Zylox-Tonbridge Medical Technology Co., Ltd.
歸創通橋醫療科技股份有限公司

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

(Stock Code: 2190)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2022

The board (the "**Board**") of directors (the "**Directors**") of Zylox-Tonbridge Medical Technology Co., Ltd. (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended June 30, 2022, together with comparative figures for the six months ended June 30, 2021.

FINANCIAL HIGHLIGHTS

	Six months ended June 30,		
	2022	2021	Period to period change
	RMB'000	*RMB'000*	
	(Unaudited)	(Unaudited)	
Revenue	**152,743**	71,484	113.7%
Gross profit	**115,477**	52,124	121.5%
Gross profit margin	**75.6%**	72.9%	3.7%
Loss before income tax	**(25,504)**	(69,717)	63.4%
Add:			
Share-based compensation	**34,145**	22,455	52.1%
Listing expenses	**—**	25,852	(100.0%)
Non-IFRS adjusted net profit/(loss) for the period[(1)]	**8,641**	(21,410)	N/A

(1) The Company presents adjusted net profit/loss for the period by reversing share-based compensation and listing expenses from loss before income tax. Such adjusted net profit/loss for the period is not a measure under IFRS. Please refer to section headed "Non-IFRS Measures" in this announcement for more details.

BUSINESS HIGHLIGHTS

During the Reporting Period, we achieved a revenue of RMB152.7 million, representing an increase of 113.7% as compared to the corresponding period of 2021, among which 73.1% was derived from the neurovascular interventional products business and 26.9% was derived from the peripheral interventional products business. The significant growth of our revenue was attributable to several factors, including (i) strong adoption of commercialized products by hospitals and physicians; (ii) a more effective and efficient sales, marketing and distribution network; and (iii) a continuously expanded product portfolio with products launched after June 30, 2021, such as neurovascular embolization coils and carotid Rx PTA balloon catheter.

During the Reporting Period, we obtained NMPA approvals for two products and completed patient enrollment for the clinical trials of two products. Since June 30, 2022 and up to the date of this announcement, we have obtained NMPA approval for one product and completed patient enrollment for the clinical trial of one product. As of the date of this announcement, we have a total of 17 products approved by the NMPA and eight products with CE Mark, which makes us one of the leading companies with the most comprehensive product portfolios in the vascular interventional medical device industry in China.

With continuous dedication to high product quality and manufacturing efficiency, we continue to improve our integrated R&D and manufacturing platforms. As a result, our gross profit margin increased from 72.9% in the first half of 2021 to 75.6% in the first half of 2022.

With increased revenue scale and operational efficiency, we were able to continue to reduce our net loss despite increased R&D expenses. Our net loss decreased from RMB69.7 million in the first half of 2021 to RMB25.5 million in the first half of 2022. Excluding the impact of share-based compensation and listing expenses, we generated a non-IFRS adjusted net profit of RMB8.6 million in the first half of 2022, as compared to a non-IFRS adjusted net loss of RMB21.4 million in the first half of 2021.

INTERIM RESULTS

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2022

	Note	Six months ended June 30, 2022 **RMB'000** **(Unaudited)**	2021 RMB'000 (Unaudited)
Revenue	4	**152,743**	71,484
Cost of sales		**(37,266)**	(19,360)
Gross profit		**115,477**	52,124
Selling and distribution expenses		**(53,331)**	(25,747)
Administrative expenses		**(49,284)**	(54,164)
Research and development expenses		**(94,039)**	(48,979)
Other income		**4,051**	764
Other expenses		**(413)**	(272)
Other gains — net		**16,153**	4,360
Net impairment losses on financial assets		**10**	—
Operating loss		**(61,376)**	(71,914)
Finance income		**36,304**	2,290
Finance costs		**(432)**	(93)
Finance income — net		**35,872**	2,197
Loss before income tax		**(25,504)**	(69,717)
Income tax expense	5	**—**	—
Loss for the period		**(25,504)**	(69,717)
Loss attributable to equity holders of the Company		**(25,504)**	(69,717)
Loss and total comprehensive loss for the period attributable to the equity holders of the Company		**(25,504)**	(69,717)
Loss per share attributable to the equity holders of the Company			
Basic and diluted loss per share *(in RMB per share)*	6	**(0.08)**	(0.27)

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

AS OF JUNE 30, 2022

	Note	**As of June 30, 2022** ***RMB'000*** **(Unaudited)**	As of December 31, 2021 *RMB'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**211,549**	178,270
Right-of-use assets		**35,996**	34,115
Intangible assets		**4,041**	4,889
Prepayments and other receivables	7	**25,997**	6,804
Total non-current assets		**277,583**	224,078
Current assets			
Inventories		**80,486**	57,272
Prepayments, other receivables and other current assets	7	**76,967**	37,616
Trade receivables	8	**277**	446
Financial assets at fair value through profit or loss		**142,784**	10,515
Term deposits		**1,600,000**	1,500,000
Cash and cash equivalents		**1,057,086**	1,418,359
Total current assets		**2,957,600**	3,024,208
Total assets		**3,235,183**	3,248,286
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		**332,401**	332,401
Share premium		**2,270,033**	2,270,033
Other reserves		**875,152**	841,007
Treasury shares		**(31,868)**	(9,149)
Accumulated losses		**(315,122)**	(289,618)
Total equity		**3,130,596**	3,144,674

	Note	**As of June 30, 2022** ***RMB'000*** **(Unaudited)**	As of December 31, 2021 *RMB'000* (Audited)
Liabilities			
Non-current liabilities			
Lease liabilities		**6,537**	6,509
Total non-current liabilities		**6,537**	6,509
Current liabilities			
Trade and other payables	9	**83,056**	86,307
Contract liabilities	4	**1,348**	3,420
Lease liabilities		**4,744**	2,896
Other current liabilities		**8,902**	4,480
Total current liabilities		**98,050**	97,103
Total liabilities		**104,587**	103,612
Total equity and liabilities		**3,235,183**	3,248,286

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 General information

The Company was incorporated in Hangzhou, Zhejiang Province of the People's Republic of China (the "**PRC**") on November 6, 2012 as a limited liability company. On March 2, 2021, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC and changed its registered name from "Zhejiang Zylox Medical Device Co., Ltd." to "Zylox-Tonbridge Medical Technology Co., Ltd."

The Group provides solutions to patients and physicians with a product portfolio covering peripheral-vascular interventional devices and neurovascular interventional devices in the PRC and other countries.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since July 5, 2021.

The interim condensed consolidated financial information is presented in thousands of Renminbi ("**RMB'000**"), unless otherwise stated. This interim condensed consolidated financial information was approved for issue by the Board of Directors on August 15, 2022.

2 Basis of preparation

This interim condensed consolidated financial information for the six months ended June 30, 2022 has been prepared in accordance with International Accounting Standard IAS 34 Interim Financial Reporting. The interim condensed consolidated financial information should be read in conjunction with the consolidated financial information of the Group for the year ended December 31, 2021, which have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622 and any public announcements made by the Company during the interim reporting period.

