining record of data, and issuing case reports at the end of each clinical trial. The lead institution will prepare formal reports based on the pooled case reports submitted by all participating institutions and subsequent analysis. In return for the

institutions' services, we make scheduled payments as agreed in the agreements. Under the clinical trial agreements, we own all the intellectual property and clinical trial results while the participating institutions may use the clinical trial results for academic activities with our prior approval.

MANUFACTURING

Manufacturing Process

Our production process typically involves the following steps for our products:



Notes:

(1) For stent products, we perform precision laser-cut on metallic tubing to form the stent structure. For balloon products, we perform extrusion on polymer tubing to form the balloon structure.

(2) For stent products, cut stents undergo electropolishing, followed by application of our proprietary eG™ coating and drug coating processes. For balloon products, we treat catheters with hydrophilic coating.

(3) Inner-packaged products are sterilized by qualified third-party service providers. Stent products are typically sterilized using electron beam sterilization, while balloon products are typically sterilized using ethylene oxide sterilization.

We utilize high-precision automated equipment in our core manufacturing processes, such as laser-cutting and drug-coating for stent products, and forming and hydrophilic coating for balloon products, to enhance process consistency and product quality. Through integration with these advanced technologies, we are able to achieve heightened conformity and efficiency while reducing our costs throughout our manufacturing process, which further increases our competitive advantage in the market.

The entire production process for our stent products generally takes eight weeks, while the entire production process for our balloon products generally takes five weeks. All the steps in our production process are conducted in compliance with applicable GMP requirements in order to ensure every step is controllable and inspectable. We have implemented quality management systems as part of our manufacturing process. For details, see "— Quality Control" in this section.

Except for the sterilization step described above, which we engage third parties to conduct, we perform all other key steps such as stent processing, balloon forming and assembling in-house. We select third party service providers based on their qualifications and sterilization capabilities, and we only enter into agreements with service providers that meet our standards. Our integrated production process increases our production efficiency and reduces our dependence on third parties, which enables us to adjust our production quickly to respond to changes in market demand for our products.

Manufacturing Facilities

Our manufacturing facilities are located in Tianjin and Suzhou, China, with a total area of over 25,000 sq.m., including over 4,500 sq.m. of qualified cleanrooms, maintained in accordance with ISO 14644-1:2015 Class 5 to Class 8 standards. For details of our properties, see "— Properties" in this section. As of December 31, 2025, we had a manufacturing team of 377 employees in our Tianjin and Suzhou facilities, of which 321 were dedicated to production and supply chain and 56 were dedicated to quality control.

The machines used for manufacturing of our products mainly include balloon molding machines, laser welding machines, hydrophilic coating machines, laser cutting machines, automated electronic grafting machines, automated drug spraying machines, and stent crimping machines. As of the Latest Practicable Date, we own all of our machines, and the estimated lifetime of these machines is ten years. For details of the depreciation method of our machines, see Note 2.2.7 of Appendix I Accountants' Report to this document. We conduct regular maintenance on our machines, and generally replace or upgrade them at the end of their lifetimes. Since we maintain our machines on a regular basis, we have not experienced any material or prolonged interruptions due to equipment or machinery failure during the Track Record Period and up to the Latest Practicable Date.

Production Capacity, Production Volume and Utilization Rates

The table below sets forth the production capacity, production volume and utilization rate for our products in our Tianjin and Suzhou manufacturing facilities for the periods indicated:

	For the years ended December 31,		
	2023	2024	2025
	(in thousands, except percentages)		
Production capacity[(1)] (units)			
Coronary interventional products	820.0	920.0	1,040.0
Neurovascular interventional products	280.0	280.0	280.0
Subtotal	1,100.0	1,200.0	1,320.0
Actual production volume (units)			
Coronary interventional products	406.5	657.1	805.4
Neurovascular interventional products	42.7	54.0	85.4
Subtotal	449.2	711.0	890.8
Utilization rate			
Coronary interventional products	49.6%	71.4%	77.5%
Neurovascular interventional products	15.2%	19.3%	30.5%
Subtotal	40.8%	59.3%	67.5%

Note:

(1) Our production capacity is calculated based on the assumptions of full annual attendance of our production employees and functional operations of our equipment.

PRODUCT WARRANTY, RETURN, RECALL AND EXCHANGES

Our internal policy is to assume responsibility as required by law if the competent regulatory authorities find that our products are defective. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any such finding. In line with industry practice, our return and exchange policy generally does not allow any product return or exchange except in case of any product defect, where we will consider returning or exchanging products by considering the specific scenario and our working relationship with our distributors. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material product return or exchange from customers.

SALES, MARKETING AND DISTRIBUTION

Our Sales and Marketing Teams

Our sales and marketing teams are primarily responsible for building brand image and broadening our brand recognition. With our established sales and marketing teams and our experience in managing our comprehensive distribution network, we believe we are well positioned to expand the sales of our pipeline products.

As of December 31, 2025, our sales and marketing team comprised 100 members, with a hierarchical structure of vice president of sales, sales directors, senior regional managers, regional managers, sales managers and client managers. Our sales and marketing team was led by Mr. Jie Cai and Ms. Hong Lin, our vice presidents of sales in charge of coronary and neurovascular products, who had over 13 and 20 years of extensive sales and marketing experience in the medical device industry, respectively. We primarily recruit sales and marketing staff with education background and work experience in the medical device industry. We offer regular training sessions to our newly recruited sales and marketing staff to develop their knowledge of our products, industry knowledge and sales skills. We have also built a specialized sales and marketing team well-versed in foreign trade involving medical devices to lead our product distribution overseas, and implemented regional management strategy to further promote overseas distribution.

Our Marketing Strategy

We adopt a diverse array of marketing strategies, including the following:

- *Peer-to-peer marketing*: for our operations in first and second tier cities, our sales and marketing teams target to increase our brand recognition through cooperation with and penetration into Class III hospitals. Our sales and marketing teams develop and nurture endorsements of our products from key opinion leaders (KoLs) globally, engage our customers with other prospective customers regarding our products through various media such as workshops, academic seminars, symposiums and global events, and engage in clinical operation demonstration events to further expand our influence.

- *Ground-level and granular marketing*: for our operations in third and lower tier cities and municipalities, our sales and marketing teams operate closely with physicians, patients and healthcare professionals to understand their needs and challenges faced. Through VBP programs, training ground-level physicians, hosting academic seminars and providing technical support, our sales and marketing teams not only increase our penetration into Class II hospitals by popularizing the concept of interventional treatment, but also coordinates and analyses feedback in collaboration with our internal R&D function.

- *Digital marketing*: we maintain an active presence across major social media platforms, where we periodically publish literature interpretations and host online symposiums for patient case sharing and academic discussions, with a specific focus of marketing our products through evidence-based studies, thereby enhancing prescribing confidence and driving broader clinical adoption.

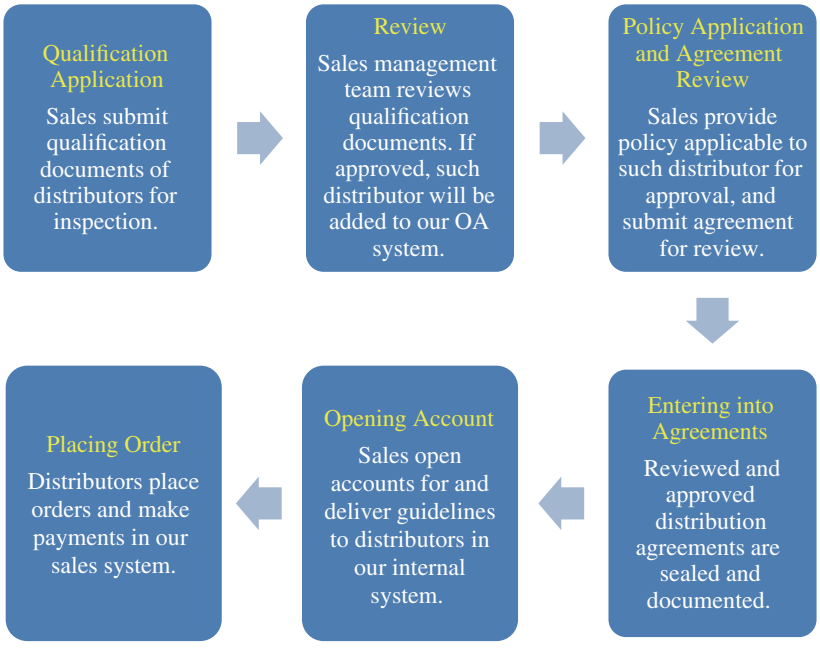
- *Distribution partners*: we work and communicate closely with the marketing departments of our distributors.

