SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to* [REDACTED] *in the* [REDACTED]. *There are risks associated with any* [REDACTED]. *Some of the particular risks in* [REDACTED] *in the* [REDACTED] *are set out in "Risk Factors" of this document. You should read that section carefully before you decide to* [REDACTED] *in the* [REDACTED]. *In particular, we are a biotechnology company seeking to* [REDACTED] *on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules on the basis that we are unable to meet the requirements under Rule 8.05(1), (2) or (3) of the Listing Rules. Our Core Product is the product for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants. We may continue to incur substantial costs and expenses in relation to R&D activities for the Core Product, and the Core Product may not be successfully developed or marketed. There are unique challenges, risks and uncertainties associated with* [REDACTED] *in companies such as ours. Your* [REDACTED] *decision should be made in light of these considerations.

OVERVIEW

Founded in 2018, we are a pioneer and leader in developing and commercializing percutaneous puncture and ablation surgical robots in China. According to CIC, we ranked first in China in terms of the market share for percutaneous puncture and ablation surgical robots for three consecutive years from 2022. We are committed to delivering an end-to-end solution for precise, minimally invasive oncology care, covering clinical needs from early-to-advanced stages and extending to *ex vivo* organ preservation and assessment. We offer a portfolio that includes both domestic and global firsts in percutaneous puncture and ablation, and we have built an intelligent robotic product matrix centered on "percutaneous localization and precise therapy." Our Core Product is a percutaneous puncture surgical robot available in four models, namely, TH-S1, TH-S, TH-S Pro and TH-SA. We hold NMPA Class III registration certificates for TH-S1, TH-S and TH-S Pro for lung and abdominal puncture, and we are expanding the application of TH-S1 to include retroperitoneal lesions. We submitted a registration application for TH-SA's application in lung and abdominal puncture in May 2025. Beyond our Core Product, our pipeline also includes two key products, TH-X MW and TH-X HMW, both percutaneous microwave ablation surgical robots approved for the treatment of liver tumors, and additional product candidates, including the TH-P series of compact percutaneous puncture surgical robots which are approved for lung and abdominal puncture, the MW150 microwave ablation device, the TH-X Cryo cryoablation robot, the TH-LS KI300 and TH-LS LU100 *ex vivo* organ preservation and assessment systems and a full range of dedicated disposables compatible with our surgical robots and organ preservation and assessment systems. One model of our Core Products, TH-S, was recognized as China's first domestically developed percutaneous puncture navigation and localization system and our key product, TH-X MW, was recognized as the first image-guided percutaneous navigation and microwave ablation robot globally by the NMPA. TH-X MW was also the first Class III innovative medical device approved by the NMPA in Hengqin, an island in the Greater Bay Area that is strategically positioned to accelerate innovation.

WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP OR MARKET OUR CORE PRODUCT OR ANY OF OUR PRODUCT CANDIDATES AS PLANNED, EVEN IF THEY ARE COMMERCIALIZED, IT IS UNCERTAIN THAT THEY WILL ACHIEVE MARKET SUCCESS.

The following chart summarizes our product portfolio as of the Latest Practicable Date:

Category	Products	Indications/R&D description	Registration classification	Design development	Design validation	Clinical trial	Registration and approval	Jurisdiction	Approval date	Upcoming milestone	Owner of global rights or not
Percutaneous puncture surgical robot	TH-S1[1]	puncture positioning for lung and abdominal organs	III						May 2022	–	Yes
		puncture positioning for lung and abdominal organs	IIa						–	CE marking application Q1 2026	Yes
		puncture positioning for retroperitoneal lesions[2]	III						–	registration application Q4 2026	Yes
	TH-S	puncture positioning for lung and abdominal organs	III						June 2023	–	Yes
	TH-S Pro	puncture positioning for lung and abdominal organs	III						December 2024	–	Yes
	TH-SA	puncture positioning for lung and abdominal organs	III						–	registration approval Q1 2026	Yes
	TH-P Elite, TH-P, TH-P PLUS	puncture positioning for lung and abdominal organs	III						December 2024	–	Yes
Percutaneous ablation surgical robot	TH-X MW (microwave ablation)	puncture and microwave ablation of liver tumors	III						September 2024	–	Yes
		puncture and microwave ablation of lung tumors	III						–	registration approval Q3 2026	Yes
	TH-X HMW (microwave ablation)	puncture and microwave ablation of liver tumors	III						November 2025	–	Yes
	MW150 (microwave)	microwave ablation of liver tumors	III						August 2025	–	Yes
	TH-X Cryo (cryoablation)	cryoablation of solid tumors	III						–	design validation H1 2027	Yes
Organ perfusion system	TH-LS KI300	normothermic preservation and function assessment of kidney	III						–	clinical trial H1 2027	Yes
	TH-LS LU100	normothermic preservation and function assessment of multiple organs	III						–	clinical trial H1 2028	Yes
Disposables	Single-use localization guide	puncture localization	II						January 2023	–	Yes
	Single-use LED localization guide		II						–	registration approval Q1 2026	Yes
	Single-use CT-guided puncture angle guide	puncture localization	II						January 2023	–	Yes
	Single-use microwave ablation needle	microwave ablation of liver tumor	III						July 2025	–	Yes
	Single-use microwave ablation needle	microwave ablation of lung tumor	III						–	registration approval Q3 2026	Yes
	Single-use cryoablation needle	cryoablation of solid tumors	III						–	design validation H1 2027	Yes
	Medical image processing software	import, display, and processing of CT medical images	II						November 2023	–	Yes
	Spirometer	measurement of tidal volume	II						January 2025	–	Yes
	Perfusion tubing set	connection of the kidney to the perfusion system	III						–	clinical trial H1 2027	Yes
		connection of multi-organ to the perfusion system	III						–	clinical trial H1 2028	Yes