3 Changes in accounting policies

The interim condensed consolidated financial information has been prepared under historical cost convention as modified by the revaluation of financial assets at fair value through profit or loss which are carried at fair value. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

(a) New and amended standards adopted by the Group

The following new and amended standard has been adopted by the Group for the first time for the financial period beginning on or after January 1, 2022:

- Amendments to IAS 16, IFRS 3, IAS 37 and Annual Improvements to IFRS Standards 2018–2020

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

4 Segment and revenue information

(a) Description of segments and principal activities

The management of the Company has determined the operating segment based on the reports reviewed by the chief operating decision-maker ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive Directors of the Company. On this basis, the Group has determined that it only has one operating segment which is the production and sales of neurovascular and peripheral-vascular interventional surgical devices during the six months ended June 30, 2022 and 2021.

(b) The amount of each category of revenue is as follows:

	Six months ended June 30,	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from sales of goods		
— at a point in time	**152,743**	71,484

	Six months ended June 30,	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from sales of goods		
— Neurovascular interventional devices	**111,630**	42,912
— Peripheral-vascular interventional devices	**41,113**	28,572
	152,743	71,484

(c) The Group recognized the following liabilities related to the contracts with customers:

	As of June 30, 2022	As of December 31, 2021
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Contract liabilities	**1,348**	3,420

Contract liabilities represent advance from customers and are recognized when payments are received before the transfer of goods. As of June 30, 2022 and December 31, 2021, there are no material unsatisfied performance obligations resulting from contracts.

(d) Revenue recognized that was included in the balance of contract liabilities at the beginning of the period:

	Six months ended June 30,	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from sales of goods	**3,420**	134

(e) Geographical information

	Six months ended June 30,	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
The PRC	**150,017**	69,654
Others	**2,726**	1,830
	152,743	71,484

The geographical information above is based on the locations of the customers. All of the non-current assets of the Group are physically located in the PRC.

5 Income tax expense

There is no provision for taxation for the Group as the companies comprising the Group have no assessable profits for the period. The Group's principal applicable taxes and tax rates are as follows:

(i) Mainland China

Pursuant to the PRC Corporate Income Tax Law and the respective regulations (the "**CIT Law**"), the Group is subject to enterprise income tax at a rate of 25% on the taxable income other than the Company's subsidiary Zhuhai Tonbridge Medical Technology Co., Ltd. ("**Zhuhai Tonbridge**"). In December 2021, Zhuhai Tonbridge was accredited as a "High and New Technology Enterprise" ("**High-New Tech Enterprise**") with a valid period within 3 years. It is eligible for a corporate income tax rate of 15% for the six months ended June 30, 2022.

According to the relevant laws and regulations promulgated by the State Administration of Taxation of the PRC that has been effective from 2021 onwards, manufacturing enterprises are entitled to claim 200% of their research and development expenses incurred as tax deductible expenses.

The tax losses will normally expire within 5 years. Zhuhai Tonbridge qualified as a Small and Medium-sized Technological Enterprise in 2018 and as a High-New Tech Enterprise since 2021. Pursuant to the relevant regulations on extending the expiry date of tax losses of High-New Tech Enterprise and Small and Medium-sized Technological Enterprises issued in July 2018, which took effect retroactively from January 1, 2018, the expiry date of the unused tax losses of Zhuhai Tonbridge was extended from 5 years to 10 years from then on.

(ii) Hong Kong

Hong Kong profits tax rate is 8.25% for assessable profits on the first HKD2,000,000 and 16.5% for any assessable profits in excess. No Hong Kong profits tax was provided for as there was no estimated assessable profit that was subject to Hong Kong profits tax during the six months ended June 30, 2022.

According to the Hong Kong tax laws and regulations, the tax losses would be carried forward and deducted for income tax purposes, without expiry date.

No deferred tax asset has been recognized in respect of the tax losses and temporary differences due to the unpredictability of future profit streams.

6 Loss per share

Basic loss per share is calculated by dividing the loss of the Group attributable to equity holders of the Company by weighted average number of ordinary shares outstanding during the six months ended June 30, 2022 excluding treasury shares.

For the six months ended June 30, 2022 and 2021, the Group had potential dilutive shares related to the shares held for the Pre-IPO Share Option Scheme. Due to the Group's losses, the potential dilutive shares are not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, the diluted loss per share is the same as basic loss per share.

The calculations of basic and diluted loss per share are based on:

	Six months ended June 30,	
	2022	2021
	(Unaudited)	(Unaudited)
Loss attributable to equity holders of the Company *(RMB'000)*	**(25,504)**	(69,717)
Weighted average number of ordinary shares in issue during the period *(thousand)*	**330,993**	259,218
Basic and diluted loss per share *(RMB)*	**(0.08)**	(0.27)

7 Prepayments, other receivables and other current assets

	As of June 30, 2022 *RMB'000* **(Unaudited)**	As of December 31, 2021 *RMB'000* (Audited)
Included in non-current assets		
Prepayments:		
Prepayments for purchase of property, plant and equipment	**17,449**	5,790
Prepayments for purchase of intangible assets	**7,172**	—
Other receivables:		
Deposits for leases	**1,376**	1,014
Total	**25,997**	6,804
Included in current assets		
Prepayments:		
Prepayments for purchase of goods	**49,746**	23,636
Prepayments for purchase of service	**17,673**	5,764
Other receivables:		
Deposits for industrial land project performance guarantee and leases	**3,521**	3,147
Staff advances	**133**	68
Others	**636**	131
Less: loss allowance	**(8)**	(9)
Others:		
Value-added tax recoverable	**3,381**	3,112
Accrued interest receivable	**1,885**	1,767
Total	**76,967**	37,616

8 Trade receivables

	As of June 30, 2022 ***RMB'000*** **(Unaudited)**	As of December 31, 2021 *RMB'000* (Audited)
Trade receivables from contracts with customers	**279**	458
Less: loss allowance	**(2)**	(12)
	277	446

The Group applies the IFRS 9 simplified approach to measure expected credit losses which use a life time expected loss allowance for all trade receivables.

As of June 30, 2022 and December 31, 2021, an ageing analysis of the trade receivables based on invoice date were as follows:

	As of June 30, 2022 ***RMB'000*** **(Unaudited)**	As of December 31, 2021 *RMB'000* (Audited)
Up to 3 months	**279**	458

The carrying amounts of the Group's trade receivables are denominated in RMB and approximate their fair values. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables mentioned above.

As of June 30, 2022 and December 31, 2021, a provision of RMB2,000 and RMB12,000 was made against the gross amounts of trade receivables respectively.