Our Sales Strategy

In line with the medical device industry norm in China, we adopt a distributorship model, which we believe allows us to leverage the distributors' customer bases and expertise in local markets. During the Track Record Period and up to the Latest Practicable Date, almost all of our products were sold through distributors. We sell our products to distributors, who then on-sell our products to hospitals through their own sales and distribution networks. We believe that the distribution system allows us to reach a broader group of end-customers leveraging the distributors' local networks and expertise.

We have adopted the current distributorship model considering a series of factors. In particular, (i) the "Two-Invoice System" requires certain selected medical products in national or provincial VBP schemes to be sold to hospitals through qualified distributors; and (ii) the established distribution networks and local resources mastered by our distributors can facilitate a relatively rapid market penetration for our products and enable us to save costs to rebuild a nationwide distribution network.

The following chart illustrates the process of our sales and distribution:



Sales to Distributors

We had established an extensive and growing distribution network. As of December 31, 2025, we had a total of 816 distributors, among which 785 and 31 were located in China and overseas, respectively. We primarily sell our products to distributors as our customers, with an aim of leveraging their insight and resources of local markets to expand our sales network. In 2023, 2024 and 2025, our products, through our distributors, have penetrated over 2,200, 2,700 and 2,900 hospitals, among which Class III hospitals consistently accounted for approximately 60%, covering primary stroke centers nationwide. We generally grant exclusivity for a specified hospital or geographic region to each distributor, and therefore we do not expect cannibalization issues among different distributors in their authorized territories/hospitals. The following table sets forth the movement in the number of distributors for the years ended December 31, 2023, 2024 and 2025:

	For the year ended December 31,		
Number of distributors	**2023**	**2024**	**2025**
Opening balance	527	641	754
Increase	299	339	260
Decrease	185	226	198
Closing balance	641	754	816

Our distribution agreements typically have a term of one year renewable upon performance review. Regardless of whether a distributor has any prior business relationship with us, if such distributor enters into a new distribution agreement with us during the year, it would count as an increase in the year. Similarly, if a distribution agreement expires, or we choose to terminate such agreement during the year, such distributor would count as a decrease in the year. We record the number of our distributors on the aforementioned rolling basis, which is generally in line with industry practice according to CIC. During the Track Record Period, the increase in the number of distributors each year was primarily due to the growth of our business and expansion of our sales network. The decrease in the number of distributors each year was primarily because (i) certain distributors exited from the coronary interventional medical devices market due to the adoption of the centralized procurement and two-invoice schemes, see "— Recent Development in Our Regulatory Environment — Centralized Procurement"; and (ii) our distribution agreements with certain distributors expired and we decided not to renew such agreements due to commercial reasons, such as the distributors' unsatisfactory sales performance or change of business focus. The average length of our business relationship with distributors in the years ended December 31, 2023, 2024 and 2025 was 4.5, 3.4 and 2.8 years, respectively.

During the Track Record Period, to the best knowledge of our Directors, all of our distributors were Independent Third Parties to our Group, and we are not aware of any other past or present relationships (including business, employment, family, trust and financing) between our Group and our distributors, their respective substantial shareholders, directors or senior management, or any of their respective close associates. During the Track Record Period, we did not provide any material advance or financial assistance to our distributors. To the best of our Directors' knowledge, during the Track Record Period, there were no other relationship or arrangement (family, business, financing, guarantee or otherwise) between our distributors and our Group, our Directors, shareholders or senior management and their respective associates. Our Directors confirm that there were no distributor who (i) was the subject of any actual or threatened material non-compliant incidents, claims, litigation or legal proceedings with us or in relation to sales of our products, or (ii) materially breached the distributorship agreements during the Track Record Period and up to the Latest Practicable Date.

Our customers primarily include distributors in China and overseas. Revenues generated from sales to distributors accounted for 98.7%, 99.8% and 100.0% of our total revenue in 2023, 2024 and 2025, respectively. As a result, our distributors primarily coincided with our customers during the Track Record Period. The table below summarizes the details of our five largest customers for the periods indicated:

Five Largest Customers in 2023	Company's Business Profile	Revenue Derived from the Customer (in RMB million)	Percentage of Total Revenue	Year of Commencement of Business Relationship
Customer A[(1)]	Wholly-owned subsidiary of a medical device sales and distribution service provider listed in Chinese Mainland	150.7	43.9%	2022
Customer B[(2)]	Privately owned medical device and consumables trader	9.2	2.7%	2021
Customer C[(3)]	Privately owned medical device and consumables trader	7.4	2.2%	2013
Customer D[(4)]	Privately owned medical device and consumables trader	5.6	1.6%	2022
Customer E[(5)]	Privately owned medical device and consumables trader	4.5	1.3%	2017
Total		177.4	51.7%	

Five Largest Customers in 2024	Company's Business Profile	Revenue Derived from the Customer (in RMB million)	Percentage of Total Revenue	Year of Commencement of Business Relationship
Customer A	Wholly-owned subsidiary of a medical device sales and distribution service provider listed in Chinese Mainland	184.0	40.1%	2022
Customer D	Privately owned medical device and consumables trader	14.0	3.1%	2022
Customer B	Privately owned medical device and consumables trader	9.4	2.1%	2021
Customer C	Privately owned medical device and consumables trader	8.8	1.9%	2013
Customer F[(6)]	Privately owned medical device and consumables trader	7.7	1.7%	2023
Total		223.9	48.9%	

Five Largest Customers in 2025	Background	Revenue Derived from the Customer (in RMB million)	Percentage of Total Revenue	Year of Commencement of Business Relationship
Customer A	Wholly-owned subsidiary of a medical device sales and distribution service provider listed in Chinese Mainland	182.6	34.8%	2022
Customer D	Privately owned medical device and consumables trader	16.4	3.1%	2022
Customer C	Privately owned medical device and consumables trader	10.8	2.1%	2013
Customer F.	Privately owned medical device and consumables trader	8.2	1.6%	2023
Customer G[(7)]	Privately owned medical device and consumables trader	8.1	1.5%	2023
Total		226.1	43.1%	

Notes:

(1) Based on public information, Customer A, established in Beijing, China in 2020, is a wholly-owned subsidiary of a medical device sales and distribution service provider company publicly listed on the Shenzhen Stock Exchange in 2025.

(2) Based on public information, Customer B, established in Shenyang, Liaoning Province, China in 2020, is a private company engaging in the sales and distribution of medical devices and consumables.

(3) Based on public information, Customer C, established in Beijing, China in 2009, is a private company engaging in the sales and distribution of medical devices and consumables.

(4) Based on public information, Customer D, established in Hebi, Henan Province, China in 2020, is a private company engaging in the sales and distribution of medical devices and consumables.

(5) Based on public information, Customer E, established in Tianjin, China in 2015, is a private company engaging in the sales and distribution of medical devices and consumables.

(6) Based on public information, Customer F, established in Wuhan, Hubei Province, China in 2023, is a private company engaging in the sales and distribution of medical devices and consumables.

(7) Based on public information, Customer G, established in Tianjin, China in 2023, is a private company engaging in the sales and distribution of medical devices and consumables.

Due to its extensive sales network coverage providing direct delivery to hospitals, deep integration with SPD (supply, processing and distribution) service models, regulatory compliance capabilities and state-owned capital background, Customer A has maintained business relationship with us for over four years. Furthermore, Customer A has been engaging in business relationships with multiple major medical devices manufacturers domestically and internationally according to public information. According to CIC, partnerships with large, platform-based distributors are common practice in the industry, offering substantial operational and market access advantages. As we continuously expand our operations, our reliance on Customer A in terms of sales value as a percentage of total revenue has been gradually declining throughout the Track Record Period. We intend to continue to maintain this relationship with Customer A in the long term as part of our ongoing efforts to drive sustainable growth and market expansion, but we have replacement strategies in place in the event of uncertainties.

To our best knowledge, all of our five largest customers in each period during the Track Record Period were Independent Third Parties. During the Track Record Period and up to the Latest Practicable Date, none of our Directors, their respective associates, or any of our shareholders who, to the best of our knowledge, owned more than 5% of our share capital, had any interest in any of our top five customers.

Selection and Management of Distributors

We select our distributors based on a series of criteria regarding their credentials, capabilities and experience in the medical device industry. We also review the qualifications of our distributors to ensure that they possess the requisite business licenses and permits to sell medical devices in their designated territories/hospitals. Our sales and marketing personnel monitors, manages and supports the activities of our distributors to help ensure that they comply with our guidelines, policies and procedures. We conduct regular reviews of our distributors, based on their financial performance, business performance and regulatory compliance. Financial performance is primarily evaluated by credit records and business performance is primarily evaluated by sales performance, especially whether they meet the target order amount, and the designated hospitals' feedback. We also review their compliance with applicable laws and regulations. Depending on our evaluation of their performance, we may terminate our cooperation with them, or renegotiate the commercial terms in accordance with the distribution agreements.