Core Product | Key product | Approved/commercialized product/application | Complete the clinical evaluation through the same-type comparison pathway | Clinical trial exemption

Notes:

1. The Greater Bay Area Center of the NMPA, which our PRC legal Advisors confirm is the competent authority, has confirmed that TH-S1, TH-S, TH-S Pro, and TH-SA share the same technical principles, intended use, risk classification, structural composition, core technical parameters, and substantially the same software system, and therefore will be classified under a single registration unit and regulated as the same product.

2. On May 29, 2025, we consulted the Greater Bay Area Center of the NMPA, which our PRC legal Advisors confirm is the competent authority, with respect to the necessity for a clinical trial for expanding the application of TH-S1 in retroperitoneal lesions, and was advised that a clinical trial is required for such application expansion.

OUR PRODUCT PORTFOLIO

Our Core Product—Percutaneous Puncture Surgical Robot

Our Core Product is a percutaneous puncture surgical robot available in four models, namely, TH-S1, TH-S, TH-S Pro and TH-SA. We classify our Core Product models by their medical device registration certificates and pursue separate certificates for each model to support commercialization. A multi-certificate strategy aligns our product roadmap with the realities of China's hospital landscape, meeting diverse needs, clarifying applications and features, and improving the speed and efficiency of commercialization.

The Greater Bay Area Center of the NMPA, which our PRC legal Advisors confirm is the competent authority, has confirmed that TH-S1, TH-S, TH-S Pro, and TH-SA share the same technical principles, intended use, risk classification, structural composition, core technical parameters, and substantially the same software system, and therefore will be classified under a single registration unit and regulated as the same product.

TH-S1

TH-S1 is the flagship model of our Core Product. It innovatively integrates an intelligent image-analysis and puncture planning system, an optical navigation system, a robotic arm control system, and a respiratory tracking system. These capabilities make it a first-of-its-kind puncture robot in China, according to CIC. TH-S1 is designed to address key critical clinical pain-points in traditional percutaneous puncture procedures. Compared with conventional freehand puncture, TH-S1 increases first-pass success, reduces needle passes and CT scans, shortens procedure time, lowers complication and operator-related adverse event (AE) rates, and reduces dependence on individual operator experience, resulting in higher efficiency and more consistent outcomes.

Our TH-S1 empowers a physician to operate all the instruments needed for percutaneous punctures by controlling a robotic arm. The robotic arm provides physicians with pinpoint accuracy and precision through enhanced visualization, ensuring the procedure is performed along a planned path with elevated success rates. With optical navigation, the system tracks markers in real-time to deliver sub-millimeter positioning feedback, ensuring control and visibility throughout the entire procedure. TH-S1's applications include needle biopsy, preoperative localization, precision ablation, brachytherapy seed implantation, percutaneous drainage and minimally invasive drug and device delivery.

We believe our TH-S1 demonstrated excellence in the following aspects:

- *First-in-class percutaneous puncture surgical robot*. TH-S1 is the first percutaneous puncture surgical robot in China that fully integrates an intelligent image-analysis and puncture planning system, an intraoperative optical navigation system, a robotic arm positioning system, and a respiratory tracking system to support precise clinical puncture procedures.

- *Intelligent 3D reconstruction.* TH-S1 accurately and promptly identifies and segments lesions from surrounding tissue and organs, then generates clear 3D anatomical routes to guide puncture planning.

- *Infrared-based binocular navigation.* TH-S1 delivers sub-millimeter real-time tracking for complex lung and abdominal surgical procedures. It shows the live relative positions of surgical instruments and the patient to provide precise visual guidance.

- *Six-degree-of-freedom robotic arm*. TH-S1's light six-degree-of-freedom robotic arm adapts to varied puncture angles and patient positions for complex percutaneous punctures. Paired with real-time optical navigation, it maintains a high accuracy and precise needle placement in three-dimensional space.

TH-S1 is classified as a Class III medical device under applicable NMPA regulations. We completed a registrational clinical trial of TH-S1 for its application in lung and abdominal puncture in January 2022. TH-S1 demonstrated favorable clinical performance in lung and abdominal puncture localization compared to conventional CT-guided manual procedures. No device-related AE or serious adverse effect (SAE) in either the study group or the control group. We submitted a registration application to the NMPA in December 2020, which was accepted by the NMPA in January 2021. In May 2022, we obtained a Class III medical device registration approval from the NMPA.

We are conducting a clinical study focused on the design and verification of TH-S1 to expand its application in retroperitoneal lesions. We received the ethical approval in July 2025, completed filing with the NMPA in November 2025 and commenced this trial in the same month. As of the Latest Practicable Date, one patient had been enrolled. We expect to obtain NMPA registration approval in the second half of 2027.

To expand our international footprint and build global presence, we plan to submit application for CE marking in the first quarter of 2026 and expect to obtain the CE marking in the fourth quarter of 2026.