9 Trade and other payables

	As of June 30, 2022 ***RMB'000*** **(Unaudited)**	As of December 31, 2021 *RMB'000* (Audited)
Staff salaries and welfare payables	**40,826**	35,396
Payables for purchase of property, plant and equipment	**13,753**	22,450
Payables to strategic investment	**9,000**	—
Accrued taxes other than income tax	**7,746**	4,468
Trade payables *(a)*	**7,031**	14,114
Payables to suppliers of service	**3,729**	7,463
Accrued listing expenses	**—**	1,762
Others	**971**	654
	83,056	86,307

The ageing analysis of trade payables based on invoice date at the respective balance sheet dates is as follows:

	As of June 30, 2022 ***RMB'000*** **(Unaudited)**	As of December 31, 2021 *RMB'000* (Audited)
Within 1 year	**5,985**	14,114
Between 1 and 2 years	**1,046**	—
	7,031	14,114

10 Dividend

No dividend has been paid or declared by the Company for each of the six months ended June 30, 2022 and 2021 respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS REVIEW

We are a leading player in the neuro- and peripheral-vascular interventional medical device market in China. As an integrated medical device company supported by our in-house R&D and manufacturing capabilities, proprietary technological platforms and commercialization capabilities, we provide physicians and patients in China and overseas with medical devices to treat and manage neuro- and peripheral-vascular diseases. We strive to provide all patients, regardless of their ethnicity, age and economic conditions, with accessible medical devices and services.

Business Highlight

During the Reporting Period, we achieved a revenue of RMB152.7 million, representing an increase of 113.7% as compared to the corresponding period of 2021, among which 73.1% was derived from the neurovascular interventional products business and 26.9% was derived from the peripheral interventional products business. The significant growth of our revenue was attributable to several factors, including (i) strong adoption of commercialized products by hospitals and physicians; (ii) a more effective and efficient sales, marketing and distribution network; and (iii) a continuously expanded product portfolio with products launched after June 30, 2021, such as neurovascular embolization coils and carotid Rx PTA balloon catheter.

During the Reporting Period, we obtained NMPA approvals for two products and completed patient enrollment for the clinical trials of two products. Since June 30, 2022 and up to the date of this announcement, we also obtained NMPA approval for one product and completed patient enrollment for the clinical trial of one product. As of the date of this announcement, we have a total of 17 products approved by the NMPA and eight products with CE Marks, which makes us one of the leading companies with the most comprehensive product portfolios in the vascular interventional medical device industry in China.

With continuous dedication to high product quality and manufacturing efficiency, we continue to improve our R&D and manufacturing platforms, such as balloon forming and manufacturing platform, braiding and coiling catheter development and manufacturing platform and stent forming and processing center. Our integrated development and manufacturing process enables smooth collaborations and accelerates the development process during the full product life cycle and therefore helps us improve our cost efficiency. Our current main manufacturing centers are located in Hangzhou and Zhuhai and both are expanding with larger scale, advanced manufacturing capability and efficiency. As a result, our gross profit margin increased from 72.9% in the first half of 2021 to 75.6% in the first half of 2022.

With increased revenue scale and operational efficiency, we were able to continue to reduce our net loss despite increased R&D expenses. Our net loss decreased from RMB69.7 million in the first half of 2021 to RMB25.5 million in the first half of 2022. Excluding the impact of share-based compensation and listing expenses, we generated a non-IFRS adjusted net profit of RMB8.6 million in the first half of 2022, as compared to a non-IFRS adjusted net loss of RMB21.4 million in the first half of 2021.

Sales, Marketing and Distribution

To mitigate the impact of the COVID-19 pandemic, we timely adjusted our sales and marketing strategies, such as organizing more educational programs and meetings online and at local levels, even at hospital levels, to reduce the impact of travel restrictions. In the meantime, we accelerated our penetration into hospitals in lower-tier cities, which we have been focusing on since the early stage of our product commercialization in 2021. We also proactively work with our national and regional distributors to adjust our distribution strategies to accommodate restrictions and inconvenience caused by the COVID-19 pandemic.

Revenue from both business units experienced significant growth. The revenue from sales of neurovascular interventional products increased by 160.1% as compared to the corresponding period of 2021, primarily because (i) our products had extensive market penetration and our sales recovered rapidly as the COVID-19 pandemic gradually alleviated in most parts of China in the first half of 2022. Most of the revenue from sales of neurovascular interventional products was derived from products that had penetrated almost all provinces and regions and that had entered a large number of hospitals (between 150 and 700 hospitals, depending on the length of the respective product's commercialization period) and (ii) a significant portion of revenue came from products for ischemic stroke. The sales of ischemic stroke products grew substantially because of our substantial effort in adjusting our business strategy to accommodate the rapidly changing market condition during the first half of 2022.

Revenue from sales of peripheral-vascular interventional products increased by 43.9% as compared to the corresponding period of 2021 because of our continuous efforts in gaining market access, increasing hospital penetration and expanding distribution network.

With a proven track record of commercializing 16 products domestically and eight products in Europe, we had established an extensive distribution network covering over 2,300 hospitals across 31 provinces and municipalities in China as of June 30, 2022. Over the years, we have developed strong collaborations with and established a well-recognized brand among KOLs, leading physicians and hospitals in China in the field of neuro- and peripheral-vascular intervention. With a combination of increased revenue and effective sales and marketing strategy, our sales and marketing cost as a percentage of total revenue decreased from 36.0% in the first half of 2021 to 34.9% in the first half of 2022.

R&D

We have established leading in-house R&D technology platforms to facilitate continuous innovation and technological breakthroughs. Our expertise in fundamental technology know-how cross different disciplines enables rapid prototyping and expedites the transformation of prototypes to ready-to-commercialize products. We have an integrated product innovation process, covering product design to mass production, and have successfully leveraged our internal platforms to deliver quality products. For example, we launched the self-developed carotid Rx PTA balloon catheter and PTA balloon catheter — large diameter in China this April. The two products are developed and manufactured on our balloon forming and manufacturing platform on which we have produced all our balloon catheter products with consistent high quality and efficiency. Benefitting from our continuous efforts in building an advanced program in developing various balloon catheters to meet the needs in neurovascular and peripheral intervention, we have witnessed that the newly launched products continue the excellent performance of our earlier commercialized products, which we believe will facilitate adoption among physicians.

With our extensive clinical and registration experience and established strong collaboration with leading physicians and hospitals, despite the headwinds of the COVID-19 pandemic, we are conducting clinical trials at a steady pace. In the first half of 2022, we completed patient enrollment for the clinical trials of two products. As of the date of this announcement, we have 13 products in the clinical trial stage.