We have adopted the following measures and policies to better manage the network of our distributors: (i) we generally require our distributors to make full payment when making purchase orders; (ii) we generally do not require a minimum purchase amount by any distributors; (iii) we require our distributors to report their product flow and submit sales invoices regularly; (iv) our distributorship agreements provide a strict return and exchange policy, wherein we accept product return or exchange due to product defects; (v) we, on a case-by-case basis, issue bonus policies to certain distributors for marketing purposes, the amount of which can be used for future product purchases; and (vi) we require our distributors to comply with all relevant anti-corruption and anti-bribery laws and regulations and any breach of such laws and regulations would allow us to unilaterally terminate the underlying distribution agreements pursuant to the early termination right.

Our distributors are only authorized to sell to their designated hospitals in designated geographic regions, and cannot sell, directly or indirectly, to end customers outside their designated geographic regions. We do not appoint more than one distributor for the same type of product for a hospital. Based on the foregoing, risks of cannibalization among distributors are minimal.

Sub-distributors

To expand our market presence, we do not prohibit our distributors from appointing sub-distributors to penetrate local markets. This arrangement enables our distributors to leverage sub-distributors' established local networks and market knowledge, which in turn supports our business growth. It also represents a cost-efficient approach to expanding our sales channels, as building sales networks from the ground up would typically require substantial time and resources.

We do not engage sub-distributors directly. Our distribution agreements do not contain express provisions governing the appointment of sub-distributors; however, they require our distributors to comply with all applicable laws and regulations in the course of their distribution activities. In practice, our distributors may, at their own discretion, engage sub-distributors in accordance with applicable laws and regulations. The distributors remain responsible for their distribution arrangements with sub-

distributors, and are required to ensure that any such arrangements comply with our sales and marketing policies as well as applicable legal and regulatory requirements. We are entitled to hold the distributors accountable for any non-compliance arising from their distribution activities.

As we do not have a direct contractual relationship with sub-distributors, we do not maintain comprehensive statistics on the number of sub-distributors engaged by our distributors during the Track Record Period. Notwithstanding the foregoing, based on our contractual framework with distributors and our internal control measures over the distribution network, our Directors believe that such an arrangement is commercially reasonable, operationally efficient and compliant with applicable laws and regulations. According to CIC, this approach is in line with common industry practices.

Channel Stuffing

We have implemented the following measures to minimize the risk of channel stuffing. We believe that our sales to distributors during the Track Record Period reflected genuine market demand and that the risk of channel stuffing was relatively low.

- Our distributors purchase product from us based on their demand by filling out sales orders, and channel stuffing generally do not arise. Moreover, we generally do not give distributors discounts related to large purchase quantity.

- While we do not collect exact inventory balance data of all of our distributors, we actively monitor the number of our distributors and require distributors to periodically report the product flow and sales data to optimize the pace of our product delivery and control the risk of overstocking by the distributors.

- We accept product exchange only due to packaging defects or quality issues. During the Track Record Period, we had not experienced any material product return or exchange.

Distribution Agreements

The table below summarizes the salient terms of our standard agreement with our distributors in China:

Term	Generally one year.
Relationship with distributors	We form a seller-buyer relationship rather than a principal-agent relationship with our distributors. Our distributors are Independent Third Parties.
Designated geographical regions/ hospitals	Distributors are authorized to distribute our products in designated regions/hospitals as specified in the agreement.
Exclusivity	We do not appoint any other agent, representative or distributor in relevant distribution region/hospital.
Minimum sales target	We sometimes mandate a minimum sales target, and whether the target is met will be considered as a factor whether the agreement will be renewed next year.

Payment	We generally require our distributors to make full payment when making the purchase orders.
Product return/exchange	We accept product exchange due to packaging defects or quality issues. Such return/exchange policy is in line with industry practice.
Transportation and delivery	We are responsible for transporting the products and bearing the costs
Warranty	We warrant that our products meet the quality standards as specified in the product manual.
Regulatory compliance	We require our distributors to comply with all laws, regulations and mandatory industry standards and not to adversely affect our compliance with such laws, regulations and industry standards.
Reporting obligations	We require our distributors to report the product flow and sales data periodically as agreed.
Confidentiality	Our distributors are required to maintain confidentiality as agreed.
Termination	The agreement may be terminated by us when, among other things, the distributor fails to comply with relevant laws and regulations, or materially breaches obligations specified in the agreement.

In overseas markets, we typically enter into more comprehensive distribution partnerships with local distributors in order to leverage on their networks and resources. We clearly identify each party's obligations in that we focus on product R&D, manufacturing, technical support and training and global quality control, while our distributors handle local product entry, distribution, logistics, and after-sales services. Some of the key arrangements with our overseas distributors are as follows:

- ***Profit Sharing and Incentives***: Profit distribution is based on local market conditions and distributor services, with incentives structured through a tiered system.
- ***Distributor Selection Criteria***: Distributors are selected based on local medical device qualifications, established networks, service capabilities, and industry reputation.
- ***Cooperation Duration and Performance Monitoring***: Agreements are typically three to five years, with performance metrics and termination clauses. Annual sales and marketing plans are required to monitor distributor performance.
- ***Management and Risk Control***: We ensure control through defined sales territories, mandatory reporting, and protection of trademarks and confidential information.
- ***Compliance and Governance***: Distributor agreements include audit rights, confidentiality clauses, and anti-bribery provisions. Distributors must comply with local laws and ensure business transparency.

Pricing

In China, the government maintains a high level of involvement in the determination of retail prices of medical devices, as the prices are affected by the bidding and tender processes regulated by government agencies and hospitals. In addition, China has adopted a centralized procurement regime in an effort to regulate prices of certain types of medical devices with huge consumption through group procurement at the provincial level, which may exert downward pressure on the pricing of medical devices that are included under such regime. During the Track Record Period and up to the Latest Practicable Date, 22 of our medical devices were selected in the said centralized procurement regime in China. See "Risk Factors — Risks Relating to Our Business and Industry — Government policies regulating high-value medical devices may adversely affect our pricing, sales and profitability."

Medical device manufacturers shall participate in the public tender processes organized by the procurement platforms managed by the government agencies at provincial or municipal level, in order to be qualified to sell their products to hospitals in such provinces or municipalities. Accordingly, we participate in public tender processes organized by such procurement platforms to secure the right to sell our products to the hospitals in the provinces or municipalities. Our distributors do not participate in such public tender processes at the provincial or municipal level. We determine the bidding prices by considering our costs and expenses and the prices of similar products in the past. If our products win the bids, such products would be qualified for future procurement by the hospitals in the provinces or municipalities, and our winning bid prices would become the public prices of our products, which generally determine the maximum retail prices that we may offer to the hospitals in direct sales, or that our distributors may bid in the public tender processes organized by the hospitals.

We believe that we have implemented an effective pricing strategy, and our strong brand reputation and effective marketing activities give us strong bargaining power with our distributors. As a result, during the Track Record Period, we generally were able to maintain stable ex-factory prices for all of our major products. Going forward, we plan to focus more on the R&D and commercialization of new products with advanced features, in order to compete effectively and maintain our profit margin.

Anti-bribery Measures

We have implemented anti-corruption policies for all of our employees, including personnel involved in our sales and marketing activities. In addition, our distributors are subject to anti-bribery obligations pursuant to the distribution agreements, under which distributors (i) are required to comply with and require their employees and affiliates to comply with applicable anti-bribery and anti-unfair competition laws and regulations, and (ii) are prohibited from offering or promising money or anything of value to our employees, regulatory authorities and any other individuals or entities as required by laws and regulations. See "— Risk Management and Internal Control — Internal Control."

Our human resources department serves as the standing body responsible for our anti-corruption management initiatives. Its principal responsibilities in relation to anti-corruption matters primarily include: (i) organizing and implementing cross-departmental and company-wide anti-corruption initiatives, including coordinating and conducting anti-corruption training and awareness activities; and (ii) handling reports and complaints relating to potential corrupt practices, including receiving and registering whistleblowing reports, organizing internal investigations, formulating proposed handling measures and reporting relevant matters to our management.

RECENT DEVELOPMENT IN OUR REGULATORY ENVIRONMENT

As a medical device developer and manufacturer based in China, we operate in a heavily regulated environment that keeps evolving. We summarize below recent developments in certain regulatory movements that are material to our business and prospects.