We are pursuing continuous product iteration with respect to structural optimization, software upgrades, instrument replacements, and functional enhancements. In May 2025, we submitted a supplementary registration application for TH-S1 to cover these updates, together with a testing report which was prepared in compliance with the safety and performance standards issued by the NMPA. We expect to obtain the registration approval from the NMPA in the first quarter of 2026.

TH-S

TH-S is designed to provide supplementary, accessible, and easy-to-use functions that match clinical needs for lung and abdominal percutaneous punctures. Compared with TH-S1, we optimized TH-S's structure and functionality, including adding a foot switch to replace manual operation and introducing a user-friendly touchscreen to replace keyboard controls, enhancing interactions with physicians.

TH-S is classified as a Class III medical device under applicable NMPA regulations and was recognized as an innovative medical device by the NMPA in April 2022. We completed a clinical evaluation of TH-S to determine its safety and effectiveness for application in lung and abdominal puncture in November 2022, and submitted a registration application to the NMPA in the same month, which was accepted by the NMPA in December 2022. In June 2023, we obtained a Class III medical device registration approval for TH-S from the NMPA.

We are pursuing continuous product iteration with respect to structural optimization, software upgrades, instrument replacements, and functional enhancements. In June 2025, we submitted a supplementary registration application for TH-S to cover these updates, together with a testing report which was prepared in compliance with the safety and performance standards issued by the NMPA. We expect to obtain the registration approval from the NMPA in the second quarter of 2026.

TH-S Pro

TH-S Pro is a new, upgraded model of our Core Product that provides a streamlined operating workflow, advanced data analytics, and greater physician autonomy. Compared with TH-S, our TH-S Pro adds a laser module to the optical navigation system, enabling physicians to position patients rapidly and accurately for percutaneous punctures. Its refines software validates 3D datasets across multiple angles and planes during the puncture planning. By integrating the laser module and refined validation into the intelligent image-analysis and puncture planning system, TH-S Pro offers highly magnified visualization of lesion location, size, and shape, helping physicians better understand anatomy, plan puncture pathways and assess puncture risks. In addition, TH-S Pro enhances the data output efficiency for information collected during puncture procedures.

TH-S Pro is classified as a Class III medical device under applicable NMPA regulations. We completed a clinical evaluation of TH-S Pro for its application in lung and abdominal puncture localization in May 2024 and submitted a registration application to the NMPA in the same month. In December 2024, we obtained a Class III medical device registration approval for TH-S Pro from the NMPA.

TH-SA

TH-SA is a new, optimized model of our Core Product, improving ergonomics and physician comfort during intraoperative use, and facilitating more efficient procedures. It features a smaller, more compact surgical robot cart with enhanced mobility and flexibility adapting to the diverse space constraints of hospital operating rooms.

We submitted a registration application to the NMPA for TH-SA in May 2025. Following the initial review of our application, the NMPA issued a supplemental notice in August 2025 requesting revisions to the technical requirements and instructions for use, along with additional safety testing and localization accuracy validation data. We completed all studies and submitted the materials in September 2025, and we expect to receive approval in the first quarter of 2026.

Competitive Landscape

China's percutaneous puncture surgical robot market is at an early stage, with a limited number of approved products and a steady stream of new entrants emerging. As of the Latest Practicable Date, a total of 17 percutaneous puncture surgical robots had obtained NMPA approval in China, comprising 15 domestic products and two imported products. According to CIC, we have recorded the highest number of trial installations among all surgical robotics companies in China in 2024.

Since the first approval in 2022, additional percutaneous puncture surgical robots have successively obtained registration certificates, reflecting steady progress in regulatory recognition and industrialisation. As of the Latest Practicable Date, we had obtained four NMPA approvals, representing both the earliest and the largest number in this segment. Our TH-S was recognized as China's first domestically developed percutaneous puncture navigation and localization system. The following table sets forth percutaneous puncture surgical robots that had obtained NMPA approval as of the Latest Practicable Date:

Registration Certificate Number	Company	Type	Product name	Approval date	Application	Number of Approval
國械注准20223010624	**TrueHealth**	**Domestic**	**TH-S1**	**05/13/2022**	**Lung and abdomen**	**4**
國械注准20233010810			**TH-S**	**06/15/2023**		
國械注准20243012455			**TH-P Elite/ TH-P/ TH-P Plus**	**12/05/2024**		
國械注准20243012643			**TH-S Pro**	**12/30/2024**		
國械注進20233010199	Biobot Surgical Pte Ltd	Imported	iSR'obot Mona Lisa	05/12/2023	Prostate	1
國械注進20233010365	Quantum Surgical	Imported	EPIONE 30-0001	08/16/2023	Abdomen	1
國械注准20233011291	Tuodao Medical	Domestic	NP100	09/06/2023	Lung and abdomen	2
國械注准20253011264			PB100	06/27/2025	Prostate	
國械注准20243010229	Ariemedi	Domestic	ARMD-PN-201	01/31/2024	Lung and abdomen	1
國械注准20243010387	Simple Touch	Domestic	RC 120	02/21/2024	Lung	1
國械注准20243010922	Curaway Medical	Domestic	CR-NAV100	05/16/2024	Lung and abdomen	1
國械注准20243011118	WeiDe Precisely	Domestic	WD-Lung-Navi I	06/18/2024	Lung and abdomen	1
國械注准20243011560	EDDA	Domestic	IQQA-Guide SI-ROBOT	08/23/2024	Lung and abdomen	1
國械注准20253010073	Amit	Domestic	FARE-OC-P	01/10/2025	Abdomen	1
國械注准20253010487	Zoye Medical	Domestic	ZY-TU-6	03/06/2025	Lung and abdomen	1
國械注准20253010707	United Imaging	Domestic	UInterv C550-A/ C550-B/ C550-C	04/01/2025	Lung and abdomen	1
國械注准20253012369	Hanglok-Tech	Domestic	HLT-SGNIO-A	11/25/2025	Liver	1

See "Business—Our Product Portfolio—Our Core Product—Percutaneous Puncture Surgical Robot" for details.

