

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 the entire document before you decide to invest in the [REDACTED]. In particular, we are a biotechnology company seeking to list 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 Main Board Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants. There are unique challenges, risks and uncertainties associated with investing in companies such as ours. In addition, we have incurred significant operating losses since our inception, and we expect to remain loss making in the near term. We had negative net cash flow from operating activities for certain periods during the Track Record Period. We did not declare or pay any dividends during the Track Record Period and may not pay any dividends in the foreseeable future. Your investment decision should be made in light of these considerations.

There are risks associated with any investment. Some of the particular risks in investing in the [REDACTED] are set out in the section headed “Risk Factors” in this document. You should read that section carefully before you decide to invest in the [REDACTED].

OVERVIEW

Established in 2016, we are a China-based medical device company focused on providing novel solutions for the treatment and integrated management of metabolic diseases. As of the Latest Practicable Date, we had (i) one Core Product, the Gastric Bypass Stent system (GBS), which is a digestive endoscopic duodenal-jejunal bypass liner (DJBL) device indicated for obesity, and we are expanding the approved indications of the GBS for a lower BMI; (ii) two other products and one digital health management platform that we had obtained registration approval; and (iii) 13 other pipeline products.

THERE IS NO ASSURANCE THAT WE WILL ULTIMATELY BE ABLE TO DEVELOP AND MARKET OUR CORE PRODUCT OR ANY OF OUR PIPELINE PRODUCTS SUCCESSFULLY

By developing the first medical device approved for the digestive endoscopic treatment of obesity in China, we have established ourselves as an early entrant advancing clinical applications in the metabolic disease field, providing novel solutions that offer therapeutic features distinct from pharmacotherapy and invasive bariatric surgery in metabolic diseases treatment. We envision a future where our minimally invasive technologies deliver clinical benefits for metabolic diseases, benefiting patients worldwide.

We have strategically focused our product portfolio on metabolic diseases, a therapeutic area characterized by vast, growing patient populations and significant unmet medical needs. Driven by global lifestyle changes, urbanization, and aging populations, metabolic diseases, including obesity, metabolic dysfunction-associated steatohepatitis (MASH), and type 2 diabetes mellitus (T2DM), have become a pervasive global health challenge, creating one of the largest and fastest-growing opportunities in the medical device sector.

- **Obesity:** Obesity is a complex, relapsing chronic disease associated with a range of metabolic complications. In China, where obesity is defined as a BMI of ≥ 28.0 kg/m², the population of patients with obesity has reached 233.7 million in 2025 and is projected to expand to 329.8 million by 2034, according to Frost & Sullivan.

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- **MASH:** MASH represents a critical therapeutic void with limited effective treatment options globally. The prevalence of MASH in patients with obesity in China was 57.9 million in 2025, according to Frost & Sullivan. As MASH can progress to cirrhosis and liver cancer, there is an urgent clinical need for interventions that address the underlying metabolic drivers of the disease.
- **T2DM:** The increase of body weight or waist circumference can aggravate insulin resistance. In China, the number of patients with obesity living with T2DM reached 57.5 million in 2025, according to Frost & Sullivan. Conventional pharmacotherapies often face challenges regarding long-term adherence and side effects, creating a substantial demand for non-pharmacologic interventions that can deliver durable glycemic control.

Against the backdrop of this vast prevalence, endoscopic bariatric and metabolic therapy (EBMT) has emerged as an effective, minimally invasive solution, offering an alternative to address the unmet clinical needs in treatment of obesity and metabolic diseases. According to Frost & Sullivan, the global market size of EBMT devices is projected to grow from US\$148 million in 2025 to US\$1,248 million by 2030, representing a CAGR of 53.1%. In China, the market size of EBMT devices is projected to grow from RMB32 million in 2025 to RMB1,352 million by 2030, representing a CAGR of 111.1%, driven by the introduction of innovative, less invasive solutions like ours.

To seize these market opportunities and address the unmet medical needs associated with metabolic diseases, we initiated the development of our Core Product, the gastric bypass stent system (the “**GBS**”) in 2017, led by a senior management team with extensive experience and deep insights in the medical device industry. We have strategically built a product pipeline that spans from the treatment devices for obesity and metabolic diseases, to compatible devices and integrated management products, all of which focusing on the treatment and management of metabolic diseases, addressing indications including overweight, obesity, MASH complicated with obesity, and T2DM complicated with obesity. As of the Latest Practicable Date, we have successfully developed and commercially launched one EBMT treatment device product, being our Core Product, and obtained registration approval on two compatible products that are designed to facilitate the operations of treatment devices and one digital health management platform for integrated management. In addition, we are expanding the approved indications of the GBS for a lower BMI (the “**GBS-Low BMI**”) and independently developing various other pipeline product candidates at different stages, targeting mainstream viable EBMT options for metabolic diseases, enabling us to penetrate this vast but underserved market.

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The following diagram summarizes the development and registration status of our in-house developed products and product candidates in key regions as of the Latest Practicable Date.

Product Pipeline

Portfolio	Product code name	Treatment Indication	Region	Pre-clinical	Clinical Trial	Registration	Upcoming Key Milestone (Expected)	Source	Risk Classification	Competent Authorities
Treatment Devices for Obesity and Metabolic Diseases	★ GBS	Obesity	China			Approved in China (January, 2024)	N/A	Self-developed	III	NMPA
		Obesity	Other Regions*			Submitted in Hong Kong, Indonesia, Thailand, Vietnam, Singapore and Brazil	N/A	Self-developed	Multiple ¹	Multiple ²
		Obesity	EU*			In CE marking review	Expects obtaining CE marking from the relevant notified body in H2 2026	Self-developed	IIb	UDEM (NB: CE22696)
		Obesity and Overweight	China		Clinical Trial in process		To complete pivotal clinical study in Q4 2027	Self-developed	III	NMPA
	★ GBS-SH	MASH	Global *	IDE-Enabling studies			To initiate early feasibility study in Europe in Q3 2026	Self-developed	Multiple ³	Multiple ²
	★ GBS-DM	T2DM	China	FIIH study			To complete FIIH study in Q4 2027	Self-developed	III	NMPA
	★ DGB	Obesity	China		Clinical trial in process ⁴		To complete the pivotal clinical study in Q4 2027	Self-developed	III	NMPA
	★ RCB	Obesity	EU*			In CE marking review	Expects obtaining CE marking from the relevant notified body in Q1 2028	Self-developed	IIb	BSI (NB: CE2797)
	★ RCB	Obesity	China	Registration testing in preparation			To complete registration testing in Q4 2026	Self-developed	III	NMPA
	*Videa Gastroscope	/	China			Approved in China (December, 2025)	N/A	Self-developed	II	Shanghai NMPA
Devices Compatible	/	/	EU			In CE marking review	Expects obtaining CE marking from the relevant notified body in Q2 2027	Self-developed	IIa	SGS BELGIUM NV (NB: CE 1639)
	*Agitation/ Deflation Catheter	/	China	Registration testing completed			To submit NMPA registration in Q4 2026	Self-developed	II	Zhejiang NMPA
Integrated management software	*Endoscope retrieval kit	/	China			Approved in China (July, 2025)	N/A	Self-developed	II	Zhejiang NMPA
	*Obesity management software	/	China			Approved in China (December, 2024)	N/A	Self-developed	II	Tianjin NMPA