Manufacturing

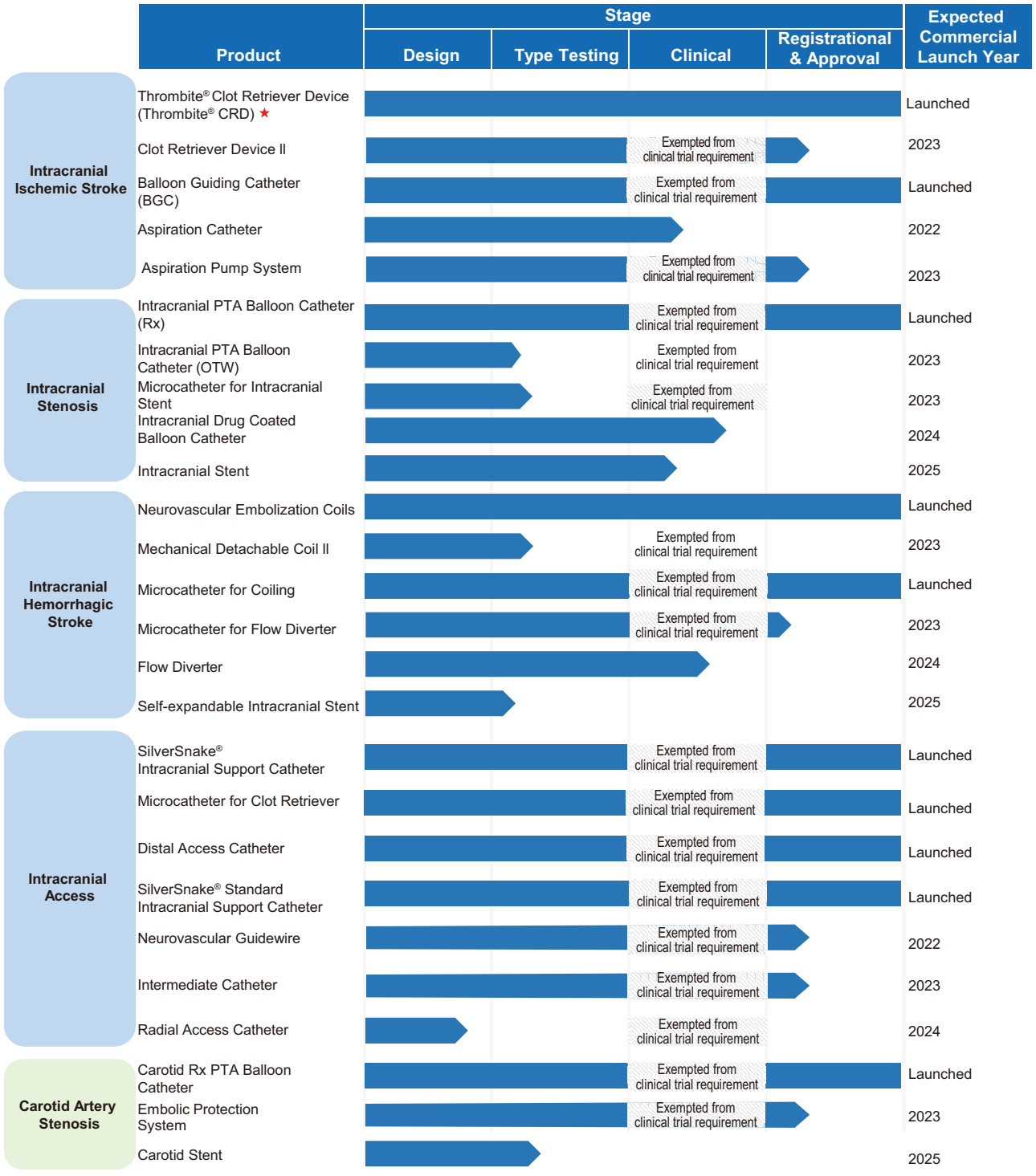
The manufacturing process of vascular interventional products is complex and technologically challenging. Over the years, we have accumulated extensive expertise and know-how in developing and manufacturing vascular interventional products and obtained a number of patents for our proprietary technologies. Our manufacturing expertise and know-how combined with advanced technologies applied during our manufacturing process ensure the quality and efficiency of our production. We are in expanding our production capacity with an additional area of approximately 13,000 sq.m. in Hangzhou and are constructing a new manufacturing site in Zhuhai with an area of approximately 20,000 sq.m in preparation for the commercialization of our further expanded product portfolio.

OUR PRODUCTS AND PRODUCT PIPELINE

As China's leading interventional medical device company in developing minimally invasive vascular interventional medical devices, we have built a comprehensive product portfolio including neurovascular and peripheral-vascular interventional surgical devices. As of the date of this announcement, we have strategically developed a total of 55 products and product candidates, including 17 products approved in China and eight products approved in Europe.

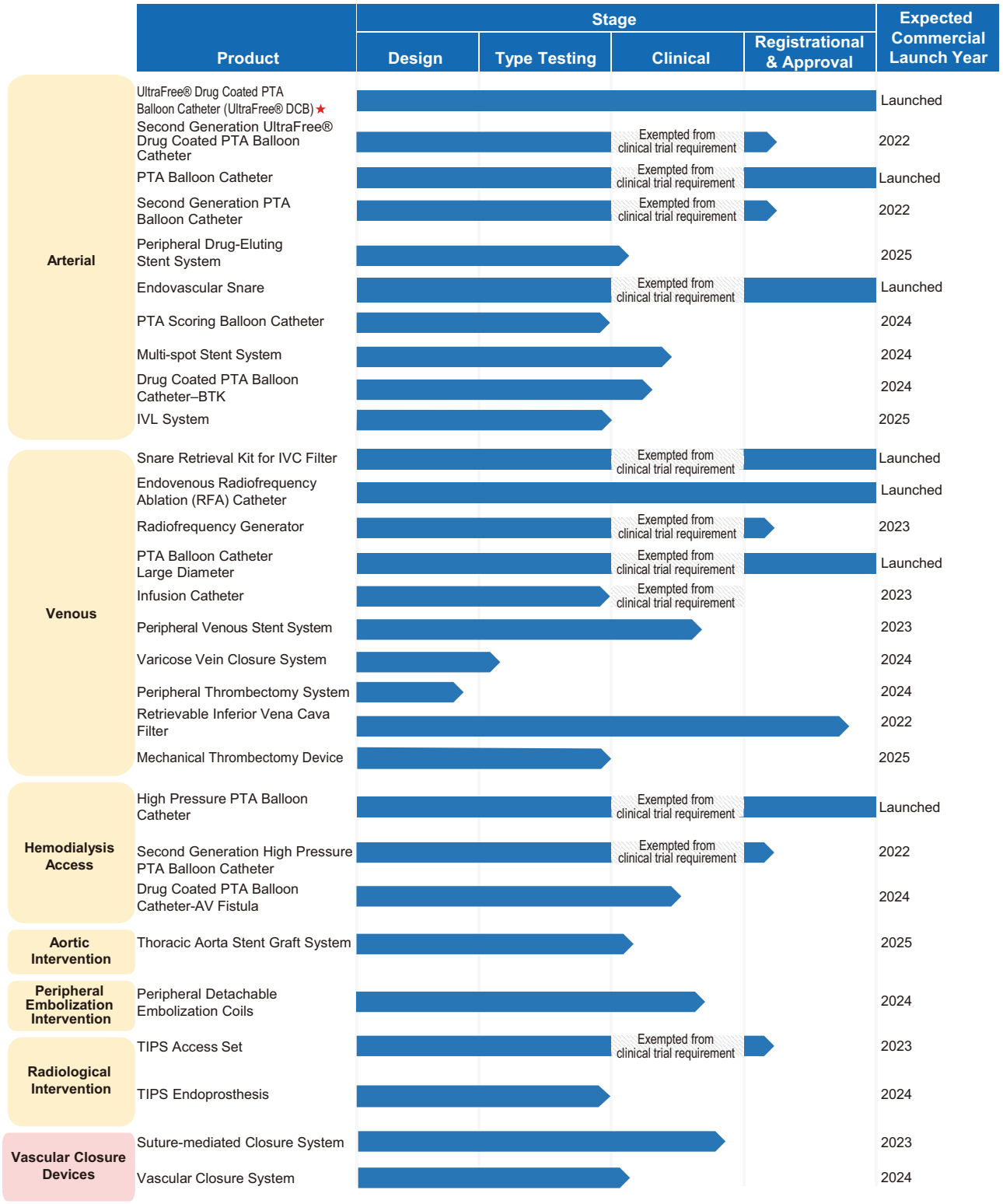
The following chart summarizes the development status of our products and product candidates as of the date of this announcement:

Product Portfolio for Neurovascular Interventional Devices in China Market:



★ Core Product; further R&D includes post-approval study, product improvement and indication expansion

Product Portfolio for Peripheral-Vascular Interventional Devices and Vascular Closure Devices in China Market



★ Core Product; further R&D includes post-approval study, product improvement and indication expansion

Product Portfolio for Overseas Market

	Product	Phase: Preclinical	Phase: Clinical Trials	Phase: Registration & Approval	Expected Commercial Launch Year
Peripheral-vascular Interventional Devices	UltraFree® Drug Coated PTA Balloon Catheter CE		Exempted from clinical trial requirement		CE Launched
	UltraFree® Drug Coated PTA Balloon Catheter II	MDR Clinical Preparation			2026
	PTA Balloon Catheter CE		Exempted from clinical trial requirement		CE Launched
	Peripheral Stent System CE		Exempted from clinical trial requirement		CE Launched
	Peripheral Drug-Eluting Stent System CE		Exempted from clinical trial requirement		CE Launched
	High Pressure PTA Balloon Catheter CE		Exempted from clinical trial requirement		CE Launched
	Peripheral Venous Stent System	MDR Registration Preparation			2024
	IVL System	MDR Clinical Preparation			2024
Neurovascular Interventional Devices	Thrombite® Clot Retriever Device CE		Exempted from clinical trial requirement		CE Launched
	Aspiration Catheter CE		Exempted from clinical trial requirement		CE Launched
	Microcatheter for Clot Retriever CE		Exempted from clinical trial requirement		CE Launched
	Neurovascular Embolization Coil	MDR Registration Submitted			2023
		FDA 510K Registration Submitted			2023
	Flow Diverter	MDR Clinical Preparation			2024

CE Considering that clinical evaluation has been provided, under the EU MDD directive, the product has obtained CE Mark without clinical trials

Our Neurovascular Products

Our current neurovascular product portfolio covers a full suite of products for five major categories, namely ischemic stroke, hemorrhagic stroke, intracranial stenosis, carotid artery stenosis and intracranial access devices. As of the date of this announcement, we have obtained Class III registration certificates for 10 neurovascular interventional products and four product candidates are at clinical stage. We expect to have 16 more neurovascular interventional products approved by the NMPA by the end of 2025.

Intracranial Ischemic Stroke Treatment

In the field of ischemic neurovascular diseases, in particular intracranial ischemic stroke, we have five product offerings, among which we have launched Thrombite® CRD, intracranial support catheter and balloon guiding catheter (BGC) successfully as a complete three-piece solution to physicians. We have strategically developed a suite of products covering the full procedure cycle for major vascular diseases, offering seamless treatment solutions with better prognosis. We are actively promoting our BADDASS (i.e. Balloon guide with large bore Distal access catheter with Dual Aspiration with Stent-retriever as Standard approach) clot-retrieval modality. We believe our BADDASS approach with the three-piece suite of Thrombite® CRD, intracranial support catheter and BGC will result in higher first-time recanalization rate of intracranial blood vessels, shorter recanalization time and lower escape rate at the distal end of the thrombus, which can effectively improve the procedure success rate, reduce operation time and occurrence of post procedure complications. We are one of the few domestic interventional device companies that can provide a complete three-piece solution.

Thrombite® Clot Retriever Device (Thrombite® CRD)

We are improving the adoption of Thrombite® CRD by introducing the holistic three-piece treatment package and the BADDASS clot-retrieval modality.

Clot Retriever Device II (Thrombite® CRD II)

This second-generation Clot Retriever Device is designed with more specifications, offering physicians more choices when dealing with occluded blood vessels of different diameters and thrombus of different sizes.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR CLOT RETRIEVER DEVICE II SUCCESSFULLY.

Intracranial Hemorrhagic Stroke Treatment

In the field of intracranial hemorrhagic stroke, we have two launched products and are developing four product candidates, including four treatment products (the neurovascular embolization coils, the Mechanical Detachable Coil II, the flow diverter and the self-expandable intracranial stent (previously named as stent for stent assisted coiling)) and two microcatheters (microcatheter for coiling and microcatheter for flow diverter).

Neurovascular Embolization Coils

Our neurovascular embolization coil is extra soft and imposes minimal pressure to the aneurysm wall, thus reducing the risk of aneurysm rupture or other injury and is also easier to be detached from the delivery system with our unique mechanical detachment mechanism. We received the NMPA approval in the fourth quarter of 2021 as expected and have started commercialization in China subsequently. We also submitted applications for the CE Mark and FDA 510K registration during the first half of 2022.

Mechanical Detachable Coil II (Second Generation Neurovascular Embolization Coils)

We are upgrading our neurovascular embolization coils to improve their basket-forming performance. Expected to be launched in the year of 2023, the second-generation neurovascular embolization coils come in more specifications and sizes, offering more options for physicians when dealing with different size of intracranial aneurysms. We are also working to optimize the design of delivery system.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR MECHANICAL DETACHABLE COIL II SUCCESSFULLY.

Flow Diverter

We are currently conducting two clinical trials for the flow diverter for two indications in China, namely giant unruptured intracranial aneurysms and small unruptured intracranial aneurysms. Both studies have completed patient enrollment and achieved significant progress in less than one year despite the negative impact of the COVID-19 pandemic showing our strong capability in R&D and clinical trial execution. We will use domestic clinical trial data, supplemented by European clinical data, to apply for the CE Mark and support further commercialization of our flow diverter in European market in the future.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR FLOW DIVERTER SUCCESSFULLY.

Our Peripheral-Vascular Products

With seven NMPA approved products and 20 product candidates in China, we have a comprehensive peripheral-vascular interventional product portfolio covering a full spectrum of arterial and venous products including stents, balloons, catheters and filters. We have six products at the registration stage and nine at the clinical trial stage as of the date of this announcement. We expect to have 20 more peripheral-vascular interventional products approved by the NMPA by the end of 2025.

Peripheral Arterial Vascular Diseases Treatment

Our peripheral arterial vascular diseases treatment pipeline includes a total of 10 products.