Two-invoice System

The "two-invoice system" is a pilot regulatory mechanism initially proposed by the PRC government in 2016 to restrain high pricing of medicine and high-value medical devices due to multiple layers of distribution. As designed, a maximum of two invoices (one invoice from the manufacturer to the distributor and another invoice from the distributor to the hospital) would be allowed to be issued in the chain of distribution.

As of the Latest Practicable Date, the two-invoice system for medical devices was not mandatorily implemented nationwide. Whether and when the two-invoice system will be mandatorily implemented in other provinces for medical devices remains uncertain, as advised by our PRC Legal Adviser. Specifically, pursuant to the Reply of the National Healthcare Security Administration to Recommendation No. 1209 of the Second Session of the Thirteenth National People's Congress issued in July 2019, the implementation of two-invoice system for high-value medical devices should be further discussed given the huge differences between high-value medical devices and drugs and the complexity of clinical use and after-sales service. See "Regulatory Overview — Laws And Regulations Relating To The Administration Of Medical Devices — 'Two Invoice System'(兩票制) for Medical Devices" for details.

As advised by our PRC Legal Adviser, we had complied with the two-invoice system in all material aspects for all of our commercialized products during the Track Record Period and up to the Latest Practicable Date. During the Track Record Period and up to the Latest Practicable Date, we only engaged distributors but not sub-distributors in provinces where relevant local regulations of two-invoice system were implemented. In these provinces, hospitals are required to verify the number of invoices that have been issued in the chain of distribution before they pay the distributors, which ensures that the distributors have complied with the two-invoice requirement.

Centralized Procurement

In 2019, China initiated pilot programs to regulate prices of medical devices through government-mandated centralized procurement at the provincial level. See "Regulatory Overview — Laws And Regulations Relating To The Administration Of Medical Devices — Centralized Volume-Based Procurement" for details.

As of the Latest Practicable Date, 24 coronary and neurovascular interventional medical devices were included in national or provincial centralized procurement schemes. As advised by our PRC Legal Adviser, we had complied with centralized procurement regulations in all material aspects during the Track Record Period and up to the Latest Practicable Date. Whether and when centralized procurement will be implemented for other products or in other provinces that are relevant to us remains uncertain, as confirmed by our PRC Legal Adviser. If our products become subject to centralized procurement in any province, we will formulate a strategic plan to decide our approach to participating in the bidding process and, if we prevail, leveraging the limited market access to achieve significant sales volume.

In addition, on May 13, 2026, the National High-value Medical Consumables Joint Procurement Office (國家組織高值醫用耗材聯合採購辦公室) published documents for the second-round renewal procurement under the national VBP program for coronary stents, which disclosed the procurement demand of medical institutions for the first year. Compared to the previous two rounds of centralized procurement, the proportion of procurement demand attributable to overseas brands increased significantly. We believe this trend reflects the growing market recognition of high-quality, clinically proven products by domestic medical institutions in the procurement of high-risk medical devices. According to CIC, among domestic manufacturers, we are currently the only company in China with coronary DES products that possess global evidence-based clinical data and have obtained conditional PMA from the U.S. FDA. Based on submissions by medical institutions, the market share attributable to our products increased significantly as compared to the first-round renewal procurement, representing the only domestic manufacturer to record an increase according to CIC. We intend to actively participate in this renewal procurement by leveraging our globally validated product performance, stringent quality control system and stable and mature supply chain capabilities, with a view to further strengthening our market position and industry influence.

Diagnosis-Related Groups (DRG) Mechanism

In June 2020, the Office of the National Health Security Administration initiated the diagnosis-related groups (DRG) mechanism to control the prices of medical devices and treatments by dividing patients into different diagnosis-related groups and making medical reimbursement payments according to a standard set for each group instead of actual expenses incurred by patients. The DRG mechanism encourages hospitals to treat patients efficiently, thereby reducing unnecessary costs to be reimbursed by the national medical insurance program. As a result, hospitals tend to prioritize the purchase of medical devices with a higher performance-price ratio.

As of the Latest Practicable Date, the pilot DRG program had been implemented in certain cities in about 30 provinces in China. According to the National Medical Insurance Plan under the 14th Five-Year Plan (「十四五」全民醫療保障規劃) promulgated in September 2021, the hospitalization expenses reimbursed under the DRG mechanism is planned to reach 70% of the total hospitalization expenses reimbursed by the national medical insurance program. Therefore, we expect the DRG mechanism to be implemented more comprehensively nationwide. As a result, hospitals will tend to choose medical devices with greater cost efficiency, which we believe will bring us competitive advantages against international medical device developers. We will continue to finetune our products to improve their cost efficiency, thereby improving their competitiveness under the DRG mechanism.

OUR CUSTOMERS

Our customers primarily include distributors in China and overseas. Revenues generated from sales to distributors accounted for 98.7%, 99.8% and 100.0% of our total revenue in 2023, 2024 and 2025, respectively. As a result, our customers primarily coincided with our distributors during the Track Record Period. For details about our distributors, see "— Sales, Marketing and Distribution — Sales to Distributors" in this section. In the years ended December 31, 2023, 2024 and 2025, the aggregate sales to our five largest customers amounted to RMB177.4 million, RMB223.9 million and RMB226.1 million, representing 51.7%, 48.9% and 43.1% of our total revenue, respectively. Sales to our largest customer for the same periods were RMB150.7 million, RMB184.0 million and RMB182.6 million, representing 43.9%, 40.1% and 34.8% of our revenue, respectively. Our largest customer remained the same in the years ended December 31, 2023, 2024 and 2025 and is an Independent Third Party.

OUR SUPPLIERS

During the Track Record Period, suppliers for our products mainly included suppliers of clinical research services and raw materials, including core raw materials and parts, packaging materials, sterilization products, laboratory reagents and assemble parts. In the years ended December 31, 2023, 2024 and 2025, purchases from our five largest suppliers in each year of the Track Record Period amounted to RMB44.5 million, RMB48.4 million and RMB50.7 million, representing 30.0%, 33.6% and 36.6% of our total purchases* for the same years, respectively. In the years ended December 31, 2023, 2024 and 2025, purchases from our largest supplier in each year of the Track Record Period amounted to RMB19.9 million, RMB22.3 million and RMB22.7 million, representing 13.4%, 15.5% and 16.4% of our total purchases for the same years, respectively.

Note:* our total purchases comprised procurement amounts attributable to suppliers of materials, equipment, technical services, promotion services, clinical trial services and registration-related services.

The table below sets forth certain information with respect to our five largest suppliers in each year of the Track Record Period:

Five Largest Suppliers in 2023	Goods and services provided	Purchase amount (in RMB million)	Percentage of Total purchase	Supplier's business profile	Year of Commencement of Business Relationship
Supplier A[(1)]	Clinical research and registration services	19.9	13.4%	A U.S.-based human data science company focusing on the provision of clinical research and medical data analysis service.	2017
Supplier B[(2)]	Tubing for balloon catheter production	6.9	4.6%	A U.S.-based manufacturer focusing on high-performance polymer tubing for medical applications.	2012
Supplier C[(3)]	Tubing for stent delivery systems and balloon catheters	6.5	4.4%	A privately-owned PRC company focusing on the manufacture of medical tubing and components.	2021
Supplier D[(4)]	Reagents (drugs) for drug-coated stents	6.5	4.4%	A privately-owned PRC pharmaceutical trading company focusing on the supply of APIs and related pharmaceutical materials.	2022
Supplier E[(5)]	Clinical research and registration services	4.7	3.2%	A research center of a university in Ireland providing advanced imaging analysis for cardiovascular clinical trials and registrations.	2021
Total		**44.5**	**30.0%**		

Five Largest Suppliers in 2024	Goods and services provided	Purchase amount (in RMB million)	Percentage of Total purchase	Supplier's business profile	Year of Commencement of Business Relationship
Supplier A	Clinical research and registration services	22.3	15.5%	A U.S.-based human data science company focusing on the provision of clinical research and medical data analysis service.	2017
Supplier C	Tubing for stent delivery systems and balloon catheters	9.1	6.3%	A privately-owned PRC company focusing on the manufacture of medical tubing and components.	2021
Supplier F[(6)]	Tubing for stent production	5.9	4.1%	A German manufacturer focusing on stainless steel and cobalt-chromium medical-grade tubing.	2012
Supplier E	Clinical research and registration services	5.9	4.1%	A research center of a university in Ireland providing advanced imaging analysis for cardiovascular clinical trials and registrations.	2021
Supplier D	Reagents (drugs) for drug-coated stents	5.2	3.6%	A privately-owned PRC pharmaceutical trading company focusing on the supply of APIs and related pharmaceutical materials.	2022
Total		**48.4**	**33.6%**		

Five Largest Suppliers in 2025	Goods and services provided	Purchase amount (in RMB million)	Percentage of Total purchase	Supplier's business profile	Year of Commencement of Business Relationship
Supplier A	Clinical research and registration services	22.7	16.4%	A U.S.-based human data science company focusing on the provision of clinical research and medical data analysis service.	2017
Supplier E	Clinical research and registration services	10.3	7.4%	A research center of a university in Ireland providing advanced imaging analysis for cardiovascular clinical trials and registrations.	2021
Supplier C	Tubing for stent delivery systems and balloon catheters	9.3	6.7%	A privately-owned PRC company focusing on the manufacture of medical tubing and components.	2021
Supplier F	Tubing for stent production	4.4	3.2%	A German manufacturer focusing on stainless steel and cobalt-chromium medical-grade tubing.	2012
Supplier G[(7)]	Tubing for stent delivery systems and balloon catheters	4.0	2.9%	A U.S.-based company focusing on thermoplastic extrusion for medical applications.	2012
Total		**50.7**	**36.6%**		

Notes:

(1) Based on public information, Supplier A is a U.S.-based global provider of clinical research, healthcare data, analytics, technology and related services, serving life sciences and healthcare customers, and has provided clinical research services in relation to our pipeline products since 2017.