★ Core Product • Key Product

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Denotes devices or product candidates exempted from mandatory or additional local clinical trial requirements in the specified jurisdictions. The specific regulatory bases are as follows:
- (i)

For GBS (in the EU, Indonesia, Thailand, Hong Kong, Vietnam, Saudi Arabia, Malaysia, Ecuador, Colombia, the Philippines, Singapore and Brazil) and DIGB (in the EU): Exempted from conducting local clinical trials. The respective Notified Bodies and competent authorities accept clinical evaluation reports supported by clinical trial data generated in China, which have been assessed to comply with applicable regulations, including the EU Medical Device Regulation (MDR, Regulation (EU) 2017/745).
- (ii)

For GA (in the EU): Exempted from clinical trials as it is a Class IIa device and does not fall within the scope of Article 61(4) of the EU MDR that mandates clinical trials. Its registration is supported by clinical evaluation data pursuant to Article 61 of the EU MDR.
- (iii)

For GA, RTK, and Drx (in China): Exempted from clinical trials as they are Class II devices included in the Catalogue of Medical Devices Exempted from Clinical Evaluation (《免於進行臨床評價醫療器械目錄》) promulgated by the NMPA, and meet the relevant exemption criteria under the Measures for the Administration of Registration and Recordation of Medical Devices (《醫療器械註冊與備案管理辦法》).
- #

Mainly includes China, US, EU, and Southeast Asia
- MASH

denotes metabolic dysfunction-associated steatohepatitis
- T2DM

denotes Type 2 diabetes mellitus
- 1

We have completed FIH study in patients with obesity and MASH in China, and plan to conduct further clinical research across different ethnicities.
- 2

We initiated a prospective, multicenter, randomized controlled pivotal clinical trial in China in August 2025, with the aim of completing the trial by 2027.
- 3

Video Gastroscope consists of endoscopic video image processor and electronic upper gastrointestinal endoscope.
- 4

The risk classification for the GBS is Class C in Indonesia, Thailand, Vietnam, Saudi Arabia, Malaysia, the Philippines and Singapore; Class III in Hong Kong, Ecuador and Brazil; and Class IIb in Colombia.
- 5

The competent authorities for the GBS are the MOH in Indonesia, MOH in Vietnam, the Thai FDA in Thailand, the MDD in Hong Kong, the SFDA in Saudi Arabia, the MDA in Malaysia, the ARCSA in Ecuador, the INVIMA in Colombia, the FDA in the Philippines, the HSA in Singapore, and the ANVISA in Brazil.
- 6

The risk classification for GBS-SH is Class III in China and the U.S.; Class IIb in the EU; and Class C in Indonesia, Thailand, Vietnam, Malaysia, the Philippines, and Singapore.
- 7

The competent authorities for GBS-SH are the NMPA in China, the FDA in the U.S. and the Philippines, the MOH in Indonesia and Vietnam, the Thai FDA in Thailand, the MDA in Malaysia, and the HSA in Singapore. For the EU, the competent authority will be a Notified Body (NB) which is yet to be determined.

Note: Design stage refers to the designing and developing of the sample product. IDE-enabling studies refer to the requisite preclinical research conducted to support an IDE application for clinical trials.

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Our Core Product

GBS is a minimally invasive medical device developed for the treatment of obesity, inspired by the weight loss and metabolic benefits of Roux-en-Y gastric bypass (RYGB) surgery. It functions as a flexible, retrievable sleeve placed endoscopically to establish an impermeable barrier between gastric chyme and the intestinal mucosa of the duodenum and proximal jejunum, in order to reduce nutrient absorption and promote hormone modulation to achieve weight loss.

Our Core Product represents an evolution in treatment for weight loss and the management of metabolic disorders. It was the world’s first commercializing approved intestinal interventional medical device for obesity, and received NMPA approval as a Class III Innovative Medical Device in January 2024, becoming the first medical device approved for digestive endoscopic treatment of obesity in China. The device was approved under the special review green path procedures for innovative medical devices (the “**Green Path**”), highlighting its novel mechanism and significant clinical value.

The GBS is for patients with obesity who have not achieved sufficient improvement with lifestyle interventions, non-invasive therapies, or pharmacotherapy. Specifically, its current approved indication covers individuals meeting one of the following criteria: (i) BMI ≥ 32.5 kg/m² with simple obesity; (ii) BMI between 30.0 and 32.5 kg/m² with at least two components of metabolic syndrome; or (iii) BMI between 30.0 and 32.5 kg/m² with obesity-related comorbidities. The implantation and retrieval of GBS are standardized endoscopic procedures performed under anesthesia. These procedures involve certain associated risks, such as nausea, vomiting, and mild reactions to anesthesia, and the safety profile of the GBS is characterized by a relatively higher incidence of manageable adverse events (AEs) compared to dietary intervention alone.

In our prospective, multi-center, randomized, controlled pivotal clinical trial in China evaluating the efficacy and safety of the GBS, the trial successfully met all pre-specified primary endpoints, demonstrating statistically and clinically superior weight loss for the test group (receiving GBS plus dietary intervention) compared to the control group (receiving dietary intervention alone). For the primary endpoint of the proportion of patients achieving $\geq 5\%$ total weight loss (TWL) at three months, the rate in the full analysis set (FAS) was 69.4% in the test group versus 30.6% in the control group, with a between-group difference of 38.78% (95% CI: 20.5%, 57.0%), significantly exceeding the pre-specified superiority margin of 10%. For the endpoint of the percentage of excess weight loss (EWL%) at three months, the mean EWL% in the FAS was $31.2\% \pm 21.5\%$ in the test group versus $14.7\% \pm 14.4\%$ in the control group. Regarding safety, while the overall incidence of AEs was higher in the test group (98.0%) than in the control group (71.4%), the incidence of SAEs was not statistically different between the two groups ($p=0.678$).