UltraFree® Drug-coated PTA Balloon Catheter (UltraFree® DCB)

Since its launch in November 2020, we have mainly focused our commercialization effort in China. We also obtained CE Mark in October 2020 and commercialized UltraFree® DCB in Europe in the second half of 2021. We have initiated the post-approval clinical surveillance to collect on-label use data in a real-world setting to gather more clinical performance data of UItraFree® DCB, which will provide more data to further evaluate the safety and efficacy of the product.

The indication expansion of UltraFree® DCB includes the following:

- Drug Coated PTA Balloon Catheter — BTK: We initiated the clinical trial preparation in the second half of 2021 and are in the process of patient enrollment.

- Drug Coated PTA Balloon Catheter — Dialysis Access: We commenced a clinical trial in 2021 and are in the process of patient enrollment.

Second Generation UltraFree® DCB

We have been continuously improving the performance of our UltraFree® DCB, by increasing its flexibility for better crossing, navigation and dilatation performance. For the second generation of UltraFree® DCB, we have improved the materials of the balloon and optimized the structural design of the catheter, strengthening the support of the catheter lumen and enhancing the pushability and bending resistance of the catheter. We have filed for the NMPA registration for the second generation UltraFree® DCB. In addition, it is expected that by the end of 2022, we will initiate a clinical trial in Europe to obtain local clinical trial data to support the development and commercialization of UltraFree® DCB in the European market.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR SECOND GENERATION ULTRAFREE® DCB SUCCESSFULLY.

Peripheral Venous Vascular Diseases Treatment

Our peripheral venous vascular diseases treatment pipeline includes a total of 10 products and product candidates, including our retrievable inferior vena cava filter and peripheral venous stent system.

Peripheral Venous Stent System

We completed patient enrollment for the clinical trial of peripheral venous stent system in July 2021. We have finished the 12-month follow-up, plan to submit the registration application for our peripheral venous stent system with the NMPA in the early fourth quarter of 2022 and expect to receive NMPA approval in 2023. We are in the process of preparing the registration documents for CE Mark and expect to launch this product in Europe in 2024.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR PERIPHERAL VENOUS STENT SYSTEM SUCCESSFULLY.

Our Vascular Closure Product

In addition, our product portfolio also includes two vascular closure device candidates which makes us the first domestic medical device company that has developed suture-mediated vascular closure device candidate.

Suture-mediated Closure System

Our suture-mediated closure system is used to suture the femoral artery access site after diagnostic/therapeutic interventional procedures and is applicable to procedures with bore sizes ranging between 5F and 29F. We are in the process of patient enrollment with a target of 228 patients in total according to current clinical trial plan.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR SUTURE-MEDIATED CLOSURE SYSTEM SUCCESSFULLY.

II. FINANCIAL REVIEW

Overview

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

Revenue

During the Reporting Period, our revenue was mainly generated from sales of our commercialized products including Thrombite® CRD, Ultrafree® DCB, intracranial support catheter, PTA balloon catheter, intracranial PTA balloon catheter (Rx) and neurovascular embolization coils.

The Group's revenue for the six months ended June 30, 2022 was RMB152.7 million, representing an increase of 113.7% compared to RMB71.5 million for the six months ended June 30, 2021. The significant growth of our revenue was attributable to several factors, including (i) strong adoption of commercialized products by hospitals and physicians; (ii) a more effective and efficient sales, marketing and distribution network; and (iii) continuous expansion of product portfolio with products launched after June 30, 2021, such as neurovascular embolization coils and carotid Rx PTA balloon Catheter.

The following table sets forth a breakdown of our revenue by product category:

	Six months ended June 30, 2022 (Unaudited)		Six months ended June 30, 2021 (Unaudited)		Period to period change
Revenue	***RMB'000***	***Proportion***	*RMB'000*	*Proportion*	
Neurovascular interventional devices	**111,630**	**73.1%**	42,912	60.0%	160.1%
Peripheral-vascular interventional devices	**41,113**	**26.9%**	28,572	40.0%	43.9%
Total	**152,743**	**100.0%**	71,484	100.0%	113.7%

Cost of Sales

Our cost of sales primarily consists of raw materials and consumables used, employee benefits expenses, depreciation of right-of-use assets, depreciation of property, plant and equipment, utilities and office expenses and others.

The Group's cost of sales for the six months ended June 30, 2022 was RMB37.3 million, representing an increase of 92.5% compared to RMB19.4 million for the six months ended June 30, 2021. The increase was primarily attributable to increase in raw materials and consumables used for sales of our products in line with increased commercialization of our marketed products in the second half of 2021 and the first half of 2022, and the increase in employee benefits expenses as a result of increase in the number of our employees for expanded production and operation.

Gross Profit and Gross Profit Margin

As a result of the foregoing, the gross profit of the Group increased by 121.5% from RMB52.1 million for the six months ended June 30, 2021 to RMB115.5 million for the six months ended June 30, 2022. The gross profit margin of the Group increased from 72.9% for the six months ended June 30, 2021 to 75.6% for the six months ended June 30, 2022, mainly due to (i) reduction of raw material price and unit manufacturing cost due to increased production volume; and (ii) continuous optimization of manufacturing efficiency.

Research and Development Expenses

The Group's research and development expenses for the six months ended June 30, 2022 was RMB94.0 million, representing an increase of 92.0% compared to RMB49.0 million for the six months ended June 30, 2021. The increase was primarily attributable to increased R&D activities, clinical trials and registration of products, which resulted in (i) increased employee benefits expenses (e.g. additional ESOP expense for R&D team) from RMB25.5 million for the six months ended June 30, 2021 to RMB48.3 million for the six months ended June 30, 2022; (ii) increased testing, clinical trial and professional service fees from RMB10.0 million for the six months ended June 30, 2021 to RMB21.7 million for the six months ended June 30, 2022; and (iii) increased raw materials and consumables used from RMB8.7 million for the six months ended June 30, 2021 to RMB19.1 million for the six months ended June 30, 2022.

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

	Six months ended June 30, 2022 (Unaudited) *RMB'000*	Six months ended June 30, 2021 (Unaudited) *RMB'000*
Research and Development Expenses		
Employee benefits expenses	**48,266**	25,514
Testing, clinical trial and professional services fees for research and development	**21,670**	9,961
Raw materials and consumables used	**19,062**	8,725
Others	**5,041**	4,779
Total	**94,039**	48,979

Selling and Distribution Expenses

The Group's selling and distribution expenses for the six months ended June 30, 2022 was RMB53.3 million, representing an increase of 107.1% compared to RMB25.7 million for the six months ended June 30, 2021. The increase was primarily attributable to the expansion of our sales and marketing team and increasing market development expenses, mainly associated with (i) the commercialization of newly launched products; and (ii) preparation for the sales and distribution of our products that are close to be approved. The sales and distribution expense as percentage of overall revenue has been decreased from 36.0% for the six months ended June 30, 2021 to 34.9% for the same period of 2022.

Administrative Expenses

The Group's administrative expenses for the six months ended June 30, 2022 was RMB49.3 million, representing an decrease of 9.0% compared to RMB54.2 million for the six months ended June 30, 2021. The decrease was primarily because the Group incurred listing fees for its IPO in the six months ended June 30, 2021, but did not incur such expenses for the same period in 2022.