(2) Based on public information, Supplier B is a U.S.-based manufacturer focusing on high-performance polymer materials and precision tubing for medical and industrial applications, and has supplied medical-grade tubing products to us since 2012.

(3) Based on public information, Supplier C is a privately-owned company incorporated in the PRC, principally engaged in the research, development and manufacture of medical-grade tubing and related components used in interventional medical devices, and has supplied raw materials to us since 2021.

(4) Based on public information, Supplier D is a privately-owned PRC company principally engaged in the distribution of pharmaceutical raw materials, reference preparations and impurity standards to pharmaceutical manufacturers and research institutions, and has supplied drug-related materials for our drug-coated stent products since 2022.

(5) Based on public information, Supplier E is a research center of a university in Ireland specializing in angiography, intravascular imaging, coronary physiology, CT, MRI and echocardiography analysis, and has supplied advanced imaging analysis for cardiovascular clinical trials and registrations to us since 2021.

(6) Based on public information, Supplier F is a Germany-based manufacturer established in 1993, principally engaged in the production of stainless steel and cobalt-chromium tubes and semi-finished products for medical and industrial applications, and has supplied medical-grade tubing materials to us since 2012.

(7) Based on public information, Supplier G is a U.S.-based company principally engaged in thermoplastic extrusion and the manufacture of precision tubing for medical applications, and has specialized tubing products for interventional device delivery systems to us since 2012.

To the best knowledge of our Directors, each of our five largest suppliers in each year of the Track Record Period was an Independent Third Party. During the Track Record Period and up to the Latest Practicable Date, none of our Directors, their respective associates, or any of our shareholders who, to the best of our knowledge, owned more than 5% of our share capital, had any interest in any of our top five customers.

PROCUREMENT MANAGEMENT

Raw materials

Principal raw materials for our products include hypotube, cobalt-chromium alloy tube, hydrophilic coating solutions, UV-curable adhesives, sirolimus (material used in drug coating) and degradable polymers. We also procure irradiation sterilization services from Independent Third Parties. We have formulated detailed quality standards for raw materials, covering both technical specifications and regulatory compliance requirements. We only procure raw materials from selected suppliers that can satisfy our stringent standards to ensure the consistently high quality and performance of our products. We will include suppliers in our list of qualified suppliers only after they have gone through the processes stipulated in our evaluation and control protocol for suppliers, which include documented qualification review, field review and sample inspection. Multiple departments throughout the product lifecycle, such as procurement, manufacturing, quality control as well as R&D will all participate in this initial review to evaluate and jointly approve the qualifications of new suppliers. We also require the suppliers to enter into a quality technical agreement with us before including them in our list. All raw materials supplied will be subject to continuous inspections during our cooperation, and will only be admitted into our manufacturing facilities upon passing our strict inspections. In addition, our procurement team will re-evaluate all qualified suppliers annually in terms of, among others, qualification rate, quality complaint management, supply punctuality, and after-sales service.

The raw materials used in our products are primarily produced in China, Germany, Italy and the United States. Specifically, raw materials used in the drug coating process and structure of our stent products, including (i) sirolimus, (ii) degradable polymer, and (iii) cobalt-chromium alloy tube, are primarily sourced from overseas due to their outstanding quality, for which we have, or are developing domestic backup suppliers. We generally maintain, and intend to maintain stable business relationships with our major suppliers of raw materials. We have also maintained a list of backup suppliers to minimize the risks associated with shortage of raw materials. Furthermore, we are inclined to procure an increasing portion of the raw materials from qualified domestic suppliers to shield against potential risks caused by geopolitical tensions. During the Track Record Period, over 90% of our suppliers were domestic entities. During the Track Record Period and up to the Latest Practicable Date, we did not experience any shortage of raw materials that had a material adverse effect on our business or operations. See "Risk Factors — Risks Relating to Our Business and Industry — An increase in the prices or shortage of our raw materials and components could adversely affect our profitability."

Our procurement team is responsible for communicating with suppliers, keeping procurement records and evaluating potential and existing suppliers. Our procurement team works closely with other internal teams to ensure proper management of our procurement process. For example, our R&D team is responsible for providing specifics of raw materials to be purchased, which is subject to our quality control team's further review. Our manufacturing team and inventory management team monitor our

usage and needs for raw materials on a rolling basis and evaluates the performance of sample and actual raw materials. Our quality control team is also involved in the procurement process to conduct on-going inspections and ensure compliance with internal and regulatory standards.

Procurement Arrangements with Suppliers

We generally enter into framework purchase agreements with suppliers and procure materials through purchase orders. Pursuant to the framework purchase agreements, we are obliged to purchase a fixed amount of raw materials at the agreed-upon price set forth in the purchase order. The framework purchase agreement and relevant purchase orders also set out the specifications of raw materials purchased, and stipulate that we are entitled to reject raw materials that do not comply with such specifications or our quality technical requirements. The supplier also guarantees that their raw materials shall satisfy our requirements as specified under the agreements.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material difficulties in procuring our principal raw materials and had not experienced significant fluctuations in the prices offered by our suppliers both in China and overseas. To the best knowledge of our Directors, there has been no material breach of procurement agreements with our suppliers during the Track Record Period and up to the Latest Practicable Date. Our Directors believe that our inventory of raw materials are sufficient to satisfy our production requirements sustainably, and that we would not experience any material difficulties in procuring our principal raw materials or passing on increases in the procurement costs to our customers.

INVENTORY MANAGEMENT

Our inventory mainly includes raw materials, work-in-progress and finished products. We have established an inventory management system to monitor our warehousing process, and maintain an overall inventory level sufficient to meet approximately one to two months of supply needs.

Our specialized warehouse personnel are responsible for the storage and distribution of our inventories. We determine the required inventory level for raw materials based on the average sales volume of the same periods in the past one year and the production volume of the current year, and evaluate and adjust the inventory level frequently with reference to factors such as procurement cycles, market conditions and our R&D plans. We also take into account considerations such as geopolitical tensions and production cycles of our backup suppliers, and strategically enlarge our inventories when necessary. Raw materials are separately stored in different areas of the warehouse according to their respective storage condition requirements, properties, usages and batch numbers. Our finished goods are generally subject to a shelf life of 1.5 to 3.0 years. All our products are sold on a first-in-first-out basis. We examine our work-in-progress and finished products frequently to identify any that are damaged, expired or soon-to-be expired pursuant to our protocols, which are disposed of or for which provisions are made. During the Track Record Period and up to the Latest Practicable Date, our Directors confirm that our inventory control system and policies have been effective and we did not experience any material shortage in supply or overstock of inventories.

QUALITY CONTROL

Quality control and assurance are crucial to us, and we endeavor to ensure the quality of our products through a comprehensive quality management system in accordance with NMPA regulations, ISO13485:2016 standards, ISO14971:2019 standards as well as other applicable regulations and

standards on the quality management system of medical devices, covering essentially every aspect of our operations, including, among other things, product design, procurement and manufacturing. Our management team is actively involved in setting quality control policies and managing our internal and external quality performance.

We have established a comprehensive set of quality control and assurance procedures to monitor our operations to ensure compliance with relevant regulatory requirements and our internal quality requirements. We implement quality control measures throughout our production process, primarily including raw material control and inspection, production process control, product inspection as well as product life cycle risk management.