We are actively developing the GBS-Low BMI, aiming to address a broader population with unmet clinical needs, and to introduce new specification of the GBS. We received ethics approval from the leading institution of the study in January 2026 and had initiated patient enrollment and recruitment for its pivotal trial, and had reached approximately 50.0% of the target patient enrollment as of the Latest Practicable Date, targeting completion of the clinical study by the end of 2027.

In addition, we are actively advancing the global expansion of GBS. As of the Latest Practicable Date, it had also received regulatory approvals in 11 other countries and regions, including Hong Kong, Indonesia, Thailand, Vietnam, Saudi Arabia, Malaysia, Ecuador, Colombia, the Philippines, Singapore and Brazil. Additionally, we are in the process of obtaining registration for the GBS in other regions such as the European Union.

Our Core Product has demonstrated a proven track record of rapid product commercialization and market penetration. In the year ended December 31, 2024 and 2025 and the six months ended June 30, 2025 and 2026, the GBS was used in 239, 2,066, 817 and 1,955 commercial implantation procedures, respectively, representing an over eight-fold increase from 2024 to 2025 and an 139.3% increase from the six months ended June 30, 2025 to the same period of 2026. Since the commercial launch of the GBS in

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China in April 2024 and up to the Latest Practicable Date, it had been successfully used in over 5,200 commercial implantation procedures. As of the same date, endoscopic procedures using the GBS have been launched at 490 hospitals across China, and we have completed training for physicians at over 650 hospitals. We have established a dedicated in-house sales and marketing team with deep industry expertise, primarily focusing on academic promotion and physician education. Supported by the demonstrated efficacy and safety clinical performance of the GBS in weight loss, our value-based pricing strategy, strong endorsements from leading KOLs in metabolic surgery, gastroenterology, and endocrinology, and our extensive distributor network, we believe we are well-positioned to capture the significant opportunities in China’s underpenetrated endoscopic weight loss market and further expand our market share.

Our Key Products

We are developing a gastric bypass stent system product candidate targeting MASH complicated with obesity, (the “**GBS-SH**”) developed based on the same platform with the GBS. It is designed to utilize a longer sleeve and an optimized retrieval system for an expected six-month implantation period. In recognition of its potential to address significant unmet medical needs, GBS-SH was granted Breakthrough Device Designation by the FDA in October 2024, making us the only Chinese company to obtain such designation as of the Latest Practicable Date. This designation is reserved for devices that offer significant advantages over existing alternatives, and it facilitates prioritized review by the FDA throughout the regulatory process. We plan to initiate early feasibility study in Europe in Q3 2026, and an international multi-center registration trial by the end of 2027.

Leveraging the same platform, we are also developing a gastric bypass stent system product candidate targeting T2DM complicated with obesity (the “**GBS-DM**”). Initial observations from our FIH study on GBS-DM indicated significant improvements in glycemic control, including in fasting plasma glucose (FPG), representing blood sugar levels after fasting, commonly used to diagnose diabetes, and HbA1c, in patients with T2DM complicated with. We are currently in the small-scale exploratory clinical research phase to validate the device for an estimated six to nine-month implantation period.

Based on the intragastric balloon platform, we are developing two product candidates designed to reduce gastric volume and induce satiety. Our key innovation of the platform is polyurethane thin-film forming technology, designed to significantly reduce adverse events compared to competitor products. The degradable intragastric balloon (the “**DIGB**”) is engineered with a degradable valve that allows the inner fluid to be released from the balloon after three to four months, improving patient experience by innovatively eliminating the need for endoscopic retrieval. The retrievable intragastric balloon (the “**RIGB**”) is built on the same technological platform as the DIGB with similar components, which is designed as a non-degradable balloon for a six-month implantation period requiring endoscopic removal. The pivotal clinical trial of DIGB has initiated patient enrollment, reaching nearly 70% of the targeted size as of the Latest Practicable Date. We have submitted applications for the CE marking in Europe for the DIGB in February 2026. As of the Latest Practicable Date, we have commenced feasibility verification studies of RIGB.

Other Product and Product Candidates

We have developed a diversified product portfolio to complement our core offerings. Our Core Product, GBS, is supplied as a comprehensive system that includes both a delivery system and a retrieval system within its original packaging. Therefore, the RTK serves as an optional, specialized retrieval tool that provides physicians with enhanced operational flexibility for GBS and hospitals are not required to purchase additional retrieval devices when using GBS. Furthermore, the GBS procedure can be performed using standard, third-party manufactured video gastrointestinal endoscopes commonly available in hospitals. While our proprietary compatible devices, such as the GA, CA and RTK, are not mandatory for

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the use of our Core Product, we have, nevertheless, developed these specialized accessories to further optimize the procedural experience and provide a comprehensive portfolio for physicians.