Our Key Products

TH-X MW

TH-X MW is a percutaneous microwave ablation surgical robot designed to provide image-guided navigational guidance for percutaneous needle placement and microwave ablation of solid liver tumors. The system features intelligent organ and lesion segmentation, intraoperative real-time 3D navigation, and precise simulation of the ablation energy field. TH-X MW enables efficient and accurate microwave ablation by improving needle placement accuracy, target coverage, procedural efficiency, and success rates, while reducing dependence on physician experience in needle placement and ablation planning and enhancing overall safety and effectiveness.

TH-X MW is classified as a Class III medical device under applicable NMPA regulations and was recognized as an innovative medical device by the NMPA in April 2024. We completed a clinical evaluation in July 2023 through a clinical comparison among TH-X MW, TH-S1 and the other NMPA-registered predicate ablation device to assess TH-X MW's application for the treatment of solid liver tumors in adults. We submitted a registration application to the NMPA in July 2023, which was accepted by the NMPA in the same month. In September 2024, we obtained a Class III medical device registration approval for TH-X MW from the NMPA.

We are expanding TH-X MW's application in lung tumor treatment. We completed the clinical evaluation and submitted the registration application to the NMPA in July 2025, which was accepted by the NMPA in August 2025. In November 2025, the NMPA requested us to submit supplementary materials related to the clinical evaluation, supported by *in vitro* and animal experiments by comparing TH-X MW with similar products with same principles and applicable scope. In response, we selected additional NMPA-registered predicate ablation devices and revised the research and verification design before conducting a new clinical evaluation. As of the Latest Practicable Date, the clinical evaluation was ongoing. We expect to submit the supplementary materials in the second quarter of 2026 and expect to obtain the registration approval in the third quarter of 2026.

TH-X HMW

TH-X HMW is our other percutaneous microwave ablation surgical robot approved for the treatment of solid liver tumors. It introduces three major enhancements over TH-X MW, designed to streamline ablation workflow and enhance documentation and postoperative review, leading to more actionable and convenient ablation procedures.

TH-X HMW is classified as a Class III medical device under applicable NMPA regulations. We completed a clinical evaluation through a clinical comparison with our TH-X HMW for its application in solid liver tumor treatment in May 2024. We submitted a registration application to the NMPA in May 2024, which was accepted by the NMPA in June 2024. In November 2025, we obtained a Class III medical device registration approval for our TH-X HMW from the NMPA.

Competitive Landscape

China's percutaneous microwave ablation surgical-robot market is at an early commercialization stage, with meaningful revenue expected to begin after 2024. Market size is projected to grow from approximately RMB3.1 million in 2025 to RMB370.6 million by 2032, reflecting rapid scale-up as approvals translate into hospital tenders, initial installations, and expanding clinical indications. Growth is underpinned by the widening pool of ablation candidates, improvements in image-guided navigation and robotic execution, and supportive hospital procurement and policy environments that enable conversion from pilot use to scaled clinical deployment.

In September 2024, our percutaneous microwave ablation surgical robot obtained NMPA approval, making it the first surgical robot approved for this therapeutic area as of the Latest Practicale Date. However, due to the late timing of approval, there were no substantive shipments recorded in 2024.

At present, several regulatory-cleared percutaneous puncture surgical robots can be used in microwave ablation workflows when paired with compatible third-party microwave generators and probes, such as Quantum Surgical's Epione®. In contrast, our percutaneous ablation surgical robot is a fully integrated solution that combines puncture navigation with microwave energy delivery on a single platform, and has been designated by the NMPA as "the first system of its kind worldwide."

See "Business—Our Product Portfolio—Our Key Products" for details.

Our Other Products and Product Candidates

In addition to our Core Product and key products, our product portfolio also encompasses compact percutaneous puncture surgical robots (TH-P series), a microwave ablation device (MW150), a cryoablation robot (TH-X Cryo), *ex vivo* organ preservation and assessment systems, and disposables. See "Business—Our Product Portfolio" for details.

OUR COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and differentiate us from our competitors: (i) from precision navigation to full-chain care: a complete minimally invasive oncology solution; (ii) pioneering "brain-eye-hand" surgical robotics, transforming oncologic diagnosis and treatment; (iii) end-to-end capability from clinical needs to technology R&D and standards setting; (iv) accelerating deployment of precision interventional solutions through established sales channels; (v) in-house and localized production enable lower costs, faster iteration, and resilient supply; (vi) strong leadership, deep expertise and strategic partnerships; and (vii) Hengqin headquarters delivers structural advantages in medtech development and commercialization.

OUR STRATEGIES

We intend to capitalize on our competitive strengths by pursuing the following strategies: (i) continue to broaden our product portfolio and application scenarios while advancing our global footprint; (ii) strengthen core platform innovation and build durable technological advantages; (iii) strengthen commercialization to consolidate market leadership and accelerate adoption of our products; and (iv) strengthen integrated supply chain capabilities.