- *Production process control*: we plan the production process based on the technologies adopted by each product type and monitor the entire production process, particularly certain key steps of the production process;

- *Raw material control and inspection*: we conduct assessment on our suppliers and only purchase our raw materials from suppliers who observe our internal supplier management policies. We also inspect samples and/or request certification for each batch of raw materials to help assure conformance to specification, and to ensure there are no quality or other issues before releasing to manufacturing;

- *Product inspection*: we compile our product inspection manual based on our product specifications, and inspect our products in accordance with our product inspection manual, including testing the capability and measurement of our products, verifying the product labels and manuals as well as confirming that the products are properly packaged and sterilized; and

- *Product life cycle risk management*: we establish a comprehensive risk management system covering the entire life cycle of our products and product candidates, and monitor the implementation of such system to ensure that there are no material risks or other concerns about these products and product candidates.

We have successfully completed our external quality management system inspections and have passed all of the inspections up to the Latest Practicable Date. During the Track Record Period and up to the Latest Practicable Date, our products had not been subject to any regulatory or governmental material claim, litigation or investigation. In addition, during the Track Record Period and up to the Latest Practicable Date, we did not experience any material product return or exchange.

COMPETITION

The coronary and neurovascular interventional medical device industry in China is fast growing and highly competitive. We face competition with both internationally renowned companies and emerging domestic medical device companies that have entered the market with affordable alternatives. We believe we are well positioned to compete in this market with our strengths in product performance, R&D capabilities, distribution and marketing networks, proprietary manufacturing processes and brand recognition.

We believe our commitment and long-term investment in developing high quality medical products will continue to build our brand recognition and enable us to effectively compete with the top players in each of our key geographical markets. In particular, we plan to leverage our strong R&D capabilities and proprietary know-how accumulated throughout the years to constantly develop novel products and

address different market demands. We also collaborate and maintain good relationship with physicians and key opinion leaders who can help us better identify and understand the significant unmet clinical needs and provide us constructive feedbacks on prototypes of our pipeline products, thereby enabling us to effectively develop and upgrade our products.

For information about competition in the relevant markets, please refer to "Industry Overview" in this document.

AWARDS AND RECOGNITIONS

As of the Latest Practicable Date, we and our products have received various awards and recognitions, including the following:

Year Granted	Award/Recognition	Granting Authority
2025	Shanghai Securities Gold Quality "2025 Science and Technology Innovation Award"	Shanghai Securities News, Chinese Securities Network
2025	Tianjin Cheetah Enterprises	Tianjin Science and Technology Bureau
2025	Tianjin Patent Gold Award	Tianjin Government
2025	2024 China Potential Unicorn Enterprises of the Year	Beijing Great Wall Enterprise Strategy Research Institute
2025	2025 Jiangsu Potential Unicorn Enterprises	Jiangsu New Quality Productivity Promotion Center
2024	Tianjin Leading Technology Enterprise	Tianjin Science and Technology Bureau
2024	Sixth Batch of Specialized, Refined, Characteristic, and Innovative "Little Giant" Enterprises in Tianjin	Tianjin Municipal Bureau of Industry and Information Technology
2024	Specialized, Refined, Characteristic, and Innovative "Little Giant" Enterprise	Ministry of Industry and Information Technology
2024	High-tech Enterprise Certification	Tianjin Science and Technology Bureau, Tianjin Finance Bureau, State Administration of Taxation Tianjin Taxation Bureau
2024	2024 Top 100 China Future Unicorn Enterprises	China Investment Development Promotion Association VC Committee & Weilian
2024	2024 Jiangsu Potential Unicorn Enterprises	Jiangsu Provincial Productivity Promotion Center
2024	2024 China Potential Unicorn Top 500	China Potential Unicorn 500 Evaluation Committee
2024	2023 China Potential Unicorn Enterprises of the Year	Beijing Great Wall Enterprise Strategy Research Institute

Year Granted	Award/Recognition	Granting Authority
2024	2024 Provincial Specialized, Refined, Characteristic, and Innovative SMEs	Jiangsu Provincial Department of Industry and Information Technology
2023	2023 China Potential Unicorn Top 500	China Potential Unicorn 500 Evaluation Committee
2023	2023 Jiangsu Potential Unicorn Enterprises	Jiangsu Provincial Productivity Promotion Center
2023	2023 Suzhou Engineering Technology Research Center (Suzhou High-end Neuro-interventional Device Engineering Technology Research Center	Suzhou Science and Technology Bureau

INTELLECTUAL PROPERTY RIGHTS

As of the Latest Practicable Date, we had 136 patents and 78 trademarks in Chinese Mainland. As of the same date, we had also obtained 94 patents and 33 trademarks overseas. In addition, we had 58 patent applications, three PCT patent applications and 29 trademark applications pending in and outside Chinese Mainland as of the Latest Practicable Date. We believe there is no material legal impediment for us to obtain the approvals for these pending applications. Most of the patents that we owned or applied for are related to self-developed technologies by our R&D team, except for some early patents which were transferred to us from a third party such as Alchimer, and some patents that were co-developed and co-owned with certain collaborators. We may seek additional patents and/or other forms of intellectual property to protect our innovations in the future. For details of patents which we consider to be material to our business, see "Appendix IV – Statutory and General Information – Further Information About the Business of Our Company – 2. Intellectual Property Rights".

We also follow procedures to ensure that we do not infringe on the intellectual property rights of others, including monitoring and conducting clearance searches on all relevant intellectual property for our products and product candidates on an on-going basis. During the Track Record Period and up to the Latest Practicable Date, we were not involved in and we were not aware of any intellectual property disputes that may materially and adversely affect our operations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

Overview

With the mission of "Saving More Lives and Improving Quality of Life," we uphold our social responsibilities and actively integrates environmental, social and governance ("**ESG**") elements into our business operations to achieve sustainable development. We have established an ESG governance structure, formulated relevant policies, and built an ESG issue library in reference to the GRI Standards and the Environmental, Social and Governance Reporting Code set out in Appendix C2 to the Listing Rules, forming an ESG management system with corporate characteristics. In daily operations, we focus on compliance in various aspects based on ESG core issues, monitors ESG risks and opportunities, supervises and makes corresponding adjustments to ensure the achievement of various targets and long-term sustainable development of the enterprise.

Governance Matters

ESG Governance Structure

We have established a multi-layered governance structure comprising the Board of Directors, a strategic committee under the Board ("**Strategic Committee**"), a ESG working group ("**ESG Working Group**"), and various functional departments.

1. The Board of Directors, as the highest decision-making body, is responsible for making decisions on ESG-related strategic planning, major policies, institutional systems and information disclosure. The diverse background of the Directors also ensures that the Board can fully fulfill its ESG responsibilities;

2. The Strategic Committee serves as the supervisory and management body for ESG work, responsible for supervising and managing ESG work, strategies and performance, which reports to the Board on a regular basis;

3. The ESG Working Group, led by the securities affairs department, is responsible for ESG information disclosure, daily ESG work maintenance, and coordination with functional departments to implement various specific tasks; and

4. The functional departments include production operations, environmental, health and safety protection ("**EHS**"), human resources, supply chain management, information security management, risk and internal control, quality control and R&D departments, which implement ESG work tasks in accordance with our plans.

ESG Risk Management

We have integrated ESG risk points into our existing risk management framework, conducting full-process management of ESG risk identification, assessment, response and monitoring. For climate change risks and environmental risks, we have formulated the *Risk Management Policy* and established a control list including risk identification, assessment and classification. The whole-process supervision and prevention have been implemented by "Dual Prevention System for Risk Grading Control and Hazard Identification & Remediation". For supply chain risks, we strictly comply with the *Supplier Management Procedure* to conduct tiered supplier management and diversified procurement to control risks.

Business Ethics

We strictly comply with relevant laws and regulations such as the *Criminal Law of the People's Republic of China*, the *Company Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*, and have formulated internal management policies including the *Anti-Corruption Policy and Procedures*, the *Code of Business Conduct and Ethics* and the *Internal Audit Policy*. We regularly conduct anti-corruption, anti-bribery and integrity training. During the Track Record Period, we had no incidents of corruption or bribery or related litigation cases.