- *Candidates for weight loss:* Our pipeline includes minimally invasive endoscopic and ingestible products and product candidates for weight management and weight loss. Our endoscopic suturing system (the “**ESS**”) enables endoscopic sleeve gastropasty, a procedure that reduces stomach volume through a series of sutures to promote weight loss. Additionally, our super space-occupying gel capsule (the “**SOC**”) represents a novel, non-surgical approach. The SOC is designed to expand into a biocompatible gel within the stomach to physically induce a feeling of fullness, offering a temporary intervention. Together, these candidates provide a spectrum of varied therapy options.
- *Candidates for T2DM complicated with obesity:* Our lead candidate aside from GBS-DM is the ablation catheter (the “**RAC**”), designed for duodenal mucosal resurfacing. This endoscopic procedure remodels the superficial lining of the duodenum, aiming to positively alter nutrient-sensing and hormone secretion pathways, such as GLP-1, thereby improving glycemic control and insulin sensitivity with a potentially durable effect. This positions the RAC as a differentiated, interventional option between daily pharmacology and metabolic surgery.
- *Compatible Devices and Accessories:* Our video gastroscope product (the “**GA**”) features an innovatively extended length designed to facilitate EBMT treatment procedures, providing visualization and operational reach for complex interventions. The GA was granted its Class II Medical Device Registration Certificate by the Shanghai NMPA in December 2025. As of the Latest Practicable Date, we have submitted application for CE marking for GA in Europe, and expect obtaining CE marking from the relevant notified body in Q2 2027. Complementing the GA, we are developing an electronic video colonoscope focusing on lower gastrointestinal endoscopy (the “**CA**”), for which we submitted the CE marking application in March 2026 and the NMPA registration application in April 2026. We expect to obtain approvals for such application in the second quarter of 2027 and the fourth quarter of 2026, respectively. We are also developing a digestive endoscopy quality control software (the “**EQS**”), which applies image recognition technology to assist physicians in improving the quality and completeness of endoscopic procedures. We plan to submit NMPA registration application for the EQS in the fourth quarter of 2026.
- Our pipeline in this category also includes aspiration/deflation catheter (the “**SIC**”) specifically designed to puncture, deflate, and evacuate fluid from intragastric balloons. The innovative aspect of the SIC lies in its bullet-like ejection mechanism with a spring-loaded, trigger-activated design, which reduces the difficulty of puncturing intragastric balloon products, such as our RIGB, thereby facilitating easier operation for physicians. The SIC is planned for regulatory submission in 2026. Central to our retrieval safety is the endoscopic retrieval kit (the “**RTK**”), an upgraded system for the GBS designed to withdraw the entire stent into a retrieval tube, significantly enhancing procedural safety during device removal. The RTK obtained its Class II Medical Device Registration Certificate from the Zhejiang NMPA in July 2025. In addition, we are developing an impedance-based body composition analyzer (the “**BCA**”) and a dual-energy X-ray bone densitometer and body composition analyzer (the “**BCS**”). Body composition analyzers are bioelectrical devices commonly used in weight management outpatient departments, designed to assist the assessment of patients. BCA is typically used for preliminary assessment, while BCS assessment is preferred where a more precise evaluation is required, as it can provide relatively more accurate assessment of body composition. The BCA and BCS are currently at design stage.
- *Comprehensive Lifestyle Management:* Our Dtx is a digital health management platform designed to support weight management. This software

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enables clinicians to oversee patient weight management progress, serving as a bridge between patients and clinicians to enhance compliance through continuous engagement. Dtx was granted Class II Medical Device Registration Certificate by the Tianjin NMPA in 2024, marking a significant milestone. We also offer clinical nutrition food products (“CNT”) to provide targeted nutritional support as a key dietary intervention in medical weight management programs.

We have established five integrated, proprietary technology platforms that comprehensively support our product development, production, and quality control. These platforms, which encompass advanced stent engineering, film forming, polymer modification, sophisticated delivery systems, and stringent product quality control, are built upon deep expertise in materials science and engineering. The specialized know-how and patents underpinning them are the result of long-term accumulation and are difficult to replicate. We believe our technology platforms form a solid foundation for the R&D of our broad product pipeline of product candidates.

We have established an experienced management and R&D team that covers the entire value chain of interventional medical devices. Our team effectively integrates clinical insights with advanced engineering, allowing us to translate complex concepts into novel solutions. With extensive industry experience and specialized expertise in biomedical materials, we possess development capabilities spanning from fundamental materials science and engineering design to clinical validation and regulatory registration. Complementing our technical capabilities is our commercialization background. This multidisciplinary combination of insight, R&D, and commercialization serves as the cornerstone of our sustained research and development and commercialization.

OUR STRENGTHS

We are a medical technology company, and a key contributor to the metabolic disease treatment and management ecosystem. We believe our competitive advantages are founded on the following core strengths:

- The world’s first commercializing approved intestinal interventional medical device for obesity, offering a differentiated and competitive treatment option;
- A comprehensive, multi-modality portfolio strategically targeting the vast metabolic disease market;
- Established commercialization capability with efficient market rollout, deep KOL engagement and training infrastructure;
- A consistent, integrated R&D and production platform driving continuous product iterations and high clinical standards; and
- An experienced management team with deep scientific expertise and keen industry insight.

OUR STRATEGIES

We plan to execute the following strategic initiatives to leverage our competitive advantages and fulfill our corporate mission:

- Consolidate and expand our leadership in China’s high-growth endoscopic weight loss market;
- Accelerate the development of innovative treatments and integrated management pipelines for metabolic diseases;

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- Continue to advance our international development strategy;
- Improve operational efficiency and achieve economies of scale to support long-term sustainable growth; and
- Attract, develop, and retain top-tier talent to drive innovation and commercial capabilities.

OUR TECHNOLOGY PLATFORMS

We have established five integrated, proprietary technology platforms that underpin our R&D, production, and quality control capabilities: (i) advanced medical stent technology platform; (ii) advanced film forming technology platform; (iii) polymer modification and processing platform; (iv) delivery and retrieval technology development and production platform; and (v) product quality and assurance platform. These platforms are strategically structured around the critical functional components of our Core Product and pipeline products and product candidates, encompassing medical stent engineering, advanced film forming, polymer modification, and sophisticated delivery and retrieval systems, all supported by a dedicated quality assurance framework. While each product is uniquely designed, these interconnected platforms maximize efficiency and accelerate innovation by leveraging shared core technologies and standardized processes.

We believe these platforms constitute a significant and sustainable competitive advantage. Continuous technical iteration and clinical insights, gained through both R&D and commercial-scale production, enable us to systematically optimize product performance and production processes. This synergistic approach ensures the efficient development of our pipeline and guarantees a seamless transition from prototype to commercial production, all within our stringent quality management system.

RESEARCH AND DEVELOPMENT

Our R&D capabilities are anchored in our five core technology platforms, which drive ongoing initiatives focused on delivering clinically advanced products, enhancing the efficacy and safety of our existing portfolio, and expanding therapeutic applications. Since the NMPA registration approval of our GBS in January 2024, we have committed to its continual research and development, including follow-up studies based on real-world data for product optimization, as well as carrying out pivotal clinical studies for GBS-Low BMI and introducing new specifications. Building upon this product’s development foundation, we also maintain a deep pipeline of candidates. This includes product candidates based on the same platform like the GBS-SH for MASH complicated with obesity, and the GBS-DM for T2DM complicated with obesity, as well as novel platforms such as the DIGB and the SOC.