RESEARCH AND DEVELOPMENT

We believe that continuous innovation in research and development is the key driver of our business growth and competitiveness. Our R&D efforts are guided by unmet needs evidenced in the surgical robot market, and we strive to address these clinical needs by advancing revolutionary surgical robots to benefit both physicians and patients on a wider scale. For each of our product candidates, we typically assign a project team to take responsibility for monitoring the entire development cycle and leading the required R&D activities. We commence our R&D activities with a clear vision and a detailed product design. Upon confirmation of the product design, we will proceed to early validation to evaluate the functions, safety, and efficacy of the product candidates. Our R&D activities served as the backbone for our future manufacturing and commercialization of our product candidates.

We have built an experienced R&D team with strong expertise in the surgical robots field. As of the Latest Practicable Date, our R&D team consisted of 63 members based across our facilities in China, over 30.0% of whom held a doctoral or master's degree. Our R&D team is led by a group of world-class scientists with proven track records in mechanical engineering, electrical and electronic engineering, computer science, software engineering, biomedical engineering, and pharmacy. The R&D team is organized into specialized teams and departments covering technology center, R&D center, regulations and management centers, clinical academic department, pharmaceutical development department, and processing department. For more details of our R&D capabilities and processes, see "Business—Research and Development—Product Design and Preclinical Development" and "Business—Research and Development—Our R&D Team."

In 2023 and 2024 and the six months ended June 30, 2024 and 2025, our research and development expenses were RMB40.8 million, RMB50.8 million, RMB22.5 million and RMB23.4 million, respectively. We did not capitalize any R&D expense in the Track Record Period.

In 2023 and 2024 and the six months ended June 30, 2024 and 2025, our R&D expenses attributable to our Core Product amounted to RMB23.2 million, RMB11.9 million, RMB10.1 million and RMB7.4 million, respectively, accounting for 56.8%, 23.3%, 44.7% and 31.7% of our total R&D expenses for the corresponding periods.

COMPETITION

We operate in a fast-growing market, resulting from increasing needs for, and prevalence of, surgical robots. While we believe our innovative platform provides us with competitive advantages, we face potential competition with international and domestic surgical robot companies. We compete primarily based on our R&D capabilities, the clinical performance of our products, our ability to commercialize products and brand recognition. Any products that we successfully develop and commercialize will face competition from novel products that may become available in the future. See "Industry Overview" for details.

INTELLECTUAL PROPERTY

Intellectual property rights are the basis for the success of our business, and we are committed to the development and protection of our intellectual property. As of the Latest Practicable Date, we owned (i) 198 issued patents in China, five in other jurisdictions, and (ii) 21 pending patent applications in China. In addition, we owned 15 issued patents in China with respect to our Core Product and our key products.

During the Track Record Period and up to the Latest Practicable Date, (i) we were not involved in any legal, arbitral or administrative proceedings in respect of, and we had not received notice of any material claims of infringement, misappropriation or other violations of third-party intellectual property; and (ii) we were not involved in any proceedings in respect of any intellectual property rights that may be threatened or pending and that may have an influence on the research and development for any of our product candidates in which we may be a claimant or a respondent.

MANUFACTURING

As of June 30, 2025, we had one major manufacturing base located in Zhuhai, with the gross floor area of our manufacturing site exceeding 2,500 square meters. The facility serves as the core of our production system, enriching the manufacturing of products across our commercialized products, including our Core Product and other products in our product pipeline. See "Business—Manufacturing—Manufacturing Facility" for details.

SALES AND MARKETING

We had received marketing approval for twelve of our products as of the Latest Practicable Date and had built a customer base spanning 22 key provinces in China, primarily consisting of domestic distributors.

Sales Channel

We primarily sell our products to end customers through distributors in China. According to CIC, our sales model is in line with industry practice.

The following table sets forth a breakdown of our revenue by sales channel for the periods indicated:

	Year ended December 31,				Six months ended June 30,			
	2023		2024		2024		2025	
	RMB('000)	*%*	*RMB('000)*	*%*	*RMB('000)*	*%*	*RMB('000)*	*%*
					(unaudited)			
Sales to distributors	2,301	100.0	1,791	100.0	100	100.0	173	100.0
Total	**2,301**	**100.0**	**1,791**	**100.0**	**100**	**100.0**	**173**	**100.0**

We generally sell our products, including our surgical robots and disposables used in conjunction with our surgical robots, to distributors under the distributorship channel. The relationships between distributors and us are categorized as seller-buyer relationships—they buy our products from us and then resell the products to end customers, including hospitals and medical institutions. Our distributors maintain a "buy-out" model with us. As of the Latest Practicable Date, we had engaged and cooperated with a total of 22 distributors in China. In 2023 and 2024 and the six months ended June 30, 2024 and 2025, we engaged 7, 11, 11 and 3 new distributors, respectively. See "Business—Sales and Marketing—Sales Channel" for details.

Pricing

The pricing of our commercialized products takes into account a comprehensive set of factors, including production cost, target profit margins, our operational support and required maintenance services, as well as the clinical and economic value of our products. We maintain a nationwide unified pricing system to ensure fairness, transparency and brand consistency.

We review and adjust our prices periodically based on material cost fluctuations, exchange rate movements, new product launches or changes in procurement policies. Any material price adjustments must be approved internally, ensuring consistency with both our global pricing strategy and compliance requirements in different jurisdictions.