Other Expenses

The Group's other expenses for the six months ended June 30, 2022 was RMB0.4 million, representing an increase of 51.8% compared to RMB0.3 million for the six months ended June 30, 2021.

Other Income

The Group's other income for the six months ended June 30, 2022 was RMB4.1 million, representing an increase of 430.2% compared to RMB0.8 million for the six months ended June 30, 2021. The increase was primarily attributable to the increase of government grants and rental income in the first half of 2022.

Other Gains — net

The Group's other gains — net for the six months ended June 30, 2022 was RMB16.2 million, representing an increase of 270.5% compared to RMB4.4 million for the six months ended June 30, 2021. The increase was primarily attributable to an increase in foreign exchange gains.

Finance Income — net

The Group's finance income — net for the six months ended June 30, 2022 was RMB35.9 million, representing an increase from RMB2.2 million for the six months ended June 30, 2021. The increase in finance income was primarily attributable to an increase in bank interest income in the first half of 2022.

Income Tax Expense

The Group did not incur income tax expense for the six months ended June 30, 2022 and 2021 as it had no assessable profit.

Non-IFRS Measures

To supplement our consolidated statements of profit or loss which are presented in accordance with IFRS, we also use adjusted net loss as non-IFRS measures, which are not required by, or presented in accordance with, IFRS. We believe that the presentation of non-IFRS measures when shown in conjunction with the corresponding IFRS measures facilitates a comparison of our operating performance from period to period by eliminating potential impacts of items that our management does not consider to be indicative of our operating performance. Such non-IFRS measures allow investors to consider metrics used by our management in evaluating our performance.

From time to time in the future, there may be other items that we may exclude in reviewing our financial results. The use of the non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for or superior to analysis of, our results of operations or financial condition as reported under IFRS. In addition, the non-IFRS financial measures may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures presented by other companies.

The following table shows its reconciliation to profit/loss for the periods indicated:

	Six months ended June 30, 2022 ***(RMB'000)*** **(unaudited)**	Six months ended June 30, 2021 *(RMB'000)* (unaudited)
Loss for the period	**(25,504)**	(69,717)
Add:		
Share-based compensation[(1)]	**34,145**	22,455
Listing expenses[(2)]	**—**	25,852
Non-IFRS adjusted net profit/(loss) for the period	**8,641**	(21,410)

Notes:

(1) Share-based compensation is non-operational expenses arising from granting shares through the Employee Incentive Platforms and Pre-IPO Share Option Scheme to eligible employees of the Group, the amount of which may not directly correlate with the underlying performance of our business operations.

(2) Listing expenses are one-off expenses in relation to the IPO.

Capital Management

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

Liquidity and Financial Resources

The Group's cash and cash equivalents as of June 30, 2022 were RMB1,057.1 million, representing a decrease of 25.5% compared to RMB1,418.4 million as of December 31, 2021. Term deposits as of June 30, 2022 were RMB1,600.0 million as compared to RMB1,500.0 million as of December 31, 2021. Financial assets measured at fair value were RMB142.8 million as of June 30, 2022 as compared to RMB10.5 million as of December 31, 2021. The management is confident that the Group's financial resource is sufficient for our daily operations.

We rely on capital contributions by our shareholders as the major sources of liquidity. We also generate cash from our sales revenue of existing commercialized products. As our business develops and expands, we expect to generate more net cash from our operating activities, through increasing sales revenue of existing commercialized products and by launching new products, as a result of the broader market acceptance of our existing products and our continued efforts in marketing and expansion, improving cost control and operating efficiency and accelerating the turnover of trade receivables by tightening our credit policy.

Borrowings and Gearing Ratio

As of June 30, 2022, we have no borrowings.

The gearing ratio (calculated by dividing the sum of borrowings and lease liabilities by total equity) of the Group as of June 30, 2022 was 0.4%, representing an increase of 33.3% compared to 0.3% as of December 31, 2021.

Net Current Assets

The Group's net current assets as of June 30, 2022 were RMB2,859.6 million, representing a decrease of 2.3% compared to net current assets of RMB2,927.1 million as of December 31, 2021.

Foreign Exchange Exposure

We have transactional currency exposures. Certain of our bank balances, other financial assets, other payables and other financial liabilities are dominated in foreign currencies and are exposed to foreign currency risk. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

Pledge of Shares

We do not have any pledging of shares by our Single Largest Group of Shareholders.

Significant Investments, Material Acquisitions and Disposals

As of June 30, 2022, we did not hold any significant investments. For the Reporting Period, we did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

Capital Expenditure

For the six months ended June 30, 2022, the Group's total capital expenditure amounted to approximately RMB69.0 million, which was used in purchase of property, plant and equipment and intangible assets.

Charge on Assets

As of June 30, 2022, there was no charge on assets of the Group.

Contingent Liabilities

As of June 30, 2022, we did not have any contingent liabilities.

Employees and Remuneration Policies

As of June 30, 2022, we had 594 employees in total.

In compliance with the applicable labor laws, we enter into individual employment contracts with our employees covering matters such as wages, bonuses, employee benefits, workplace safety, confidentiality obligations, non-competition and grounds for termination. These employment contracts typically have terms of three years.

To remain competitive in the labor market, we provide various incentives and benefits to our employees. We invest in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge. We also provide competitive salaries, projects and stock incentive plans to our employees especially key employees.

Future Investment Plans and Expected Funding

The Group will continue to expand its markets in the PRC and globally in order to tap its internal potential and maximize shareholders' interest. The Group will continue to grow through self-development, mergers and acquisitions, and other means. We will employ a combination of financing channels to finance capital expenditures, including but not limit to internal funds and bank loans.

III. PROSPECTS

We plan to implement the following strategies to achieve our mission and vision:

- continue to accelerate product development and expand our product portfolio to provide total solutions;
- further advance R&D capabilities to support our long-term growth;
- further strengthen our commercialization capabilities to solidify our leadership in China;
- further develop our integrated platform and enhance operational efficiency; and
- selectively expand our global footprint.

H SHARE FULL CIRCULATION

On November 26, 2021, the Company received a formal official approval from the China Securities Regulatory Commission regarding the implementation of the full circulation of H Shares, pursuant to which up to 194,099,746 Domestic Shares can be converted into H Shares, and their listing thereof on the Stock Exchange. On January 18, 2022, the Stock Exchange granted approval for the listing of and permission to deal in 194,099,746 H Shares, representing the maximum number of Domestic Shares to be converted to H Shares. On March 3, 2022, the conversion of 194,099,746 Domestic Shares into H Shares was completed and listing of such Shares on the Stock Exchange commenced on March 4, 2022. For more related details, please refer to the Company's announcements dated November 26, 2021, February 28, 2022 and March 3, 2022.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

None of the members of the Group has purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

CORPORATE GOVERNANCE

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the shareholders as a whole. The Company has adopted corporate governance practices based on the principles and code provisions as set out in the CG Code as contained in Part 2 of Appendix 14 to the Listing Rules as its own code of corporate governance practices. Save for the deviation for reasons set out below, during the Reporting Period, the Company had complied with the CG Code. According to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Up to the date of this announcement, the roles of chairman and chief executive officer were performed by Dr. Jonathon Zhong Zhao, which may be inconsistent with code provision C.2.1. Nevertheless, the Board considers that this arrangement is proper and beneficial to the Group as the stability and efficiency of the Company's operations, as well as the continuity of the Company's policies and strategies, can be maintained. Going forward, the Board will periodically review the effectiveness of this arrangement and considers appointing another individual as the chief executive officer when it thinks appropriate.