We incurred research and development expenses of RMB41.1 million, RMB48.7 million, RMB22.0 million and RMB38.7 million for the years ended December 31, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively. During the same periods, our research and development expenses incurred for our Core Product were RMB10.7 million, RMB19.3 million, RMB7.5 million and RMB11.4 million, respectively, accounting for 25.9%, 39.7%, 34.0% and 29.6% of our total research and development expenses for the corresponding periods.

As of June 30, 2026, our in-house R&D team consisted of 56 members, 25 of whom had a master’s degree or above. Organized with dedicated process product design, and quality design functions, the team is highly experienced, with the majority of members possessing over five years of industry expertise. Our R&D team is led by our Technical Director, Dr. Li Wenyu, who has overseen our R&D efforts since June 2019. See “Directors and Senior Management — Senior Management” for his biography.

INTELLECTUAL PROPERTY RIGHTS

Intellectual property rights are important to our business. We develop and use a number of patents, copyrights and other intellectual properties during our ordinary course of business.

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As of the Latest Practicable Date, we owned an aggregate of 220 patents and patent applications which consisted of 88 granted patents and 66 patent applications in China and 23 granted patents and 43 patent applications overseas. 104 of the granted patents and patent applications as of the Latest Practicable Date were related to our Core Product. We also owned 100 registered trademarks and six registered software copyrights in China, as well as 17 registered trademarks overseas as of the same date. See “Business — Intellectual Property Rights.”

Based on the freedom-to-operate (FTO) analysis conducted covering China and Europe of our Core Product, the GBS, we were not aware of any granted patents that may materially affect our rights to conduct R&D or commercialization of the GBS in these jurisdictions as of the Latest Practicable Date. FTO analysis is a patent investigation, based on a search of patent databases, that is commonly used to determine whether any existing patents cover a company’s product, and to assess whether making, using, offering to sell, or selling the product would infringe any existing patents. However, we cannot provide any assurance that all relevant third-party patents were identified or that conflicting patents will not be issued in the future. See “Risk Factors — Risks Relating to Our Intellectual Property Rights.”

CUSTOMERS AND SUPPLIERS

Our major customers mainly comprise our distributors during the Track Record Period. For salient terms of contracts with our distributors, see “Business — Sales, Distribution and Marketing — Sales to Distributors.” Revenue generated from our largest customer in 2024 and 2025 and the six months ended June 30, 2026, accounted for 19.6%, 17.8% and 22.4%, respectively, of our revenue for the respective periods. Revenue generated from our five largest customers in 2024 and 2025 and the six months ended June 30, 2026, accounted for 60.8%, 56.2% and 44.8%, respectively, of our revenue for the respective periods.

Our major suppliers comprise CRO services provider, and provider of labor outsourcing and travel management and booking services. Purchase costs from our largest supplier in 2024 and 2025 and the six months ended June 30, 2026, accounted for 5.0%, 6.3% and 11.7%, respectively, of our total purchases for the respective periods. Purchase costs from our five largest suppliers in 2024 and 2025 and the six months ended June 30, 2026, accounted for 16.2%, 22.0% and 33.5%, respectively, of our total purchases for the respective periods.

COMPETITION

The biotechnology industries are characterized by rapidly advancing technologies and intense competition. Although we believe that our pipeline of products and product candidates, leading R&D capability, established technology platforms, and experienced management team provide us with competitive advantages, we acknowledge the potential for competition from various sources, including major medical device and biotechnology companies. For more information on the competitive landscape of our products and product candidates, see “Market Opportunity and Competition” in Business section for each product and product candidate above.

RISK FACTORS

We are a biotech company seeking to list on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules. Our operations and the biotech industry involve certain risks and uncertainties, some of which are beyond our control and may cause you to lose all your investment in our H Shares. Our business and the [REDACTED] involve certain risks as set out in “Risk Factors” in this document. You should read that section in its entirety carefully before you decide to invest in our Shares. We believe the most significant risks we face include but are not limited to the following: (i) Our future growth depends substantially on the successful development of our product portfolio. If we are unable to

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successfully complete clinical development, obtain regulatory approval and commercialize our product candidates, or experience significant delays in doing so, our business and financial prospects will be materially adversely affected; (ii) The industry of EMBT for treatment of obesity and metabolic diseases is developing rapidly. If we are not able to develop and launch new products that are competitive in the market, or successfully extend indications and introduce new specifications for the GBS or develop and commercialize any other products or product candidates in a timely manner, our products may become obsolete and our business, operating results and financial condition could be materially adversely affected; (iii) Clinical development is a lengthy, expensive and uncertain process, and unsuccessful clinical trials or procedures relating to products under development could have a material and adverse effect on our prospects; and (iv) If we encounter difficulties enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

See “Risk Factors” for details of our risk factors, which we urge you to read in full before making an investment in our Shares.

KEY OPERATING DATA

The table below sets forth key operating data of our Core Product during the Track Record Period:

	For the year ended / As of December 31,		For the six months ended / As of June 30,	
	2024	2025	2025	2026
Sales volume (set)	1,053	2,650	1,022	1,880
Number of implantation procedures supported	239	2,066	817	1,955
Number of hospitals newly covered ⁽¹⁾	67	287	163	100
Average terminal price (tax inclusive) ⁽²⁾	~36,600	~36,600	~36,600	~36,600

Notes:

- (1) Number of hospitals covered represents the total number of newly added hospitals where our products have successfully completed the hospital admission process and are officially listed as available for clinical procurement and use by physicians as of the end of the periods indicated.
- (2) Average terminal price represents the average price (tax included) at which our products are sold by distributors to the end-customers, which are primarily hospitals.

The significant increases in our sales volume, number of implantation procedures supported, and number of hospitals covered from 2024 to 2025 were primarily driven by our commercialization efforts. During this period, we expanded our distributor network and accelerated the hospital admission processes across various regions. Through our continuous academic promotion and other marketing efforts, the clinical acceptance of our products has significantly improved, evidenced by the exponential growth in the number of implantation procedures from 239 in 2024 to 2,066 in 2025, as well as the increase from 817 in the six months ended June 30, 2025 to 1,955 in the same period of 2026. The variance between our sales volume and the number of implantation procedures in each year during the Track Record Period primarily reflects the initial stage of our commercialization, during which our distributors procured products to establish necessary baseline inventory in anticipation of upcoming hospital admissions and scheduled surgeries. As our commercialization progressed, actual clinical consumption accelerated, leading to a narrower variance in 2025 and the six months ended June 30, 2026.