Environmental Matters

Energy Management

We have formulated an energy management policy, with dedicated personnel responsible for leading energy data management, energy conservation management and related work. We strictly comply with the *Energy Conservation Law of the People's Republic of China* and respond to energy conservation and emission reduction. We have also formulated the *Environmental Protection and Resource Conservation Policy: Energy Conservation Chapter*, which stipulates that clean energy conservation should be emphasized during manufacture, high-energy-consuming equipment should be eliminated, and electricity-saving measures and resource recycling should be carried out in production, experimentation, and office operations. We have obtained ISO 50001:2018 energy management system certification. The following table illustrates our energy management indicators during the Track Record Period:

		For the Year ended December 31,		
Indicator	**Unit**	**2023**	**2024**	**2025**
Gasoline	Liters	2,573	2,315	5,704
Purchased electricity	kWh	8,260,000	8,303,696	8,242,518
Purchased steam	kJ in millions	54,284	53,675	51,212
Total energy consumption	kWh	23,363,833	23,235,868	22,523,361
Energy consumption intensity	kWh/RMB million	68,065	50,652	42,868

Water Management

Water consumption in our manufacturing process, wastewater discharge and recycling are key focuses of water management. All of our water consumption comes from municipal water supply. We have formulated the *Safety and Environmental Protection Compliance Manual*, which specifies the relevant requirements for wastewater treatment and discharge. We have also formulated the *Environmental Protection and Resource Conservation Policy: Water Conservation Chapter*, which stipulates water recycling, advocates water conservation among employees and promotes clean water use. In terms of water recycling, we achieve water conservation by recovering and reusing part of the output water generated from our water purification system and water for injection preparation system, thereby reducing reliance on direct municipal water supply. Our production wastewater mainly comes from equipment cleaning and spray tower wastewater, and we have adopted self-built wastewater treatment equipment (A/O process and Fenton oxidation method) to treat wastewater before merging into domestic sewage and discharging to the municipal pipeline, ensuring compliance with the regional wastewater discharge requirements. The following table illustrates our water management indicators during the Track Record Period:

		For the Year ended December 31,		
Indicator	**Unit**	**2023**	**2024**	**2025**
Total water consumption	Tons	55,578	62,534	58,194
Total wastewater discharge	Tons	46,674	43,601	40,060
Water consumption intensity	Tons/RMB million	162	136	111
Wastewater discharge intensity	Tons/RMB million	136	95	76

Waste Management

Part of our R&D and production processes generate hazardous and non-hazardous waste. We report all hazardous waste to the solid waste management platform in accordance with applicable regulations and entrust qualified third-party service providers treatment for disposal. Non-hazardous waste mainly consists of electronic products, packaging materials and paper products. We advocate recycling and have formulated the *Waste Recycling and Reuse Management Policy*, which includes dismantling and reusing scrapped electromechanical equipment where possible, unified recycling of paper products, avoiding excessive packaging and using green and environmentally friendly packaging materials. The following table illustrates our waste management indicators during the Track Record Period:

		For the Year ended December 31,		
Indicator	**Unit**	**2023**	**2024**	**2025**
Total hazardous waste	Tons	94	102	125
Total non-hazardous waste	Tons	47	54	56
Hazardous waste intensity	Tons/RMB million	0.27	0.22	0.24
Non-hazardous waste intensity	Tons/RMB million	0.14	0.12	0.11

Addressing Climate Change

We fully recognize the risks and opportunities arising from global climate change. Both our Tianjin and Suzhou facilities are located in areas susceptible to typhoons and flooding, facing physical risks. Upon identifying these risks, our EHS department developed a detailed emergency response manual, stocked disaster relief supplies, procured relevant insurance coverage for the industrial parks, and regularly conducts drills and training for employees to prevent and respond to potential incidents. In addition, decarbonization requirements across global supply chains and China's "Carbon Peaking and Carbon Neutrality Goals" policy present long-term transition risks. Although the industry we operate in is not currently subject to mandatory emission control requirements, we have formulated a work plan covering quantification of emissions and the establishment of emission reduction targets, with a view to proactively preparing for potential long-term transition risks.

Greenhouse Gas Emissions

We have formulated a series of work plans for the management of greenhouse gas ("**GHG**") emissions, including: (i) establishing data collecting channels and maintaining original records of greenhouse gas emission data; (ii) engaging professional institutions to quantify our greenhouse gas emissions; (iii) formulating carbon reduction strategies for our own operations; and (iv) advocating for suppliers to jointly participate in carbon reduction initiatives. The following table illustrates our greenhouse gas emissions indicators during the Track Record Period:

		For the Year ended December 31,		
Indicator	**Unit**	**2023**	**2024**	**2025**
Scope 1 GHG emissions	tCO_2e	5.63	5.06	12.48
Scope 2 GHG emissions	tCO_2e	11,292.20	11,225.13	10,924.85
Scope 3 GHG emissions[(1)]	tCO_2e	1,296.51	1,316.97	1,267.15
Total GHG emissions	tCO_2e	12,594.34	12,547.16	12,204.47
GHG emissions intensity	tCO_2e/RMB million	36.56	27.35	23.23

Note: (1) Scope 3 GHG emissions calculation includes Category 3 (fuel and energy-related activities), Category 5 (waste generated from operations) and Category 7 (employee commuting) only.

We have set a short-term emission reduction target, expecting to reduce Scope 1 and Scope 2 GHG emissions by 45% by 2030 compared to 2025. To achieve the emission reduction target, we have actively carried out energy-saving renovation projects for air conditioning systems and adopted emission-free lithium bromide refrigeration equipment to replace traditional fluorinated refrigerators, significantly reducing greenhouse gas emissions from operations.

Social Responsibility Matters

Employees

We are committed to fostering a leading work environment by promoting a fair employment environment, professional talent policies, comprehensive benefits, competitive compensation, extensive training and transparent promotion systems, thereby fulfilling our corporate social responsibilities.

1. ***Promotion***: We place strong emphasis on employees' career development and have established a comprehensive dual-channel career development system, providing both management and professional development paths to meet employees' diverse development needs. Based on performance evaluation results, we tailor personalized development plans for employees who seek career advancement. At the same time, supervisors regularly communicate, provide feedback and coaching to employees, and actively coordinate relevant resources to support employees' continuous development.

2. ***Training***: Our training programs follow the principles of "strategic alignment, business empowerment and employee development." Training activities are conducted on a regular basis. Through the Track Record Period, we have organized approximately 500 training sessions covering new employee onboarding, professional knowledge and skills, general competencies and regulatory compliance. In total, we have recorded over 9,000 training attendances during the same period.

3. ***Employee Benefits***: We have formulated the *Employee Handbook* that specifies various employee benefits. In addition to statutory benefits, we provide multiple supplementary benefits covering medical examinations, insurance, subsidies and leave entitlements. Among these, the subsidy program allowing employees and their immediate family members to use our products is a distinctive benefit we provide.

4. ***Occupational Health***: We provide comprehensive occupational health and safety training for all employees, covering new employee onboarding, operational procedures, emergency response skills, occupational disease prevention and occupational health examinations, with a training coverage rate of 100%. We organize pre-employment, in-service, and post-employment occupational health examinations for employees in accordance with applicable regulations, maintain occupational health records for employees and regularly conduct occupational hazard factor detection and assessment to effectively prevent occupational diseases.

5. ***Fair Labor Practices***: We strictly comply with the *Labor Law of the People's Republic of China*, firmly prohibit child labor and forced labor, and promote equal employment opportunities for minority groups, thereby fostering a diverse and inclusive workplace. Female employees accounted for over 63% of our workforce for each year during the Track

Record Period. We provide female-friendly facilities and benefits, including nursing rooms, maternity leave policies and organized Women's Day activities and other female-specific benefits to support female employees and enhance their work-life balance.

The following table illustrates our employment indicators during the Track Record Period:

	For the Year ended December 31,		
Indicator	**2023**	**2024**	**2025**
	(persons, except percentages)		
Total employees	652	691	649
By gender			
Male	237	252	222
Female	415	439	427
By age			
30 and below	221	220	194
31-50	419	454	437
Above 50	12	17	18
By level			
Senior management	22	22	21
Middle management	153	179	167
Junior level	477	490	461
Social insurance coverage	100.0%	100.0%	100.0%

Clinical Ethics

We conduct clinical trials in compliance with applicable ethical standards and place great emphasis on safeguarding the safety and welfare of clinical trial participants. We have established and strictly implemented the *Clinical Operations Project Research Institution and Ethics Management Standard Operating Procedure*. During clinical trials, participants' personal information is protected in accordance with relevant requirements. Prior to the enrollment of any participant, each clinical trial must obtain approval from the ethics committee of the relevant research center. In addition, we procure clinical trial liability insurance and obtain informed consent from participants.

Public Welfare

We have been committed to participating in charitable and public welfare activities to give back to society for many years. Since 2024, in response to the national "Belt and Road Initiative," we have undertaken physician training programs in coronary and neurovascular intervention commissioned by the Ministry of Health of Indonesia. As of 2025, we have provided systematic and specialized training to over 100 clinical practitioners. In 2023, we donated RMB32,000 to the Tianjin Women and Children's Development Foundation for the Rural Revitalization — Safety Care Package program. In 2025, we donated RMB20,000 to the Tianjin Red Cross Foundation under the Heartbeat Initiative program for the procurement of automated external defibrillators (AEDs). In addition, we held Family Day events in both 2024 and 2025, introducing cutting-edge technologies to the public through educational outreach activities, thereby promoting science education and fulfilling our corporate social responsibilities.