OUR CUSTOMERS AND SUPPLIERS

Customers

During the Track Record Period, our customers primarily consisted of distributors in China. We typically enter into sales agreements with our customers and grant credit terms on a case-by-case basis determined by our internal assessment.

In 2023 and 2024 and the six months ended June 30, 2025, the total revenue generated from our five largest customers in each period was RMB2.3 million, RMB1.8 million and RMB0.2 million, respectively, accounting for 100.0%, 100.0% and 100.0%, respectively, of our total revenue for the same periods. During the same periods, revenue generated from our single largest customer in each period amounted to RMB2.3 million, RMB1.6 million and RMB0.2 million, respectively, representing 100.0%, 88.9% and 97.1%, respectively, of our total revenue for the same periods. See "Business—Customers" for details.

Suppliers

During the Track Record Period, our suppliers primarily consisted of (i) suppliers of certain research and development services; (ii) suppliers of raw materials in connection with our manufacturing; (iii) providers of professional services such as sales and marketing activities; and (iv) lessors of our leased properties. Our suppliers usually provide us with credit terms of one month.

In 2023 and 2024 and the six months ended June 30, 2025, the aggregate purchase amount from our five largest suppliers in each period was RMB15.5 million, RMB23.3 million and RMB10.6 million, respectively, accounting for 35.5%, 30.8%, 35.8% respectively, of our total purchases for the same periods. During the same periods, the purchase amount from our single largest supplier in each period amounted to RMB3.5 million, RMB6.6 million and RMB2.6 million, respectively, representing 8.0%, 8.7% and 8.6% respectively, of our total purchases for the same periods. See "Business—Our Suppliers and Procurement—Our Suppliers" for details.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary of historical financial information set forth below has been derived from, and should be read in conjunction with, our consolidated audited financial statements, including the accompanying notes, set forth in the Accountants' Report set out in Appendix I to this document, as well as the information set forth in "Financial Information" of this document. Our financial information was prepared in accordance with IFRS.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the periods indicated:

	Year ended December 31,		Six months ended June 30,	
	2023	2024	2024	2025
	(RMB'000)			
			(unaudited)	
Revenue	**2,301**	**1,791**	**100**	**173**
Cost of sales	(415)	(481)	(65)	(57)
Gross profit	**1,886**	**1,310**	**35**	**116**
Other income and gains	1,593	33,264	585	1,636
Selling and distribution expenses	(27,701)	(40,094)	(16,550)	(18,170)
Administrative expenses	(30,124)	(34,851)	(14,710)	(16,622)
Research and development expenses	(40,754)	(50,846)	(22,472)	(23,371)
(Provision for)/reversal of impairment loss of financial assets, net	(3)	(34)	(11)	35
Other expenses	–	(308)	(29)	(170)
Finance costs	(438)	(594)	(209)	(188)
Loss before tax	**(95,541)**	**(92,153)**	**(53,361)**	**(56,734)**
Income tax expense	–	(3)	–	–
Loss and total comprehensive loss for the year/period	**(95,541)**	**(92,156)**	**(53,361)**	**(56,734)**
Attributable to:				
Owners of the parent	(94,928)	(92,156)	(53,361)	(56,734)
Non-controlling interests	(613)	–	–	–

We incurred net losses during the Track Record Period. Our net losses during the Track Record Period were mainly attributable to significant research and development expenses incurred with respect to our research and development activities. In addition, our net losses were also attributable to our other operating costs, including our selling and distribution expenses and administrative expenses. We expect to continue to incur net losses in the near future as we further our research and development efforts, continue the development of, seek regulatory approval for, and commercialize our pipeline products. See "Financial Information—Principal Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income" for details.

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statement of financial position as of the dates indicated:

	As of December 31,		As of June 30,
	2023	2024	2025
		(RMB'000)	
Non-current assets	31,292	41,660	37,970
Current assets	135,048	113,715	262,932
Current liabilities	19,386	24,612	16,862
Net current assets	115,662	89,103	246,070
Non-current liabilities	5,206	5,313	10,984
Net assets	141,748	125,450	273,056

Summary of Consolidated Statements of Cash Flow

The following table sets forth a summary of our consolidated statement of cash flows for the periods indicated:

	Year ended December 31,		Six months ended June 30,	
	2023	2024	2024	2025
		(RMB'000)		
			(unaudited)	
Net cash flows used in operating activities	(83,966)	(97,045)	(56,684)	(62,703)
Net cash flows used in investing activities	(657)	(6,658)	(30,418)	(140,967)
Net cash flows from financing activities	139,623	65,133	45,128	198,678
Net increase/(decrease) in cash and cash equivalents	55,000	(38,570)	(41,974)	(4,992)

	Year ended December 31,		Six months ended June 30,	
	2023	2024	2024	2025
	(RMB'000)			
			(unaudited)	
Cash and cash equivalents at the beginning of the year/period	67,484	122,484	122,484	83,908
Effect of foreign exchange rate changes, net	–	(6)	(5)	(216)
Cash and cash equivalents at the end of the year/period	122,484	83,908	80,505	78,700

We had net operating cash outflows of RMB84.0 million, RMB97.0 million, and RMB62.7 million in 2023 and 2024 and the six months ended June 30, 2025, respectively. Such net operating cash outflows were primarily due to the significant research and development expenses and other operating expenses we incurred during the Track Record Period without generating a substantial amount of revenue from our commercialized products, for which we commenced limited sales in 2023. We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. As our business develops and expands, we expect to generate more net cash from our operating activities, through increasing sales revenue of the existing commercialized product and by launching new products. Going forward, we believe our liquidity requirements will be satisfied by using funds from a combination of our cash and cash equivalents and [**REDACTED**] from the [**REDACTED**].