The price difference between the terminal price and our price to distributors primarily reflects the applicable taxes and the channel margin retained by our distributors to cover their substantial costs incurred. Our average terminal price (tax inclusive) remained relatively stable during the Track Record Period.

During the Track Record Period, substantially all of our revenue was generated from sales of our Core Product with a minor portion derived from sales of other products such as CNT product, all of which were

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generated in China. The table below sets forth revenue in absolute amounts and as a percentage of total revenue, gross profit and gross profit margin for the sales of the GBS and other products during the Track Record Period:

	Year ended December 31,				Six months ended June 30,			
	2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%
(RMB in thousands, except for percentages)								
(unaudited)								
Revenue								
The GBS	12,706	99.9	32,086	99.6	12,326	99.6	23,628	99.7
Others	3	0.1	124	0.4	53	0.4	62	0.3
Total	12,709	100.0	32,210	100.0	12,379	100.0	23,690	100.0
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
(RMB in thousands, except for percentages)								
(unaudited)								
Gross Profit								
The GBS	10,281	80.9	25,386	79.1	9,606	77.9	20,078	85.0
Others	1	33.3	37	29.8	28	52.8	32	51.6
Total	10,282	80.9	25,423	78.9	9,634	77.8	20,110	84.9

The table below sets forth our revenue in absolute amounts and as a percentage of total revenue by sales channel during the Track Record Period:

	Year ended December 31,				Six months ended June 30,			
	2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%
(RMB in thousands, except for percentages)								
(Unaudited)								
Revenue								
Distributor	12,600	99.1	32,086	99.6	12,326	99.6	23,628	99.7
Direct sales	109	0.9	124	0.4	53	0.4	62	0.3
Total	12,709	100.0	32,210	100.0	12,379	100.0	23,690	100.0

During the Track Record Period, the vast majority of our revenue was derived from sales to our distributors, with only a minimal portion generated from direct sales.

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The table below sets forth our revenue from sales of the GBS by geographical region during the Track Record Period:

	Year ended December 31,		Six months ended June 30,	
	2024	2025	2025	2026
<i>(RMB in thousands)</i>				
<i>(Unaudited)</i>				
Revenue				
North China ⁽¹⁾	2,097	6,162	3,226	5,671
East China ⁽²⁾	5,346	13,212	3,741	10,951
South China ⁽³⁾	1,673	3,450	1,525	2,612
Southwestern China ⁽⁴⁾	3,590	9,263	3,834	4,394
Total	12,706	32,086	12,326	23,628

Notes:

- (1) North China includes Beijing, Gansu, Hebei, Heilongjiang, Jilin, Liaoning, Inner Mongolia, Ningxia, Qinghai, Shaanxi, Tianjin and Xinjiang.
- (2) East China includes Anhui, Fujian, Jiangsu, Shandong, Shanghai and Zhejiang.
- (3) South China includes Guangdong, Guangxi, Hainan, Hubei, Hunan and Jiangxi.
- (4) Southwestern China includes Guizhou, Henan, Shanxi, Sichuan, Tibet, Yunnan and Chongqing.

SUMMARY OF KEY FINANCIAL INFORMATION

This summary historical data of financial information set forth below have been derived from, and should be read in conjunction with, our consolidated 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 HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations).

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Summary of Our Consolidated Statements of Comprehensive Income

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,	
	2024	2025	2025	2026
	<i>(RMB in thousands)</i>			
	<i>(unaudited)</i>			
Revenue	12,709	32,210	12,379	23,690
Cost of sales	(2,427)	(6,787)	(2,745)	(3,580)
Gross profit	10,282	25,423	9,634	20,110
Other income and gains	1,813	608	137	7,762
Selling and marketing expenses	(16,596)	(26,314)	(10,490)	(22,782)
Administrative expenses	(17,733)	(36,690)	(13,674)	(33,360)
Research and development costs	(41,126)	(48,674)	(22,029)	(38,685)
Impairment losses on financial assets, net	(89)	97	51	(17)
Other expenses	(776)	(231)	(102)	(179)
Finance costs	(1,732)	(2,549)	(1,196)	(1,176)
Loss before tax	(65,957)	(88,330)	(37,669)	(68,327)
Income tax expense	—	—	—	—
Loss for the year/period	(65,957)	(88,330)	(37,669)	(68,327)

For details on the accounting treatment of special rights in relation to pre-[REDACTED] investments, see “— Pre-[REDACTED] Investments”, and note 25 of the Accountants’ Report set out in Appendix I to this document

Non-HKFRS Measures

To supplement our consolidated financial statements, which are presented in accordance with HKFRS, we also use adjusted net loss as additional financial measures, which is not required by, or presented in accordance with HKFRS. We believe this non-HKFRS measure facilitates comparisons of operating performance from year to year and period to period and company to company by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, such non-HKFRS financial measure we presented may not be directly comparable to similar measures presented by other companies. The use of this non-HKFRS measure should not be considered as a substitute for analysis of our results of operations or financial condition as reported under HKFRS.

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We define adjusted net loss for the year/period (non-HKFRS measure) as loss for the periods adjusted by adding back equity-settled share award expenses and listing expenses. The following table reconciles our adjusted net loss for the year/period (non-HKFRS measure) presented to the most directly comparable financial measures calculated and presented in accordance with HKFRS, which is loss for the year/period:

	Year ended December 31,		Six months ended June 30,	
	2024	2025	2025	2026
	(RMB in thousands)			
	(unaudited)			
Loss for the year/period	(65,957)	(88,330)	(37,669)	(68,327)
Add:				
Equity-settled share award expenses	1,244	5,819	365	14,844
Listing expenses	—	5,425	—	7,902
Adjusted net loss for the year/period (non-HKFRS measure)	(64,713)	(77,086)	(37,304)	(45,581)

Notes:

- (1) Equity-settled share award expenses mainly represent the non-cash employee benefit expenses incurred in connection with our award to management and key employees. Such expenses in any specific period are not expected to result in future cash payments.

Our net loss increased from RMB66.0 million in 2024 to RMB88.3 million in 2025, and our net loss increased from RMB37.7 million in the six months ended June 30, 2025 to RMB68.3 million in the same period of 2026, primarily due to (i) increased R&D expenses for advancing product development and clinical trials, (ii) increased administrative expenses from increased staff costs to support our business expansion and incurrence of listing expenses, and (iii) increased selling and marketing expenses as we intensified our efforts for the commercialization of the GBS.