EMPLOYEES

As of December 31, 2025, we had 649 employees in total, the majority of which are based in China, with 10 employees based overseas. The following table sets forth the number of our employees by function as of December 31, 2025:

Function	Number of employees	Percentage
Production, supply chain and quality control	377	58.1%
R&D	102	15.7%
Sales and marketing	100	15.4%
Senior management and administration	70	10.8%
Total	**649**	**100.0%**

We recruit our employees based on a number of factors, including work experience, educational background and the requirements of a relevant vacancy. We invest in continuing education and training programs for our management staff and other employees to upgrade their skills and knowledge continuously. We provide our employees with regular feedback as well as internal and external training in various areas, such as product knowledge, project development and team building. We also assess our employees based on their performance to determine their salary, promotion and career development.

In compliance with relevant labor laws in countries where we have employees, we enter into individual employment contracts with our employees covering matters such as terms, wages, bonuses, employee benefits, workplace safety, confidentiality obligations, non-competition and grounds for termination. In addition, we are required under PRC laws to make contributions to statutory social insurance (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and childbirth insurance) and housing provident fund for our employees in the PRC at a certain percentage of our employees' salaries, subject to further adjustment in the event that the employees' salaries are less than the minimum standard of or more than the maximum standard of the contribution base specified by the local government. During the Track Record Period, we have engaged third-party agencies to make social insurance and housing provident fund contributions for less than 9% of our employees, who elected to make such contributions in cities of their choice. See "Risk Factors – Risks Relating to Our Business and Industry – We may face risks relating to labor relations, labor disputes, labor shortages and increases in labor costs". As of the Latest Practicable Date, we have fully rectified such arrangements by establishing several branches to make social insurance and housing provident funds contributions for these employees. Save for these historical arrangements, during the Track Record Period and up to the Latest Practicable Date, we have consistently made full payment of social insurance and housing provident funds contributions for all of our employees, and we have not been subject to any material administrative penalties with regard to social insurance and housing provident funds contributions.

We are also subject to safety laws and regulations of the PRC. For a description of these laws and regulations, please refer to the paragraphs headed "Regulatory Overview — PRC Regulatory Overview" in this document. We have implemented various internal occupational health and safety procedures to maintain a safe work environment, including adopting protective measures at our production facilities, inspecting our equipment and facilities regularly to identify and address safety hazards, and providing regular training to our employees on safety awareness. We do not have an established labor union. We believe that we have maintained good working relationships with our employees. During the Track Record Period and up to the Latest Practicable Date, we were not subject to any material claims,

lawsuits, penalties or administrative actions relating to non-compliance with occupational health and safety laws or regulations, and had not experienced any strikes, labor disputes or industrial actions which have had a material effect on our business.

PROPERTIES

As of the Latest Practicable Date, we leased three properties in Tianjin, Suzhou and Beijing, China, with an aggregate gross floor area of 27,299.8 sq.m. Such properties primarily serve as our research laboratories, manufacturing facilities and offices. Our lease agreements have expiration dates ranging from March, 2027 to September, 2030. All lessors are Independent Third Parties. We plan to renew our leases or negotiate new terms when the existing leases expire. To a lesser extent, we also leased four properties in the U.S. and France with a total gross floor area of 795.6 sq.m., which serve as our overseas offices. We did not experience material difficulties in negotiating renewal of our leases with our landlords during the Track Record Period and up to the Latest Practicable Date.

Pursuant to the applicable PRC laws and regulations, lease agreements must be registered with the local branch of the Ministry of Housing and Urban-Rural Development of the PRC（中華人民共和國住房和城鄉建設部）. The registration of such leases will require the cooperation of our lessors. As of the Latest Practicable Date, we had not obtained lease registration for our Suzhou property, primarily due to the difficulty of procuring our lessor's cooperation to register such lease. As advised by our PRC Legal Adviser, the lack of registration of the lease agreement will not affect its validity. According to the relevant PRC laws and regulations, we may be ordered by the relevant government authorities to register the relevant lease agreements within a prescribed period, failing which we may be subject to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease. As of the Latest Practicable Date, we had not received any such request or suffered any such fine from the relevant government authorities. As confirmed by our PRC Legal Adviser, we are of the view that the unregistered leases will not individually or collectively have a material adverse impact on our business or financial conditions. See "Risk Factors — Risks Relating to Our Business and Industry — Our legal right to certain of our owned and leased properties may be challenged."

INSURANCE

As of the Latest Practicable Date, we had maintained certain insurance policies for our machinery, equipment and inventories against damage caused by accidents. We also maintain clinical trial liability insurance policies against losses arising from severe adverse events that may occur during clinical trials. During the Track Record Period, we did not maintain product liability insurance against claims or liabilities that may arise from products sold by us, which is in line with industry norm, according to CIC. We consider our current insurance coverage adequate for our operations and in line with the industry norm. During the Track Record Period, we had not made, or been the subject of, any material insurance claims.

LICENSES, PERMITS AND APPROVALS

We are required to obtain various permits, licenses, approvals and certifications from government authorities as required under applicable laws and regulations of jurisdictions where we have operations. During the Track Record Period and up to the Latest Practicable Date, as advised by our PRC Legal Adviser, we had obtained all requisite licenses, permits and certifications that are material for our operations, and such licenses, permits and certifications all remain in full effect. As of the Latest Practicable Date, we had obtained two medical device production permits and 26 medical device

registration certificates from the NMPA, and 91 medical device registration certificates from regulatory authorities of global markets. For details regarding the applicable laws and regulations to which we are subject in our major markets, see "Regulatory Overview" in this document.

LEGAL PROCEEDINGS AND REGULATORY COMPLIANCE

We may become a party to legal, arbitral or administrative proceedings arising in the ordinary course of our business. Our Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, none of the legal, arbitral or administrative proceedings to which we were a party, individually or in aggregate, would have a material and adverse effect on our business, financial condition or results of operations, and they are not aware of any potential or threatened legal, arbitral or administrative proceedings to which we will be named as a party that would have a material adverse impact on our business.

During the Track Record Period and up to the Latest Practicable Date, we did not have any non-compliance incidents which our Directors believe would, individually or in aggregate, have a material legal, operational or financial impact on our Group as a whole.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

We are exposed to various risks during our operations. In addition, we also face numerous market risks, such as foreign exchange risk, credit risk and liquidity risk that arise in our ordinary course of business. For a discussion on these market risks, see "Financial Information — Market Risk Disclosure." We have implemented various policies and procedures to ensure effective risk management at each aspect of our operations, including R&D, manufacturing and supply, quality control, inventory management, sales and distribution, financial reporting and information system.

Our Board oversees and manages the overall risks associated with our operations. We have established an Audit Committee to review and supervise the financial reporting process and internal control system of our Group. See "Directors and Senior Management — Board Committees — Audit Committee" for the qualifications and experience of these committee members as well as a detailed description of the responsibility of our Audit Committee. We have prepared written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules.

Internal Control

Our Board is responsible for establishing our internal control system and reviewing its effectiveness. We have designed and adopted strict internal procedures to ensure the compliance of our business operations with the relevant rules and regulations. Below is a summary of the internal control policies, measures and procedures we have implemented or plan to implement:

- We engage external legal counsels to review all relevant documents for our business operations. Our operational teams will review the qualifications of our business partners and all the other necessary underlying due diligence materials, before we enter into any agreement or business arrangements.

- Our regulatory affairs department oversees the obtaining of requisite governmental pre-approvals, consents, licenses and permits, to ensure the compliance of our research, development, manufacture and commercialization activities.

- We have maintained anti-corruption policies and code of ethics and business conduct among our employees, especially our direct sales personnel involved in our sales and marketing activities. We have also implemented protocols to ensure the integrity of our R&D as well as registration and approval processes. Further, we have also arranged training on the consequences and prevention of corruptive conducts, and monitor related activities on an on-going basis.

- We have adopted various measures and procedures regarding each aspect of our operations, such as protection of intellectual property, environmental protection and safety. We provide periodic training on these measures and procedures to our employees as part of our employee training program and regularly monitor the implementation of those measures and procedures.

- We have designated responsible personnel in our Company to monitor the ongoing compliance by our Company with relevant PRC laws and regulations and other applicable laws and regulations that govern our business operations and oversee the implementation of any necessary measures. In addition, we plan to provide our Directors, senior management and relevant employees with continuing training programs and/or updates regarding relevant laws and regulations on a regular basis with a view to proactively identify any concerns and issues relating to any potential non-compliance.