The Board will continue to review and monitor its code of corporate governance practices of the Company with an aim to maintaining a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company by the Directors, the Supervisors and the Group's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company's securities.

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

EVENTS AFTER THE REPORTING PERIOD

Since June 30, 2022 and up to the date of this announcement, the Company obtained NMPA approval for Endovenous Radiofrequency Ablation (RFA) Catheter. Save for this, the Company is not aware of any other material subsequent events from June 30, 2022 to the date of this announcement.

REVIEW OF INTERIM RESULTS

The Audit Committee comprises three independent non-executive Directors, namely Ms. Yun Qiu, Mr. Hongze Liang and Dr. Jian Ji. The Audit Committee has reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2022 with the management and the auditor of the Company.

The independent auditor of the Company, namely PricewaterhouseCoopers, have carried out a review of the interim financial information in accordance International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

INTERIM DIVIDEND

The Board does not recommend the distribution of any interim dividend for the Reporting Period.

PUBLICATION OF INTERIM RESULTS AND 2022 INTERIM REPORT

This announcement is published on the websites of the Company (http://www.zyloxtb.com) and the Stock Exchange (http://www.hkexnews.hk). The 2022 interim report will be dispatched to the Shareholders and will be made available on the websites of the Company and the Stock Exchange as and when appropriate.

"Audit Committee"	the audit committee of the Board
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"BGC — balloon guiding catheter"	a large lumen catheter with a compliance balloon at the distal tip of the catheter. Intending to facilitate the insertion and guidance of an intravascular catheter
"Board"	the board of Directors
"CE Mark"	a certification mark that indicates conformity with health, safety, and environmental protection standards for products sold within the European Economic Area
"CG Code"	the "Corporate Governance Code" as contained in Part 2 of Appendix 14 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which for the purpose of this interim results announcement and for geographical reference only, excludes Hong Kong, Macau and Taiwan
"CODM"	chief operating decision-maker
"Company", "our Company", "Group", "our Group", "We" "our" or "us"	Zylox-Tonbridge Medical Technology Co., Ltd. (歸創通橋醫療科技股份有限公司), a limited liability company incorporated in the PRC on November 6, 2012 and converted into a joint stock limited liability company incorporated in the PRC on March 2, 2021, whose predecessor was Zhejiang Zylox Medical Device Co., Ltd. (浙江歸創醫療器械有限公司) and the H Shares of which are listed on the Stock Exchange (stock code: 2190) and which includes its subsidiaries (from time to time) as required by the context
"Core Products"	Thrombite® CRD and UltraFree® DCB, the designated "Core Products" as defined under Chapter 18A of the Listing Rules

"CRD — clot retriever device"	a minimally invasive device to capture and remove the clot blocking blood vessels to treat neurovascular diseases such as acute ischemic stroke
"DCB — drug-coated balloon"	angioplasty balloons (usually semi-compliant) coated with a cytotoxic chemotherapeutic agent
"Director(s)"	the director(s) of the Company or any one of them
"Domestic Share(s)"	the ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are unlisted shares which are held by domestic investors and currently not listed or traded in any stock exchange
"Employee Incentive Platforms"	Hangzhou Fujiang Investment Partnership (Limited Partnership) (杭州涪江投資合夥企業（有限合夥)), Zhuhai Guichuang Equity Investment Center (Limited Partnership) (珠海歸創股權投資中心（有限合夥)), Zhuhai Tongqiao Investment Center (Limited Partnership) (珠海通橋投資中心（有限合夥)) and Huzhou Guiqiao Enterprise Management Partnership (Limited Partnership) (湖州歸橋企業管理合夥企業（有限合夥))
"H Share(s)"	overseas listed foreign shares in the share capital of the Company with nominal value of RMB1.00 each, which are listed on the Stock Exchange
"HKD" or "HK$"	Hong Kong dollars and cents, both are the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	International Financial Reporting Standards
"ischemic stroke"	a stroke caused by a blockage in an artery that supplies blood to the brain

"IVC — inferior vena cava"	a large vein that carries the deoxygenated blood from the lower and middle body into the right atrium of the heart
"Listing" or "IPO"	the listing of the H Shares on the Main Board of the Stock Exchange on July 5, 2021
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix 10 to the Listing Rules
"NMPA"	National Medical Products Administration (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局)
"Prospectus"	the prospectus issued by the Company dated June 22, 2021
"PTA — percutaneous transluminal angioplasty"	a percutaneous interventional procedure that can open up blocked peripheral arteries using a catheter with a balloon at the end of it, allowing blood to circulate unobstructed
"Reporting Period"	the six months ended June 30, 2022
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary shares in the capital of the Company with a nominal value of RMB1.00 each
"Shareholder(s)"	holder(s) of the Shares

"Single Largest Group of Shareholders"	refers to Dr. Jonathon Zhong Zhao (趙中), Dr. Shengping Sam Zhong (鍾生平), Dr. Zheng Li (李崢), Ms. Na Wei (衛娜), Zhuhai Tongqiao Investment Center (Limited Partnership) (珠海通橋投資中心(有限合夥)), Hangzhou Fujiang Investment Partnership (Limited Partnership) (杭州涪江投資合夥企業(有限合夥)), Zhuhai Guichuang Equity Investment Center (Limited Partnership) (珠海歸創股權投資中心(有限合夥)), Huzhou Guiqiao Enterprise Management Partnership (Limited Partnership) (湖州歸橋企業管理合夥企業(有限合夥)), WEA Enterprises, LLC and Huzhou Yuyihui Investment Partnership (Limited Partnership) (湖州語意慧投資合夥企業(有限合夥)) (formerly known as Nanjing Yuyihui Investment Partnership (Limited Partnership) (南京語意慧投資合夥企業(有限合夥)))
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Supervisor(s)"	member(s) of the supervisory committee of the Company
"%"	percent

By order of the Board
Zylox-Tonbridge Medical Technology Co., Ltd.
Dr. Jonathon Zhong Zhao
Chairman and Executive Director

Hong Kong, August 15, 2022

As of the date of this announcement, the Board comprises Dr. Jonathon Zhong Zhao, Mr. Yang Xie and Dr. Zheng Li as executive Directors, Mr. Stephen Hui Wang, Dr. Steven Dasong Wang and Mr. Dongfang Li as non-executive Directors, and Dr. Jian Ji, Mr. Hongze Liang and Ms. Yun Qiu as independent non-executive Directors.