Summary of Our Consolidated Statements of Financial Position

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated, which have been extracted from our consolidated financial statements included in Appendix I to this document.

	As of December 31,		As of June 30,
	2024	2025	2026
	(RMB in thousands)		
Total non-current assets	23,119	34,634	43,322
Total current assets	26,402	65,523	180,047
Total assets	49,521	100,157	223,369
Total non-current liabilities	1,315	1,786	7,199
Total current liabilities	93,075	105,751	102,033
Total liabilities	94,390	107,537	109,232
Net current (liabilities)/assets	(66,673)	(40,228)	78,014
Paid-in capital/Share capital	14,220	15,642	17,716
(Deficits)/reserves	(59,089)	(23,022)	96,421
Total (deficits)/equity	(44,869)	(7,380)	114,137

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For details on the accounting treatment of special rights in relation to pre-[REDACTED] investments, see “— Pre-[REDACTED] Investments”, and note 25 of the Accountants’ Report set out in Appendix I to this document.

We recorded net current liabilities of RMB66.7 million and RMB40.2 million and net current assets of RMB78.0 million as of December 31, 2024 and 2025 and June 30, 2026, respectively. The decrease in our net current liabilities was primarily driven by: (i) an increase in cash and cash equivalents of RMB40.4 million; and (ii) a decrease in lease liabilities of RMB4.8 million, partially offset by an increase in interest-bearing bank borrowings of RMB17.0 million. The turnaround to net current asset position as of June 30, 2026 was primarily driven by (i) an increase in cash and cash equivalents of RMB106.9 million; and (ii) a decrease in other payables and accruals of RMB5.3 million, partially offset by an increase in lease liabilities of RMB1.7 million. Going forward, we intend to continue our efforts to maintain our net current assets position primarily by continually advancing product commercialization, optimizing our borrowing structure, and enhancing our working capital management.

We recorded total deficits of RMB44.9 million and RMB7.4 million as of December 31, 2024 and 2025, respectively. The decrease in our total deficits was primarily driven by issue of shares of RMB120.0 million, partially offset by our net loss of RMB88.3 million in 2025. Our total deficits turned into total equity of RMB114.1 million as of June 30, 2026, primarily due to (i) the issue of shares of RMB175.0 million in connection with the Pre-[REDACTED] investment; and (ii) the recognition of equity-settled share award expenses of RMB14.8 million, partially offset by our net loss of RMB68.3 million for the period.

Summary of Consolidated Statements of Cash Flows

The following table sets forth selected cash flow statement information for the periods indicated:

	Year ended December 31,		Six months ended June 30,	
	2024	2025	2025	2026
	(RMB in thousands)			
	(unaudited)			
Net cash flows used in operating activities	(43,568)	(72,938)	(34,672)	(55,970)
Net cash flows used in investing activities	(5,816)	(13,740)	(3,253)	(5,420)
Net cash flows generated from financing activities	41,288	127,085	72,101	168,292
Net (decrease)/increase in cash and cash equivalents	(8,096)	40,407	34,176	106,902
Effect of foreign exchange rate changes, net	54	(24)	(2)	(30)
Cash and cash equivalents at beginning of year	20,775	12,733	12,733	53,116
Cash and cash equivalents at end of year/period	12,733	53,116	46,907	159,988

We had net operating cash outflow of RMB43.6 million, RMB72.9 million, RMB34.7 million and RMB56.0 million in 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively, primarily a result of our loss before tax incurred in each year during the Track Record Period, due to the substantial amounts of research and development expenses, selling and marketing expenses, and administrative expenses incurred for our research and development, clinical trials and commercialization activities, coupled with changes in working capital, respectively. See “Financial Information — Liquidity and Capital Resources.”

To improve our net operating cash outflows position, we plan to implement comprehensive measures focusing on accelerating commercialization, optimizing cost structures, and effectively managing working

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capital. Specifically, we will actively drive the commercialization and hospital penetration of our Core Product to generate sustainable revenue, while continuing to advance the clinical development and regulatory approval of our other pipeline products to create future growth drivers. On the cost side, we will strictly monitor and control our operating expenses, to enhance overall operational efficiency. Furthermore, we will optimize our working capital by implementing prudent inventory management to closely align with our production and sales cycles.

WORKING CAPITAL CONFIRMATION

Our Directors are of the opinion that, taking into account the financial resources available to us, including cash and cash equivalents and the estimated [REDACTED] from the [REDACTED], and considering our cash burn rate, we have sufficient working capital to cover at least 125% of our costs, including research and development expenses, administrative expenses, and selling and marketing expenses, for at least the next 12 months from the date of this document.

Our cash burn rate refers to the average monthly amount of net cash used in research and development and other operating activities, capital expenditures and lease payments including related interests. [REDACTED] of approximately HK\$[REDACTED] (or RMB[REDACTED]) in the [REDACTED], at an [REDACTED] of HK\$[REDACTED] per Share, being the low end of the indicative [REDACTED] range. Assuming an average cash burn rate going forward of [REDACTED] times the level in 2025, we estimate we will be able to maintain our financial viability for approximately [REDACTED] months from June 30, 2026, if we take into account our cash and cash equivalents as of June 30, 2026, and [REDACTED] months from June 30, 2026, if we also take into account all of the estimated [REDACTED] from the [REDACTED]. We will continue to monitor our cash flows from operations closely and expect to raise our next round of financing.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as of the dates indicated:

	As of December 31,		As of June 30,
	2024	2025	2026
Current ratio ⁽¹⁾	0.3	0.6	1.8

(1) Current ratio equals total current assets divided by total current liabilities as of the end of the period indicated.

Our current ratio was 0.3 times, 0.6 times as of December 31, 2024 and 2025, respectively. Our current ratio was lower than one time as we recorded net current liabilities as of such dates. Our current ratio increased to 1.8 times as of June 30, 2026, primarily due to the significant increase in our current assets as a result of the receipt of proceeds from equity investment in the six months ended June 30, 2026.

RELATIONSHIP WITH OUR SINGLE LARGEST SHAREHOLDER

Immediately prior to the [REDACTED], our Company is owned as to 25.57% by Mr. Zuo and 6.16% by Zhoushan Aizhong. Zhoushan Aizhong is our employee stock ownership platform, which is controlled by Mr. Zuo, being the general partner of Zhoushan Aizhong. Therefore, Mr. Zuo, directly and through Zhoushan Aizhong, controlled approximately 31.73% of our total issued share capital as of the Latest Practicable Date and constitute our Controlling Shareholder (as defined under the Listing Rules) before [REDACTED].