Working Capital Sufficiency

Taking into account the estimated [**REDACTED**] from the [**REDACTED**] and the financial resources available to us, including cash and bank balances and considering our cash burn rate, our Directors are of the view that we have available sufficient working capital to cover at least 125% of our costs, including administrative and operating expenses (including any production costs), research and development expenses, and selling and distribution expenses, for at least the next 12 months from the date of this document.

Cash Burn

Our cash burn rate refers to our average monthly (i) net cash used in operating activities, which includes payments for research and development expenses, selling and distribution expenses and administrative expenses, and (ii) capital expenditures. Taking into account our cash and cash equivalents, financial assets at fair value through profit or loss as of October 31, 2025 and assuming average monthly net cash used in operating activities and capital expenditures going forward of 1.2 times the average level in the six months ended June 30, 2025, we estimate we will be able to maintain our financial viability for [**REDACTED**] from November 2025 without considering [**REDACTED**] from the [**REDACTED**]; or, if we also take into account the [**REDACTED**] from [**REDACTED**], assuming an [**REDACTED**] of

HK$[**REDACTED**] per [**REDACTED**] (being the low end of the indicative [**REDACTED**] range), we estimate we will be able to maintain our financial viability for [**REDACTED**] from November 2025. Our Directors and our management team will continue to monitor our working capital, cash flows and our business development status.

We currently have no immediate plan for future financing after the [**REDACTED**] taking into account our available cash, [**REDACTED**] from the [**REDACTED**] and based on our cash burn rate. However, with the continuing expansion of our business and development of our products, we could not exclude the possibility to require further funding through public or private equity offerings, debt financing and other sources. We will comply with applicable laws and regulations, including requirements under the Listing Rules, when we proceed with such financings.

RISK FACTORS

We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control. These risks are set out in "Risk Factors" in this document. Some of the major risks we face include: (i) our business and financial prospects depend substantially on the success of our product portfolio. If we are unable to successfully complete clinical trials, obtain regulatory approval and commercialize our products, or experience significant delays in doing so, our prospects may be materially and adversely affected; (ii) we may face intense competition in the surgical robot market. There are competing products, and competitors may develop or commercialize new competing products before or more successfully than we do; (iii) if we do not advance technologies and introduce improved products in a timely manner, our products may become non-competitive or obsolete and our revenue and operating results may suffer; (iv) a limited number of customers accounted for a substantial portion of our revenue during the Track Record Period, and any decreases in our future sales to them could adversely affect our financial condition and results of operations; (v) we have only recently begun commercializing our products and our sales are currently primarily derived from our Core Product, which may make it difficult to evaluate our future prospects; (vi) the sales of our Core Product constituted a substantial portion of revenue during the Track Record Period, and our future revenue will depend on the further sales and commercialization of our Core Product and other product candidates in our pipeline; (vii) the surgical robot market is relatively new. Failure to achieve broader market acceptance or maintain good reputation among physicians and patients could have a material adverse impact on our business, financial condition and results of operations; and (viii) we may be subject, directly or indirectly, to applicable anti-kickback, false claims laws, physician payment transparency laws, fraud and abuse laws or similar healthcare and security laws and regulations in China and other jurisdictions, which could expose us to administrative sanctions, criminal sanctions, civil penalties, contractual damages, reputational harm and diminished profits and future earnings.

KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios as of the dates or for the periods indicated:

	As of December 31,		As of June 30,
	2023	2024	2025
Liquidity ratios			
Current ratio *(times)*[(1)]	7.0	4.6	15.6

Note:

(1) Current ratio is calculated based on total current assets divided by total current liabilities.

See "Financial Information—Key Financial Ratios" for further details.

OUR CONTROLLING SHAREHOLDERS

Immediately prior to the [**REDACTED**], our Company was owned as to approximately 10.47%, 9.35%, 7.48%, 7.15%, 6.46%, 5.61% and 0.10%, by Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang, respectively. Renxiang Biotechnology is the general partner of each of Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang and Renxiang Biotechnology is held as to 99.99% by Ms. Cheong.

Each of Renyang Biotechnology, Chengzhen Health and Jiarun Tongchuang was owned as to 99% by China True Health Medical as their sole limited partner, and Jiarun Hechuang was owned as to 99.00% by Shuimu Medical Technology as its sole limited partner. Each of China True Health Medical and Shuimu Medical Technology was owned as to 96.67% by Ms. Cheong.

As such, Ms. Cheong, Renxiang Biotechnology, China True Health Medical, Shuimu Medical Technology, Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang are considered to be a group of Controlling Shareholders, who collectively held 46.63% of our total issued Shares as of the Latest Practicable Date.

Immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), Ms. Cheong, Renxiang Biotechnology, China True Health Medical, Shuimu Medical Technology, Renyang Biotechnology, Chengzhen Health, Jiarun Tongchuang, Jiarun Hechuang, Zhuhai Meijirui, Jiarun Xinchuang and Xinhui Runkang will collectively hold approximately [**REDACTED**]% of our total issued Shares. Accordingly, they will remain as a group of Controlling Shareholders upon [**REDACTED**].