Immediately following the completion of the [REDACTED] and assuming the [REDACTED] is not exercised, Mr. Zuo, directly and through Zhoushan Aizhong, will control approximately [REDACTED] of

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our total issued share capital of our Company. Therefore, Mr. Zuo and Zhoushan Aizhong will be regarded as our group of single largest Shareholder upon [REDACTED]. For details of Zhoushan Aizhong, an employee stock ownership platform, see “History, Development and Corporate Structure - Share Incentive Scheme.”

[REDACTED]

FUTURE PLANS AND [REDACTED]

We estimate that the [REDACTED] from the [REDACTED] will be approximately HK\$[REDACTED] million, assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the [REDACTED] range of HK\$[REDACTED] per Share to HK\$[REDACTED] per Share, after deducting [REDACTED] and estimated [REDACTED] expenses paid and payable by us in the [REDACTED], taking into account any additional discretionary incentive fee.

We intend to use the [REDACTED] from the [REDACTED] for the following purposes:

- approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for the research, development, and commercialization of our Core Product, the GBS.
- approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to the research, development, and commercialization of our Key Products, including the GBS-SH, GBS-DM, and our intragastric balloon portfolio of DIGB and RIGB.
- approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to the research, development, and commercialization of our other product and product candidates.
- approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for working capital and general corporate purposes.

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[REDACTED] EXPENSES

Our [REDACTED] expenses represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED] and the [REDACTED]. Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the indicative [REDACTED] range, and no exercise of the [REDACTED], we estimate that our [REDACTED] expenses will be approximately RMB[REDACTED] million, accounting for approximately [REDACTED]% of our [REDACTED], of which RMB[REDACTED] million is directly attributable to the issue of our [REDACTED] and will be deducted from equity, RMB[REDACTED] million was charged to our consolidated statements of profit or loss during the Track Record Period, and approximately RMB[REDACTED] million is expected to be charged to our consolidated statements of profit or loss subsequent to the Track Record Period. Our estimated [REDACTED] expenses include (i) [REDACTED]-related expenses of approximately RMB[REDACTED] million, (ii) sponsor fee of approximately RMB[REDACTED] million, and (iii) non-[REDACTED] related expenses of approximately RMB[REDACTED] million, comprising professional fees to the legal advisors, Reporting Accountant, and other professionals. The [REDACTED] expenses above are the best estimate as of the Latest Practicable Date and for reference only, and the actual amount may differ from this estimate.

PRE-[REDACTED] INVESTMENTS

To fund our strategic development and broaden our shareholder base, we have conducted eight rounds of Pre-[REDACTED] Investments since the establishment of our Company. We have further received meaningful investments from two of our Sophisticated Independent Investors, including Baidu Ventures and Hangzhou Hi Tech. See “History, Development and Corporate Structure — Pre-[REDACTED] Investments” for further details.

Pursuant to the shareholders agreement we entered into with our shareholders from December 15, 2016 to November 18, 2025 (collectively, the “**Agreements**”), we issued 9,216,000 ordinary shares to certain shareholders for a total net cash proceeds approximately RMB341.1 million (collectively the “**Pre-[REDACTED] Investments**”). Pursuant to the Agreements, we granted such shareholders certain special rights included redemption rights.

There was no exercise of redemption rights granted by us throughout the Track Record Period.

On December 30, 2025, we and such shareholders subsequently entered into supplemental agreements, agreeing that the redemption rights granted by us to such shareholders, have been irrecoverably terminated on the day before the first filing of the Listing application, and shall be void ab initio. Taking into account the legal and regulatory framework of our jurisdiction and the governing law of the supplemental agreements, the Directors considered that it is appropriate to present the Pre-[REDACTED] Investments as equity throughout the Track Record Period.

Had the redemption rights granted by us to such shareholders been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the supplemental agreements,

(i) the redemption financial liabilities, total current liabilities, net current liabilities, and net deficits would have been:

	As of December 31,	
	2024	2025
	<i>(RMB in thousands)</i>	
Redemption financial liabilities	287,048	443,706
Total current liabilities	380,123	549,457
Net current liabilities	(353,721)	(483,934)
Net deficits	(331,917)	(451,086)

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(ii) the finance costs associated with the redemption financial liabilities, the net loss, basic and dilutive loss per share would have been:

	Year ended December 31,		Six months ended June 30,	
	2024	2025	2025	2026
	(RMB in thousands)			
	(unaudited)			
Finance costs associated with the redemption financial liabilities	20,276	26,843	12,783	3,379
Total net loss	(86,233)	(115,173)	(50,452)	(71,706)
Basic and dilutive loss per share (RMB per share)	(0.61)	(0.77)	(0.34)	(0.43)

For further details of the financial impacts, see note 25 to the Accountants’ Report set out in Appendix I to this document.

DIVIDENDS

We did not declare or pay any dividends during the Track Record Period. We currently do not have any dividend policy or fixed dividend pay-out ratio. We currently intend to retain all available funds and earnings, if any, to fund the development and expansion of our business and we do not anticipate paying any cash dividends in the foreseeable future. Investors should not purchase our ordinary shares with the expectation of receiving cash dividends. Any future determination to pay dividends will be made at the absolute discretion of our Board, taking into account factors including our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors that our Board deems to be appropriate. As advised by our PRC Legal Advisor, according to relevant PRC laws, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE EVENTS

In July 2026, the NHSA announced that the seventh batch of national centralized VBP for high-value medical consumables would focus on digestive interventional consumables, covering 24 sub-categories of well-established products from multiple suppliers. Based on our consultations with the relevant authorities, we understand that the GBS falls outside the intended scope of the seventh batch of national VBP. We believe this reflects the innovative nature of the GBS, differing fundamentally from the mature, standardized product categories typically targeted by VBP programs.

After performing due diligence work which our Directors consider appropriate and sufficient and after due and careful consideration, our Directors confirm that there has been no material adverse change in our business, financial condition and results of operations since June 30, 2026, being the latest balance sheet date of our consolidated financial statements in the Accountants’ Report set out in Appendix I to this document, and up to the date of this document.