[REDACTED] STATISTICS

	Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]	Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]
[**REDACTED**] of our Shares[(1)]	HK$[**REDACTED**]	HK$[**REDACTED**]
Unaudited [**REDACTED**] adjusted consolidated net tangible assets per Share attributable to owners of the Company as at June 30, 2025[(2)]	HK$[**REDACTED**]	HK$[**REDACTED**]

Notes:

(1) The calculation is based on the assumption that [**REDACTED**] Shares will be in [**REDACTED**] immediately following the completion of the [**REDACTED**], assuming that the [**REDACTED**] is not exercised.

(2) The unaudited [**REDACTED**] adjusted consolidated net tangible assets per Share attributable to owners of the Company as at June 30, 2025 is calculated after the adjustment referred to in "Unaudited [**REDACTED**] Financial Information" in Appendix IIA to this document and on the basis of [**REDACTED**] Shares in issue immediately following the completion of the [**REDACTED**], assuming that the [**REDACTED**] is not exercised.

DIVIDENDS

We did not declare or pay any dividend during the Track Record Period. We are incorporated under the laws of the PRC. Any dividends we pay will be at the discretion of our Directors and will depend on our future operations and earnings, capital requirements and surplus, general financial condition, contractual restriction and other factors which our Directors consider relevant. Our shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board.

FUTURE PLANS AND [REDACTED]

We estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] after deducting the [**REDACTED**] fees and expenses payable by us in connection with the [**REDACTED**], and assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], being the mid-point of the indicative [**REDACTED**] range set out in this document, assuming that the [**REDACTED**] is not exercised. We intend to use the [**REDACTED**] from the [**REDACTED**] for the following purposes: (i) approximately HK$[**REDACTED**] (representing [**REDACTED**]% of [**REDACTED**]) to fund our research and development activities and commercialization of our Core Product; (ii) approximately HK$[**REDACTED**] (representing [**REDACTED**]% of [**REDACTED**]) to fund research and development activities and commercialization of our key products; (iii) approximately HK$[**REDACTED**] (representing [**REDACTED**]% of [**REDACTED**]) to fund research and development activities of other product candidates and related patent filings and portfolio expansion; (iv) approximately HK$[**REDACTED**] (representing [**REDACTED**]% of [**REDACTED**]) to fund the expansion of our manufacturing capacity and enhance our production capability; (v)

approximately HK$[**REDACTED**] (representing [**REDACTED**]% of [**REDACTED**]) to fund the establishment of our sales network, expansion of our sales team and commercial cooperation for our products other than our Core Product and TH-X MW; and (vi) approximately HK$[**REDACTED**] (representing [**REDACTED**]% of [**REDACTED**]) to fund our working capital and other general corporate purposes.

[**REDACTED**] EXPENSES

Our [**REDACTED**] expenses mainly include [**REDACTED**], professional fees paid to legal advisors, the Reporting Accountants and other professional parties for their services rendered in relation to the [**REDACTED**] and the [**REDACTED**].

Based on the mid-point [**REDACTED**] of HK$[**REDACTED**] per Share, the total estimated [**REDACTED**] expenses in relation to the [**REDACTED**] are RMB[**REDACTED**] (HK$[**REDACTED**]), assuming the [**REDACTED**] is not exercised, which constitute approximately [**REDACTED**]% of the [**REDACTED**]. Our total [**REDACTED**] expenses consist of (i) [**REDACTED**]-related expenses and fees (including [**REDACTED**], Stock Exchange trading fee, SFC and AFRC transaction levy) of RMB[**REDACTED**] (HK$[**REDACTED**]); and (ii) non-[**REDACTED**]-related expenses of RMB[**REDACTED**] (HK$[**REDACTED**]), including (a) fees payable to the legal advisors and Reporting Accountants of RMB[**REDACTED**] (HK$[**REDACTED**]) and (b) other fees and expenses of RMB[**REDACTED**] (HK$[**REDACTED**]). During the Track Record Period, we did not incur any [**REDACTED**] expenses. Among the total [**REDACTED**] expenses, approximately HK$[**REDACTED**] and HK$[**REDACTED**] are expected to be charged to profit or loss for the years ending December 31, 2025 and 2026, respectively, and approximately HK$[**REDACTED**] directly attributable to the issue of the Shares is expected to be deducted from equity upon the completion of the [**REDACTED**]. The [**REDACTED**] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

Our Directors do not expect that such expenses will have a material adverse effect on our results of operations for the year ending December 31, 2025.

RECENT DEVELOPMENTS

In July 2025, we submitted the registration application to the NMPA for expanding TH-X MW's application in lung tumor treatment, which was accepted by the NMPA in August 2025. In addition, we initiated a registrational clinical trial to evaluate the safety and effectiveness of TH-S1 in retroperitoneal lesions in November 2025. As of the Latest Practicable Date, this trial was ongoing. See "Business—Our Product Portfolio" for details.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm that, up to the date of this document, (i) there had been no material adverse change in our business, the industry where we operate, or market or regulatory environment to which we are subject; (ii) there has been no material adverse change in our financial or trading position or prospects since June 30, 2025, being the date of the latest audited consolidated financial position of our Group as set out in the Accountants' Report in Appendix I to this document; or (iii) there has been no event since June 30, 2025 that would materially affect the information shown in the Accountants' Report set forth in Appendix I to this document.